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DELTA REPORT

10-Q

IGC - INDIA GLOBALIZATION CAPIT

10-Q - JUNE 30, 2023 COMPARED TO 10-Q - DECEMBER 31, 2022

The following comparison report has been automatically generated

TOTAL DELTAS	1182
CHANGES	184
DELETIONS	537
ADDITIONS	461

REFINITIV

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

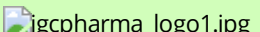
FORM 10-Q

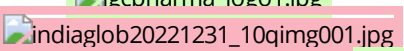
☐ Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended December 31, 2022 June 30, 2023

☐ **Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Commission file number: 001-32830





INDIA GLOBALIZATION CAPITAL, IGC PHARMA, INC.

(Exact name of registrant as specified in its charter)

Maryland	**20-2760393**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
10224 Falls Road, Potomac, Maryland	**20854**
(Address of principal executive offices)	(Zip Code)

(301) 983-0998

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Tradingsymbol(s)**	**Name of each exchange on which registered**
Common Stock, par value $0.0001 per share	IGC	NYSE American LLC

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☐ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that

the registrant was required to submit such files). ☐ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☐	Smaller reporting company ☐
	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☐ No

53,077,436 53,916,604 shares of our common stock were outstanding as of February 1, 2023 July 24, 2023.

INDIA GLOBALIZATION CAPITAL, IGC PHARMA, INC.
FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED DECEMBER 31, 2022 JUNE 30, 2023

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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q and the documents incorporated herein by reference contain "forward-looking statements." Additionally, we, or our representatives, may, from time to time, make other written or verbal forward-looking statements and discuss plans, expectations, and objectives regarding our business, financial condition, and results of operations. Without limiting the foregoing, statements that are in the future tense, and all statements accompanied by terms such as "believe," "project," "expect," "trend," "estimate," "forecast," "assume," "intend," "plan," "target," "anticipate," "outlook," "preliminary," "will likely result," "will continue," and variations of them and similar terms are intended to be "forward-looking statements" as defined by federal securities laws. Such statements are based on currently available information, which management has assessed but which is dynamic and subject to rapid change due to risks and uncertainties that affect our business.

For the next several years, we believe our success is highly correlated with the outcome of our clinical trials and secondarily with the sale of our products and services. The Company may not be able to complete human trials on our investigational drug candidate, or, once conducted, the results of human trials may not be favorable or as anticipated or may reflect a lack of efficacy in humans or animals. Precautions, including social distancing and travel restrictions, among others, surrounding the ongoing SARS CoV 2 ("COVID-19") pandemic could lead to delays or expenses greater than anticipated or projected. Failure or delay with respect to any of the above factors could have a material adverse effect on our business, future results of operations, stock price, and financial condition.

Our projections and investments anticipate certain regulatory changes and stable pricing, which may not hold out over the next several years. We may not be able to protect our intellectual property adequately or receive patents. We may not receive regulatory approval for our products or trials. The patent applications we have licensed may not be granted by the United States Patent and Trademark Office

("USPTO"), even if the Company is in full compliance with USPTO requirements. We may not have adequate resources, including financial resources, to successfully conduct all requisite clinical trials, to bring a product based on the above-referenced patented formulations to market, or to pay applicable maintenance fees over time. We may not be able to successfully commercialize our products even if they are successful and receive regulatory approval, including, but not limited to, based on the Food and Drug Administration's ("FDA") current position on hemp and hemp-based products. Failure or delay with respect to any of the factors above could have a material adverse effect on our business, future results of operations, stock price, and financial condition.

This document also contains statements that are not approved by the FDA, including statements on hemp and hemp extracts and their potential efficacy on humans and animals. While these statements and claims are intended to be in compliance with federal and state laws, we cannot guarantee such compliance.

We caution you not to place undue reliance on forward-looking statements, which are based upon assumptions, expectations, plans, and projections subject to risks and uncertainties, including those, if any, identified in the "Risk Factors" set forth in this report or in our annual report on Form 10-K for the fiscal year ended March 31, 2022 March 31, 2023, filed with the Securities and Exchange Commission ("SEC") on June 23, 2022 July 7, 2023, which may cause actual results to differ materially from those expressed or implied in the forward-looking statements. Forward-looking statements speak only as of the date when they are made. Except as required by federal securities law, we do not undertake any obligation to update forward-looking statements to reflect events, circumstances, changes in expectations, or the occurrence of unanticipated events after the date of those statements.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

India Globalization Capital, IGC Pharma, Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)
(Unaudited)

	December 31, 2022 ($)	March 31, 2022 ($)	June 30, 2023 ($)	**March 31, 2023 ($)**
ASSETS				
Current assets:				
Cash and cash equivalents	4,945	10,460	1,723	3,196
Accounts receivable, net	251	125	225	107
Short term investments	88	-	227	154
Inventory	3,748	3,548	2,641	2,651

Deposits and advances	322	978	262	358
Total current assets	9,354	15,111	5,078	6,466
Non-current assets:				
Intangible assets, net	1,022	917	1,179	1,170
Property, plant, and equipment, net	8,309	9,419	8,104	8,213
Claims and advances	1,028	937	1,017	1,003
Operating lease asset	357	450	295	326
Total non-current assets	10,716	11,723	10,595	10,712
Total assets	20,070	26,834	15,673	17,178
LIABILITIES AND STOCKHOLDERS' EQUITY:				
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities:				
Accounts payable	466	981	672	530
Accrued liabilities and others	890	1,460	1,459	1,368
Total current liabilities	1,356	2,441	2,131	1,898
Non-current liabilities:				
Long-term loans	141	144	140	141
Other liabilities	15	16	21	21
Operating lease liability	241	341	179	207
Total non-current liabilities	397	501	340	369
Total liabilities	1,753	2,942	2,471	2,267
Commitments and Contingencies – See Note 12				
Stockholders' equity:				
Preferred stock, $0.0001 par value: authorized 1,000,000 shares, no shares issued or outstanding as of December 31, 2022, and March 31, 2022.				
Common stock and additional paid-in capital, $0.0001 par value: 150,000,000 shares authorized; 53,077,436 and 51,054,017 shares issued and outstanding as of December 31, 2022, and March 31, 2022, respectively.	118,382	116,019		
Preferred stock, $0.0001 par value: authorized 1,000,000 shares, no shares issued or outstanding as of June 30, 2023, and March 31, 2023.				
Common stock and additional paid-in capital, $0.0001 par value: 150,000,000 shares authorized; 53,077,436 shares issued and outstanding as of June 30, 2023, and March 31, 2023, respectively.			119,322	118,965
Accumulated other comprehensive loss	(3,430)	(2,968)	(3,380)	(3,389)

Accumulated deficit	(96,635)	(89,159)	(102,740)	(100,665)
Total stockholders' equity	18,317	23,892	13,202	14,911
Total liabilities and stockholders' equity	20,070	26,834	15,673	17,178

The accompanying notes should be read in connection with these Condensed Consolidated Financial Statements.

India Globalization Capital, IGC Pharma, Inc.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(in thousands, except loss per share and share data)

(Unaudited)

	Three months ended December 31,		Nine months ended December 31,			
	2022	2021	2022	2021		
	($)	($)	($)	($)	Three months ended June 30,	
					2023	2022
					($)	**($)**
Revenue	332	142	745	275	555	212
Cost of revenue	(230)	(80)	(366)	(149)	(300)	(70)
Gross profit	102	62	379	126	255	142
Selling, general and administrative expenses	(1,574)	(2,070)	(4,943)	(7,956)	(1,647)	(1,550)
Research and development expenses	(806)	(377)	(2,968)	(1,097)	(747)	(1,394)
Operating loss	(2,278)	(2,385)	(7,532)	(8,927)	(2,139)	(2,802)
Impairment of investment	-	-	-	(37)		
Other income, net	29	4	56	451	64	17
Loss before income taxes	(2,249)	(2,381)	(7,476)	(8,513)	(2,075)	(2,785)
Income tax expense/benefit	-	-	-	-	-	-
Net loss attributable to common stockholders	(2,249)	(2,381)	(7,476)	(8,513)	(2,075)	(2,785)
Foreign currency translation adjustments	(61)	77	(462)	11	9	(219)
Comprehensive loss	(2,310)	(2,304)	(7,938)	(8,502)	(2,066)	(3,004)
Net loss per share attributable to common stockholders:						
Loss per share attributable to common stockholders:						

Basic and diluted	$ (0.04)	(0.05)	(0.14)	(0.18)	$ (0.04)	$ (0.05)
Weighted-average number of shares used in computing net loss per share amounts:	53,063,473	51,053,191	52,412,830	49,643,942		
Weighted-average number of shares used in computing loss per share amounts:					53,077,436	51,616,598

The accompanying notes should be read in connection with these Condensed Consolidated Financial Statements.

IGC Pharma, Inc.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(in thousands)

(Unaudited)

	Number of Common Shares	Common Stock and Additional Paid in Capital ($)	Accumulated Deficit ($)	Accumulated Other Comprehensive Loss ($)	Total Stockholders' Equity ($)
Balances as of March 31, 2022	51,054	116,019	(89,159)	(2,968)	23,892
Common stock-based compensation & expenses, net	787	1,152	-	-	1,152
Net proceeds from the issuance of common stock	-	-	-	-	-
Net loss	-	-	(2,785)	-	(2,785)
Foreign currency translation adjustments	-	-	-	(219)	(219)
Balances as of June 30, 2022	51,841	117,171	(91,944)	(3,187)	22,040
Balances as of March 31, 2023	53,077	118,965	(100,665)	(3,389)	14,911
Common stock-based compensation & expenses, net	-	357	-	-	357
Net proceeds from the issuance of common stock	-	-	-	-	-
Net loss	-	-	(2,075)	-	(2,075)
Foreign currency translation	-	-	-	9	9
Balances as of June 30, 2023	53,077	119,322	(102,740)	(3,380)	13,202

The accompanying notes should be read in connection with these Condensed Consolidated Financial Statements.

IGC Pharma, Inc.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

(Unaudited)

	Three months Ended June 30,	
	2023 **($)**	2022 **($)**
Cash flows from operating activities:		
Net loss	(2,075)	(2,785)
Adjustment to reconcile net loss to net cash:		
Depreciation and amortization	155	162
Common stock-based compensation and expenses, net	357	1,152
Other non-cash items	(53)	68
Changes in:		
Accounts receivables, net	(118)	(23)
Inventory	10	(74)
Deposits and advances	33	73
Claims and advances	(13)	15
Accounts payable	142	(524)
Accrued and other liabilities	91	(258)
Operating lease asset	31	31
Operating lease liability	(28)	(33)
Net cash used in operating activities	(1,468)	(2,196)
Cash flow from investing activities:		
Purchase of property, plant, and equipment	(20)	(127)
Sale of property, plant, and equipment	43	-
Acquisition and filing cost of patents and rights	(28)	(31)
Net cash used in investing activities	(5)	(158)
Cash flows from financing activities:		
Net proceeds from the issuance of common stock	-	-
Repayment of long-term loan	(1)	(1)
Net cash used in financing activities	(1)	(1)

Effects of exchange rate changes on cash and cash equivalents	1	(52)
Net decrease in cash and cash equivalents	(1,473)	(2,407)
Cash and cash equivalents at the beginning of the period	3,196	10,460
Cash and cash equivalents at the end of the period	1,723	8,053
Supplementary information:		
Non-cash items:		
Common stock issued/granted for stock-based compensation, including patent acquisition	357	1,152

The accompanying notes should be read in connection with these Condensed Consolidated Financial Statements.

India Globalization Capital, Inc.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(in thousands)

(Unaudited)

Three months ended December 31, 2021	Number of Common Shares	Common Stock and Additional Paid in Capital ($)	Accumulated Deficit ($)	Accumulated Other Comprehensive Loss ($)	Total Stockholders' Equity ($)
Balances as of September 30, 2021	51,041	114,371	(80,275)	(2,840)	31,256
Common stock-based compensation & expenses, net	13	523	-	-	523
Issuance of common stock through offering (net of expenses)	-	-	-	-	-
Net loss	-	-	(2,381)	-	(2,381)
Foreign currency translation adjustments	-	-	-	77	77
Balances as of December 31, 2021	51,054	114,894	(82,656)	(2,763)	29,475
Three months ended December 31, 2022					
Balances as of September 30, 2022	53,058	117,899	(94,386)	(3,369)	20,144
Common stock-based compensation & expenses, net	19	483	-	-	483

Issuance of common stock through offering (net of expenses)	-	-	-	-	-
Net loss	-	-	(2,249)	-	(2,249)
Foreign currency translation adjustments	-	-	-	(61)	(61)
Balances as of December 31, 2022	53,077	118,382	(96,635)	(3,430)	18,317

Nine months ended December 31, 2021	Number of Common Shares	Common Stock and Additional Paid in Capital ($)	Accumulated Deficit ($)	Accumulated Other Comprehensive Loss ($)	Total Stockholders' Equity ($)
Balances as of March 31, 2021	47,827	109,720	(74,143)	(2,774)	32,803
Common stock-based compensation & expenses, net	1,520	1,072	-	-	1,072
Issuance of common stock through offering (net of expenses)	1,750	4,145	-	-	4,145
Other adjustments	(43)	(43)	-	-	(43)
Net loss	-	-	(8,513)	-	(8,513)
Foreign currency translation adjustments	-	-	-	11	11
Balances as of December 31, 2021	51,054	114,894	(82,656)	(2,763)	29,475
Nine months ended December 31, 2022					
Balances as of March 31, 2022	51,054	116,019	(89,159)	(2,968)	23,892
Common stock-based compensation & expenses, net	1,815	2,260	-	-	2,260
Issuance of common stock through offering (net of expenses)	208	103	-	-	103
Net loss	-	-	(7,476)	-	(7,476)
Foreign currency translation adjustments	-	-	-	(462)	(462)
Balances as of December 31, 2022	53,077	118,382	(96,635)	(3,430)	18,317

The accompanying notes should be read in connection with these Condensed Consolidated Financial Statements.

India Globalization Capital, Inc.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

(Unaudited)

	Nine months Ended December 31,	
	2022 ($)	2021 ($)
Cash flows from operating activities:		
Net loss	(7,476)	(8,513)
Adjustment to reconcile net loss to net cash:		
Depreciation and amortization	504	486
Provision for bad debt	-	1,718
Impairment of non-marketable securities	-	37
Common stock-based compensation and expenses, net	2,260	1,072
Net loss on sale of property, plant, and equipment	39	-
Forgiveness of PPP Loan	-	(430)
Changes in operating assets and liabilities:		
Accounts receivables, net	(127)	11
Inventory	(200)	51
Deposits and advances	656	(186)
Claims and advances	(91)	(10)
Accounts payable	(516)	(117)
Accrued and other liabilities	(572)	(669)
Operating lease asset	93	6
Operating lease liability	(100)	(31)
Net cash used in operating activities	(5,530)	(6,575)
Cash flow from investing activities:		
Net sale/(purchase) of property, plant, and equipment	239	(152)
Investment in short term investments	(88)	-
Acquisition and filing cost of patents and rights	(144)	(37)
Net cash provided by/(used in) investing activities	7	(189)
Cash flows from financing activities:		
Issuance of equity stock through offering (net of expenses)	103	4,145
Repayment of long-term loan	(2)	(2)
Net cash provided by financing activities	101	4,143

Effects of exchange rate changes on cash and cash equivalents	(93)	14
Net decrease in cash and cash equivalents	(5,515)	(2,607)
Cash and cash equivalents at the beginning of the period	10,460	14,548
Cash and cash equivalents at the end of the period	4,945	11,941
Supplementary information:		
Non-cash items:		
Common stock issued/granted for stock-based compensation, including patent acquisition	2,260	1,072
Forgiveness of PPP Loan	-	(430)

The accompanying notes should be read in connection with these Condensed Consolidated Financial Statements.

India Globalization Capital, IGC Pharma, Inc.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
THREE AND NINE MONTHS ENDED DECEMBER 31, 2022JUNE 30, 2023
(in thousands, except for share data and loss per share, unaudited)

Unless the context requires otherwise, all references in this report to "IGC," "the Company," "we," "our" and/or "us" refer to India Globalization Capital, Inc., dba IGC Pharma, Inc., together with our subsidiaries and beneficially owned subsidiary. Our public filings with the Securities and Exchange Commission, the "SEC," are available on www.sec.gov. The information contained on our various websites, including www.igcinc.us, is not incorporated by reference in this report, and you should not consider such information to be a part of this report. We exclude our investments and minority non-controlling interests, and any information provided by them is not incorporated by reference in this report, and you should not consider such information to be a part of this report.

NOTE 1 – BUSINESS DESCRIPTION

Corporate History Overview

India Globalization Capital, Inc. (dba IGC Pharma, Inc., IGC) is a clinical-stage pharmaceutical company with a diversified revenue model that develops prescription drugs and over-the-counter (OTC) products. We are a Maryland corporation established in 2005. Our 2005 with a fiscal year that is the a 52- or 53-week period ending that ends on March 31.

Business Overview

IGC develops advanced Our focus is on developing innovative therapies for neurological disorders such as Alzheimer's disease, epilepsy, Tourette syndrome, and sleep disorders. We also focus on formulations for treating diseases and conditions, including Alzheimer's disease (AD), menstrual cramps (dysmenorrhea), eating disorders, chronic pain, premenstrual syndrome (PMS), and chronic pain. dysmenorrhea, in addition to health and wellness OTC formulations. The Company's leading drug Company is developing its proprietary lead candidate, IGC-AD1, has demonstrated in an investigational oral therapy for the

treatment of agitation associated with Alzheimer's cell lines the potential to be effective in suppressing or ameliorating two key hallmarks of AD: plaques and tangles. disease. IGC-AD1 is currently in Phase 2 (Phase 2B) clinical trials after completing nearly a decade of research and realizing positive results from pre-clinical and a Phase 2B safety 1 trial. This previous research into IGC-AD1 has demonstrated efficacy in reducing plaques and efficacy clinical trial for agitation tangles, which are two important hallmarks of Alzheimer's, as well as reducing neuropsychiatric symptoms associated with dementia in dementia from Alzheimer's (clinicaltrials.gov, NCT05543681). The Company markets two wellness brands Holief and Sunday Seltzer. Holief includes pain relief creams and gels for women experiencing PMS and menstrual cramps, and Sunday Seltzer, a lifestyle energy beverage brand. disease, such as agitation.

IGC has two segments: Life Sciences and Infrastructure.

Life Sciences Segment

Pharmaceutical: Since 2014, the Company has focused primarily on the potential uses of phytocannabinoids, in combination with other compounds, to treat multiple diseases, such as Alzheimer's disease. As a company engaged in the clinical-stage pharmaceutical industry, we focus our research and development efforts, subject to results of future clinical trials, on seeking pharmaceutical solutions that may a) alleviate neuropsychiatric symptoms such as agitation, anxiety, and depression associated with dementia in Alzheimer's disease; and b) halt the onset, progression, or cure Alzheimer's disease.

The Company currently has two main investigational small molecules in various stages of development:

1) IGC-AD1, our lead therapeutic candidate, is a tetrahydrocannabinol (THC) based formulation that has demonstrated in AD cell lines, in vitro, the potential in reducing a key peptide responsible for Aβ plaques, and the potential to decrease or inhibit the phosphorylation of tau a protein that is responsible for the formation of neurofibrillary tangles, both important hallmarks of AD. In addition, in the Phase 1 human trial it demonstrated the potential to reduce agitation in dementia due to AD. IGC-AD1 is currently in Phase 2B trials for treating agitation in dementia from AD, a condition that affects over 10-million

1) **IGC-AD1**, our proprietary lead therapeutic candidate, is a Tetrahydrocannabinol (THC) based formulation that has demonstrated in Alzheimer's cell lines the potential to reduce the buildup of Aβ plaques and the potential to decrease or inhibit the phosphorylation of tau, a protein that is responsible for the formation of neurofibrillary tangles (NFTs), both important hallmarks of Alzheimer's. In addition, Phase 1 human trial results demonstrated IGC-AD1's potential to reduce agitation in dementia due to Alzheimer's. IGC-AD1 is currently in Phase 2B trials for treating agitation in dementia from Alzheimer's, a condition that affects over 10 million individuals in North America and Europe, and

2) TGR-63, a non-cannabinoid molecule, is an enzyme inhibitor shown in pre-clinical trials to reduce neurotoxicity in Alzheimer's cell lines.

The Company controls nine patents and seven patent applications, including two each for IGC-AD1 and TGR-63 and their uses related to Alzheimer's.

2) **TGR-63**, non-cannabinoid small molecule that has shown promise in pre-clinical trials for reducing amyloid burden in an Alzheimer's disease model. In Alzheimer's, the accumulation of beta-amyloid protein in the brain leads to the formation of Aβ plaques, which are associated with neurotoxicity and cell dysfunction, ultimately leading to cell death and cognitive decline. The Company's various personal care CBD-based over potential efficacy of TGR-63 lies in its ability to inhibit the counter ("OTC")

consumer products are sold through online aggregation of beta-amyloid. If shown to be safe and wholesale channels under efficacious in human trials in reducing the following two brands:

- Holief™ is a vegan, non-GMO, cruelty free, paraben free, lab verified, CBD infused line of OTC products with plant-based ingredients aimed at supporting menstrual cramp (dysmenorrhea) discomforts and other premenstrual symptoms ("PMS").
- Sunday Seltzer™ is a vegan, organic, lightly carbonated energy drink with natural caffeine from green tea extract, CBD, vitamin B, and vitamin C, with no added sugars, and no preservatives. The energy drink is available in two flavors, pomegranate-lemon, and peach-ginger. In addition, Sunday Seltzer™ is also available in four other flavors with no caffeine.

Both Holief™ and Sunday Seltzer™ are compliant with applicable federal, state, and local laws, and regulations.

The Company operates two segments: formation of Aβ plaques, this molecule could halt the Life Sciences segment described above and a legacy Infrastructure segment to execute construction contracts and the rental of heavy construction equipment in India. The Company is currently actively executing a project in this segment. neurotoxic process caused by beta-amyloid, thereby preventing or treating Alzheimer's.

Other Recent Developments *Over-the-Counter Products*: We have created a women's wellness brand, Holief™ available through online channels that are compliant with relevant federal, state, and local laws, and regulations. Holief™ is an all-natural, non-GMO, vegan, line of over the counter (OTC) products aimed at treating menstrual cramps (dysmenorrhea) and premenstrual syndrome (PMS). The products are available online and through Amazon and other online channels. In addition, we sell our product formulations to other companies that market them under their brand. This is the white label part of the OTC business.

Phase 2 Clinical Trial

Typically, a Phase 2 trial is divided into a Phase 2A and a Phase 2B trial with the former designed to assess dosing requirements and the latter to establish efficacy. In this document, we refer to the trial as Phase 2 and Phase 2B interchangeably. The Company commenced its has initiated a Phase 2B protocol titled "A Phase 2, clinical Multi-Center, Double-Blind, Randomized, Placebo-controlled, trial of the safety and efficacy of IGC-AD1 on IGC-AD1 for agitation in participants with dementia due to Alzheimer's disease". The protocol is powered at 146 Alzheimer's patients, with half receiving placebo, and is a superiority, parallel group study.

The primary end point is agitation in dementia from due to Alzheimer's disease as rated by the Cohen-Mansfield Agitation Inventory (CMAI) over a six-week period. The Phase 2 trial will also look at two U. S. sites. The Company also received a no-objection letter from Health Canada to begin trials eleven exploratory objectives, including changes in Canada anxiety, changes in cognitive processes such as attention, orientation, language, and has commenced trials at a site visual spatial skills as well as memory, changes in Montreal. The depression, delusions, hallucinations, euphoria/elation, apathy, disinhibition, irritability, aberrant motor behavior, sleep disorder, appetite, quality of life, and caregiver burden. In addition, the trial is intended to enroll 146 patients with one half, will evaluate the treated group, receiving IGC-AD1, impact of CYP450 polymorphisms and the other half, the control group, receiving a placebo. The goal specifically CYP2C9 on each of the trial is NPS and assess any reductions in psychotropic drugs, among others. CYP2C9 ranks amongst the most important drug metabolizing enzymes in humans, as it breaks down over 100 drugs, including nonsteroidal anti-inflammatory all drugs. We seek to evaluate and establish understand how various versions of the efficacy enzyme act on IGC-AD1. Each participant will receive two doses of IGC-AD1 in treating patients

with Alzheimer's dementia to reduce neuropsychiatric symptoms ("NPS" (b.i.d.) such as agitation, which affects 76% or two doses of individuals with Alzheimer's (Mussele et al., 2015). The Company hopes to be the first natural tetrahydrocannabinol ("THC") based medication placebo per day for treating agitation in dementia from Alzheimer's. The trial is registered on clinicaltrials.gov with NCT05543681. six weeks.

Business Organization

As of December 31, 2022 June 30, 2023, the Company had the following operating subsidiaries: Techni Bharathi Private Limited ("TBL") (TBL), IGCare LLC, Holi Hemp LLC, IGC Pharma LLC, SAN Holdings LLC, Sunday Seltzer, LLC, Hamsa Biopharma India Pvt. Ltd., and And Colombia-based beneficially owned beneficially-owned subsidiary IGC Pharma SAS (formerly Hamsa Biopharma Colombia SAS (formerly Hamsa Biochem SAS) (Hamsa). The Company's fiscal year is the 52- or 53-week period ending that ends on March 31. The Company Company's principal office is a in Maryland corporation, established in 2005. Additionally, the Company has offices in Washington state, Colombia, and India. The Company's public filings with the SEC are available on www.sec.gov.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The accompanying condensed consolidated balance sheet Balance Sheet as of December 31, 2022 June 30, 2023, and March 31, 2022 March 31, 2023, condensed consolidated statements of operations for the three months and nine months ended December 31, 2022 June 30, 2023, and 2021, and condensed consolidated statements of changes in stockholders' deficit for the three months and nine months ended December 31, 2022, and 2021, 2022, and condensed consolidated statements of cash flows for the nine three months ended December 31, 2022 June 30, 2023, and 2021, 2022, are unaudited. The consolidated balance sheet as of March 31, 2022 March 31, 2023, has been derived from audited financial statements, and the accompanying as of June 30, 2023 unaudited condensed consolidated financial statements ("interim statements") of the Company have been prepared in accordance with accounting principles generally accepted in the U.S. ("U.S. GAAP") as determined by the Financial Accounting Standards Board (the "FASB") within its Accounting Standards Codification ("ASC") and under the rules and regulations of the SEC.

Accordingly, they do not include all the information and footnotes required by U.S. GAAP for complete financial statements. In the opinion of management, all adjustments and disclosures necessary for a fair presentation of these interim statements have been included. The results reported in these interim statements are not necessarily indicative of the results that may be reported for the entire year. These interim statements should be read in conjunction with the Company's audited consolidated financial statements for the fiscal year ended March 31, 2022 March 31, 2023 ("Fiscal 2022" 2023") contained in the Company's Form 10-K for Fiscal 2022, 2023, filed with the SEC on June 23, 2022 July 7, 2023, specifically in Note 2 to the consolidated financial statements.

Principles of consolidation

The interim statements include the consolidated accounts of the Company and its subsidiaries. Intercompany accounts and transactions have been eliminated. In the opinion of management, Management, the interim statements reflect all adjustments, which are normal and recurring in nature, necessary for fair financial statement presentation.

Use of estimates

The preparation of financial statements Transactions between the Company and its subsidiaries are eliminated in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Management believes that the estimates and assumptions used in the preparation of the consolidated financial statements are prudent and reasonable. Significant estimates and assumptions are generally used for, but not limited to, allowance for uncollectible accounts receivable; sales returns; normal loss during production; future obligations under employee benefit plans; the useful lives of property, plant, and equipment; intangible assets; valuations; impairment of goodwill and investments; recoverability of advances; the valuation of options granted, and warrants issued; and income tax and deferred tax valuation allowances, if any. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Critical accounting estimates could change from period to period and could have a material impact on IGC's results, operations, financial position, and cash flows. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the condensed consolidated financial statements.

Presentation and functional currencies

IGC The Company operates in India, the U.S., India, Colombia, and Hong Kong, and a portion of the Company's financials are denominated in the Indian Rupee ("INR"), the Hong Kong Dollar ("HKD"), or the Colombian Peso ("COP"). As a result, changes in the relative values of the U.S. Dollar ("USD"), the INR, the HKD, or the COP affect our financial statements.

The accompanying financial statements are reported in USD. The INR, HKD, and COP are the functional currencies for certain subsidiaries of the Company. The translation of the functional currencies into USD is performed for assets and liabilities using the exchange rates in effect at the balance sheet date and for revenues and expenses using average exchange rates prevailing during the reporting periods. Adjustments resulting from the translation of functional currency financial statements to reporting currency are accumulated and reported as other comprehensive (loss), a separate component of shareholders' equity. Transactions in currencies other than the functional currency during the year are converted into the functional currency at the applicable rates of exchange prevailing when the transactions occurred. Transaction gains and losses are recognized in the consolidated statements of operations.

Impairment of long-lived assets Going Concern

The Company reviews assesses and determines its long-lived assets, ability to continue as a going concern in accordance with finite lives, for impairment whenever the provisions of ASC Subtopic 205-40, "*Presentation of Financial Statements—Going*

Concern", which requires the Company to evaluate whether there are conditions or events or changes that raise substantial doubt about its ability to continue as a going concern.

The Company is currently in business circumstances indicate that the carrying amount of assets may a clinical trial stage and, thus, has not be fully recoverable. Such circumstances include, though are not limited yet achieved profitability. The Company expects to continue to incur significant or sustained declines in revenues or earnings, future anticipated operating and net losses and negative cash flows business plans, and material adverse changes from operations in the economic climate, such as changes in near future.

The Company estimates that its current cash and cash equivalents balance with working capital credit facility and equity investment is sufficient to support operations beyond the operating environment, competitive information, twelve months following the date these consolidated financial statements and the impact of changes in government policies. For assets that the Company intends to hold for use, if the total of the expected future undiscounted cash flows produced by the assets or subsidiary company is less than the carrying amount of the assets, a loss is recognized for the difference between the fair value and carrying value of the assets. For assets, the Company intends to dispose of by sale, a loss or profit is recognized for the amount by which the estimated fair value less cost to sell is less than the carrying value of the assets. Fair value is determined footnotes were issued. These estimates are based on quoted market prices, if available, or other valuation techniques including discounted future net cash flows. Unlike goodwill, long-lived assets are assessed for impairment only where there are any specific indicators for impairment.

No impairment has been recorded for the nine months ended December 31, 2022, and 2021.

Short-term and long-term investments

Our policy for short-term and long-term investments is assumptions that may prove to establish a high-quality portfolio that preserves principal, meets liquidity needs, avoids inappropriate concentrations, and delivers an appropriate yield in relation to our investment guidelines and market conditions. Short-term and long-term investments consist of equity investment, mutual funds, corporate, various government securities, and municipal debt securities, as well as certificates of deposit. Certificates of deposit and commercial paper are carried at cost which approximates fair value. Available-for-sale securities: Investments in debt securities that are classified as available for sale shall be measured subsequently at fair value in the statement of financial position.

Investments are initially measured at cost, which is the fair value of the consideration given for them, including transaction costs. Where the Company's ownership interest is in excess of 20% wrong, and the Company has a significant influence, the Company has accounted for the investment based on the equity method in accordance with ASC Topic 323, "Investments – Equity method and Joint Ventures." Under the equity method, the Company's share of the post-acquisition profits or losses of the equity investee is recognized in the consolidated statements of operations and could use its share of post-acquisition movements in accumulated other comprehensive income/(loss) is recognized in other comprehensive income/(loss). Where the Company does not have significant influence, the Company has accounted for the investment in accordance with ASC Topic 321, "Investments-Equity Securities." available capital resources sooner than it currently expects.

We consider all highly liquid interest-earning investments with a maturity of three months or less at the date of purchase to be cash equivalents. The fair values of these investments approximate their carrying values. In general, investments with original maturities of greater than three months and remaining maturities of less than one year are classified as short-term investments. Investments with maturities beyond one year may be classified as short-term based on their highly liquid nature and because such marketable securities represent the investment of cash that is available for current operations.

Debt investments are classified as available-for-sale and realized gains and losses are recorded using the specific identification method. Changes in fair value, excluding credit losses and impairments, are recorded in other comprehensive income. Fair value is calculated based on publicly available market information or other estimates determined by management. If the cost of an investment exceeds its fair value, we evaluate, among other factors, general market conditions, credit quality of debt instrument issuers, and the extent to which the fair value is less than the cost. To determine credit losses, we employ a systematic methodology that considers available quantitative and qualitative evidence. In addition, we consider specific adverse conditions related to the financial health of, and business outlook for, the investee. If we have plans to sell the security or it is more likely than not that we will be required to sell the security before recovery, then a decline in fair value below cost is recorded as an impairment charge in other income (expense), net and a new cost basis in the investment is established. If market, industry, and/or investee conditions deteriorate, we may incur future impairments.

Equity investments with readily determinable fair values are measured at fair value. Equity investments without readily determinable fair values are measured using the equity method or measured at cost with adjustments for observable changes in price or impairments (referred to as the measurement alternative). We perform a qualitative assessment on a periodic basis and recognize an impairment if there are sufficient indicators that the fair value of the investment is less than the carrying value. Changes in value are recorded in other income (expense), net.

As of December 31, 2022, the Company has approximately $88 thousand in short-term investments.

Stock–based compensation

The Company accounts for stock-based compensation to employees and non-employees in conformity ASC Topic 718, "Stock-Based Compensation." The Company expenses stock-based compensation to employees over the requisite vesting period based on the award's estimated grant-date fair value. The Company accounts for forfeitures as they occur. Stock-based awards are recognized on a straight-line basis over the requisite vesting period. For stock-based employee compensation cost recognized at any date will be at least equal to the amount attributable to the share-based compensation that is vested at that date. For performance-based awards with a vesting schedule based entirely on the attainment of performance conditions, stock-based compensation expense associated with each tranche is recognized over the expected achievement period for the operational milestone, beginning at the point in time when the relevant operational milestone is considered probable to be achieved.

For market-based awards, stock-based compensation expense is recognized over the expected achievement period. The fair value of such awards is estimated on the grant date using the binomial lattice model.

The Company estimates the fair value of stock option grants using the Black-Scholes option-pricing model. The assumptions in calculating the fair value of stock-based awards represent management's best estimates. Generally, the closing share price of the Company's common stock on the date of grant is considered the fair value of the share. The volatility factor is determined based on the Company's historical stock prices. The expected term represents the period that our stock-based awards are expected to be outstanding. The Company has never declared or paid any cash dividends. For further information, refer to Note 14, "Stock-Based Compensation" of Notes to Consolidated Financial Statements.

Accounts receivable

We make estimates of the collectability of our accounts receivable by analyzing historical payment patterns, customer concentrations, customer creditworthiness, and current economic trends. If a customer's the financial condition of a customer deteriorates, additional allowances may be required. We had $251 $17 thousand of accounts receivable, net of provision for the doubtful debt of $35 $225 thousand as of December 31, 2022 June 30, 2023, as compared to $125 $107 thousand of accounts receivable net of provision for the doubtful debt of $93 thousand as of March 31, 2022 March 31, 2023.


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Inventory

Inventory is valued at the lower of cost or net realizable value, defined as estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation.

Inventory consists of raw materials, finished goods related to wellness products, hand sanitizers, finished hemp-based products and beverages, among others, as well as work-in-progress such as extracted hemp crude oil, hemp-based isolate, growing crops, harvested crops, and herbal oils, among others. Work-in-progress also includes product manufacturing in process, and costs of growing hemp, in accordance with applicable laws and regulations, including but not limited to labor, utilities, fertilizers, and irrigation. Inventory is primarily accounted for using the weighted average cost method. Primary costs include raw materials, packaging, direct labor, overhead, shipping, and the depreciation of manufacturing equipment. Manufacturing overhead and related expenses include salaries, wages, employee benefits, utilities, maintenance, and property taxes.

Abnormal amounts of idle facility expense, freight, handling costs, scrap, discontinued products, and wasted material (spoilage) are expensed in the period they are incurred.

Fair value of financial instruments

ASC 820, "*Fair Value Measurement*," defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. It also establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1: Observable inputs such as quoted prices in active markets.

Level 2: Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

Earnings/(Loss) Loss per share

The computation of basic loss per share for the nine three months ended December 31, 2022 June 30, 2023, excludes potentially dilutive securities of approximately 6.1 million 10 million shares which includes share options, unvested shares such as restricted shares and restricted share units, granted to employees, non-employees, and advisors, and shares from the conversion of outstanding units, if any because their inclusion would be anti-dilutive. In addition, the Company entered into a private placement agreement on June 30, 2023. As per the terms of the agreement, the Company will issue 10 million shares of unregistered common stock.

The weighted average number of shares outstanding for the nine three months ended December 31, 2022 June 30, 2023, and 2021, 2022, used for the computation of basic earnings per share ("EPS"), is 52,412,830 53,077,436 and 49,643,942, 51,616,598, respectively. Due to the loss incurred by the Company during the nine three months ended December 31, 2022 June 30, 2023, and 2021, 2022, all the potential equity shares are anti-dilutive, and accordingly, the fully diluted EPS is equal to the basic EPS.

Cybersecurity

Cybersecurity

We have a cybersecurity policy in place and have taken cybersecurity measures that, while to safeguard against hackers, however, there can be no assurance we expect are likely to safeguard thereof. During the Company against breaches. In the nine three months ended December 31, 2022 June 30, 2023, there were no impactful breaches in cybersecurity.

Intangible assets

The Company's intangible assets are accounted for in accordance with ASC Topic 350, Intangibles – Goodwill and Other. Intangible assets having indefinite lives are not amortized, but instead are reviewed annually or more frequently if events or changes in circumstances indicate that the assets might be impaired, to assess whether their fair value exceeds their carrying value. We perform an impairment analysis on March 1 annually on the indefinite-lived intangible assets following the steps laid out in ASC 350-30-35-18. Our annual impairment analysis includes a qualitative assessment to determine if it is necessary to perform the quantitative impairment test. In performing a qualitative assessment, we review events and circumstances that could affect the significant inputs used to determine if the fair value is less than the carrying value of the intangible assets. If quantitative analysis is necessary, we would analyze various aspects including revenues from the business, associated with the intangible assets. In addition, intangible assets will be tested on an interim basis if an event or circumstance indicates that it is more likely than not that an impairment loss has been incurred.

Intangible assets with finite useful lives are amortized using the straight-line method over their estimated period of benefit. In accordance with ASC 360-10-35-21, definite lived intangibles are reviewed annually or more frequently if events or changes in circumstances indicate that the assets might be impaired, to assess whether their fair value exceeds their carrying value.

The Company intends to capitalize trademarks and related expenses exceeding $2,500 per trademark. Management may also capitalize trademarks and related expenses up to $2,500 per trademark based on its potential and benefit in coming years.

Revenue Recognition

The Company recognizes revenue under ASC 606, *Revenue from Contracts with Customers* (ASC 606). The core principle of this standard is that a company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

ASC 606 prescribes a 5-step process to achieve its core principle. The Company recognizes revenue from trading, rental, or product sales as follows:

I. Identify the contract with the customer.

II. Identify the contractual performance obligations.

III. Determine the amount of consideration/price for the transaction.

IV. Allocate the determined amount of consideration/price to the performance obligations.

V. Recognize revenue when or as the performing party satisfies performance obligations.

The consideration/price for the transaction (performance obligation(s)) is determined as per the agreement or invoice (contract) for the services and products in the Infrastructure and Life Sciences segment.

Revenue in the Infrastructure segment is recognized for the renting business when the equipment is rented, and the terms of the agreement have been fulfilled during the period. Revenue from the execution of infrastructure contracts is

recognized on the basis of the output method as and when part of the performance obligation has been completed and approval from the contracting agency has been obtained after a survey of the performance completion as of that date. In the Life Sciences segment, the revenue from the wellness and lifestyle business is recognized once goods have been sold to the customer and the performance obligation has been completed. In retail sales, we offer consumer products through our online stores. Revenue is recognized when control of the goods is transferred to the customer. This generally occurs upon our delivery to a third-party carrier or to the customer directly. Revenue from tolling white label services is recognized when the performance obligation such as processing of the material, has been completed, and output material has been transferred to the customer. We license our products to processors. The royalty income from licensing is recognized once goods have been sold by the processor to its customers.

Net sales disaggregated by significant products and services for the nine three months ended December 31, 2022 June 30, 2023, and 2021 2022 are as follows:

	(in thousands)	
	Nine months ended December 3	
	2022	2021
	($)	**($)**
Infrastructure segment		
Rental income (1)	25	
Construction contracts (2)	34	
Life Sciences segment		
Wellness and lifestyle (3)	334	
White labeling services (4)	352	
Total	745	

	(in thousands)	
	Three months ended June 30,	
	2023	2022
	($)	**($)**
Infrastructure segment (1)	167	
Life Sciences segment		
Wellness and lifestyle (2)	44	
White labeling services (3)	344	
Total	555	

(1) Rental income Infrastructure segment consists of income from the rental of heavy construction equipment. equipment and construction contracts.
(2) Construction contracts consist Revenue from wellness and lifestyle consists of the execution of contracts directly or through subcontractors.
(3) Relates to revenue from the Life Sciences segment, including the sale of wellness and lifestyle products such as gummies, hand sanitizers, bath bombs, lotions, gummies, beverages, hemp crude extract, hemp isolate, and hemp distillate.
(4) Relates to revenue from the Life Sciences segment, including income (3) Revenue from white label services which refers to a fully supported product consists of rebranding our formulations or service made by us but sold by another company. the customer's products as per the customer's requirement.

Leases

Lessor Accounting

Under the current ASU guidance, contract consideration will be allocated to its lease and non-lease components (such as maintenance). For the Company as a lessor, any non-lease components will be accounted for under ASC Topic 606, "*Revenue from Contracts with Customers,*" unless the Company elects a lessor practical expedient not to separate the non-lease components from the associated lease component. The amendments in ASU 2018-11 also provide lessors with a practical expedient, by class of underlying asset, to not separate non-lease components from the associated lease component and, instead, to account for those components as a single component if the non-lease components otherwise would be accounted for under the new revenue guidance ("Topic 606"). To elect the practical expedient, the timing and pattern of transfer of the lease and non-lease components must be the same, and the lease component must meet the criteria to be classified as an operating lease if accounted for separately. If these criteria are met, the single component will be accounted for under either Topic 842 or Topic 606, depending on which component(s) are predominant. The lessor practical expedient to not separate non-lease components from the associated component must be elected for all existing and new leases.

As a lessor, the Company expects that post-adoption substantially all existing leases will have no change in the timing of revenue recognition until their expiration or termination. The Company expects to elect the lessor practical expedient to not separate non-lease components such as maintenance from the associated lease for all existing and new leases and to account for the combined component as a single lease component. The timing of revenue recognition is expected to be the same for most of the Company's new leases as compared to similar existing leases; however, certain categories of new leases could have different revenue recognition patterns as compared to similar existing leases.

For leases that are accounted for as operating leases, income is recognized on a straight-line basis over the term of the lease contract. Generally, when a lease is more than 180 days delinquent (where more than three monthly payments are owed), the lease is classified as being non-accrual, and the Company stops recognizing leasing income on that date. Payments received on leases in nonaccrual status generally reduce the lease receivable. Leases on nonaccrual status remain classified as such until there is sustained payment performance that, in the Company's judgment, would indicate that all contractual amounts will be collected in full.

Lessee Accounting

The Company adopted ASU 2016-02 effective April 1, 2019, using the modified retrospective approach. The standard establishes a right-of-use model ("ROU") that requires a lessee to recognize an ROU asset and lease liability on the balance sheet

for all leases with a term longer than 12 months. Leases will be classified as a finance or operating, with classification affecting the pattern and classification of expense recognition in the income statement. In connection with the adoption, the Company will elect to utilize the modified retrospective presentation whereby the Company will continue to present prior period financial statements and disclosures under ASC Topic 840. In addition, the Company will elect the transition package of three practical expedients permitted within the standard, which eliminates the requirements to reassess prior conclusions about lease identification, lease classification, and initial direct costs. Further, the Company will adopt a short-term lease exception policy, permitting us to not apply the recognition requirements of this standard to short-term leases (i.e., leases with terms of 12 months or less), and an accounting policy to account for lease and non-lease components as a single component for certain classes of assets.

Under ASU 2016-02 (Topic 842), lessees are required to recognize the following for all leases (with the exception of short-term leases) on the commencement date: (i) lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and (ii) right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term.

At the commencement date, the Company recognizes the lease liability at the present value of the lease payments not yet paid, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate for the same term as the underlying lease. The right-of-use asset is recognized initially at cost, which primarily comprises the initial amount of the lease liability, plus any initial direct costs incurred, consisting mainly of brokerage commissions, less any lease incentives received. All right-of-use assets are reviewed for impairment. There was no impairment for right-of-use lease assets as of December 31, 2022.

The Company categorizes leases at their inception as either operating or finance leases. On certain lease agreements, the Company may receive rent holidays and other incentives. The Company recognizes lease costs on a straight-line basis without regard to deferred payment terms, such as rent holidays, that defer the commencement date of required payments. Please refer to "Note 9 - Leases", for further information.

Recently issued accounting pronouncements

Changes to U.S. GAAP are established by the FASB Financial Accounting Standards Board ("FASB") in the form of accounting standards updates ("ASUs") (ASUs) to the FASB's Accounting Standards Codification. The Company considers the applicability and impact of all ASUs. Accounting standards that have been Newly issued or proposed by FASB that do ASUs not require adoption until a future date listed are not expected to have a material no impact on the condensed Company's consolidated financial statements upon adoption. The Company does position and results of operations, because either the ASU is not discuss recent pronouncements that are not anticipated applicable, or the impact is expected to have an impact on or are unrelated to its condensed financial statements. be immaterial.

NOTE 3 – INVENTORY

	(in thousands)	*(in thousands)*

	As of December 31, 2022 ($)	As of March 31, 2022 ($)	As of June 30, 2023 ($)	As of March 31, 2023 ($)
Raw materials	3,042	2,247	2,091	2,100
Work-in-Progress	-	584	-	18
Finished goods	706	717	550	533
Total	3,748	3,548	2,641	2,651

Inventory in the form of work-in-progress is moved into raw materials as we process the hemp extracts into different hemp derivatives used in the production of finished goods. Finished goods comprise, but is not limited to, hand sanitizers, gummies, lotions, and beverages, among others.

During the nine three months ended December 31, 2022 June 30, 2023, the Company wrote off approximately $110 $20 thousand of inventory due to abnormal amounts of loss due to idle facility expense, freight, handling costs, scrap, and wasted material (spoilage). This charge was recorded in Selling, general, and administrative expenses.

We capitalize inventory costs related to our investigational drug, provided that management determines there is a potential alternative use for the inventory in future research and development projects or other purposes. As of June 30, 2023, and March 31, 2023, our consolidated balance sheet reported approximately $397 thousand and $407 clinical trial-related inventory, respectively.

NOTE 4 – DEPOSITS AND ADVANCES

	(in thousands)		*(in thousands)*	
	As of December 31, 2022 ($)	As of March 31, 2022 ($)	As of June 30, 2023 ($)	As of March 31, 2023 ($)
Advances to suppliers and consultants	114	170	54	72
Other receivables and deposits	55	472	15	24
Prepaid expenses and other current assets	153	336	193	262
Total	322	978	262	358

The Advances to suppliers and consultants primarily relate to advances to suppliers in our Life Sciences and Infrastructure segments. Prepaid expenses and other current assets include approximately $21 thousand of statutory advances as of June 30, 2023, as compared to $25 thousand as of March 31, 2023.

NOTE 5 – INTANGIBLE ASSETS

	(in thousands)		*(in thousands)*	
	As of December 31, 2022 ($)	As of March 31, 2022 ($)	As of June 30, 2023 ($)	As of March 31, 2023 ($)
Amortized intangible assets				
Patents	604	290	721	709
Other intangibles	32	32	34	34
Accumulated amortization	(90)	(51)	(125)	(107)
Total amortized intangible assets	546	271	630	636
Unamortized intangible assets				
Other intangible assets				
Patents	476	646	549	534
Other intangibles	-	-	-	-
Total unamortized intangible assets	476	646	549	534
Total intangible assets	1,022	917	1,179	1,170

The value of intangible assets includes the cost of acquiring patent rights, supporting data, and the expense associated with filing 16 patents. of patent applications. It also includes acquisition costs related to domains and licenses.

The amortization of patent and patent rights intangible with finite life is up to 20 years are amortized on straight-line basis, commencing from the date of grant or acquisition. Accordingly, the The amortization expense in the three months ended December 31, 2022 June 30, 2023, and 2021 2022, amounted to approximately $14 $18 thousand and $7 thousand, respectively, whereas the amortization expense in the nine months ended December 31, 2022, and 2021 amounted to approximately $38 thousand and $18 $10 thousand, respectively.

The Company regularly reviews its intangible assets to determine if any intangible asset is other-than-temporarily impaired, which would require the Company to record an impairment charge in the period and concluded that, as of December 31, 2022 June 30, 2023, there was no impairment.

	(in thousands)
Estimated annual amortization expense	***($)***
For the year ended 2024	57 80

For the year ended 2025	63 88
For the year ended 2026	69 96
For the year ended 2027	76 106
For the year ended 2028	84 117

NOTE 6 – PROPERTY, PLANT, AND EQUIPMENT

	(in thousands, except useful life)			*(in thousands, except useful life)*		
	Useful Life (years)	As of December 31, 2022 ($)	As of March 31, 2022 ($)	Useful Life (years)	As of June 30, 2023 ($)	As of March 31, 2023 ($)
Land	N/A	4,071	4,438	N/A	4,104	4,100
Buildings and facilities	25	2,310	2,810	25	2,303	2,298
Plant and machinery	5-20	3,308	4,593	5-20	3,340	3,335
Computer equipment	3	134	241	3	143	138
Office equipment	3-5	82	145	3-5	88	84
Furniture and fixtures	5	91	141	5	92	92
Vehicles	5	101	163	5	102	102
Construction in progress	N/A	-	108			
Total gross value		10,097	12,639		10,172	10,149
Less: Accumulated depreciation		(1,788)	(3,220)		(2,068)	(1,936)
Total property, plant, and equipment, net		8,309	9,419		8,104	8,213

The depreciation expense in the three months ended December 31, 2022 June 30, 2023, and 2021 2022 amounted to approximately $158 $137 thousand and $117 thousand, respectively. The depreciation expense in the nine months ended December 31, 2022, and 2021 amounted to approximately $466 thousand and $427 $152 thousand, respectively. The net decrease in total Property, Plant, Total property, plant, and Equipment equipment is primarily due to depreciation and foreign exchange translations of an increase in the value of foreign currencies. As of December 31, 2022, the Company disposed of fully depreciated assets in the amount of approximately $1.6 million from its subsidiaries. This resulted in a reduction in the value of total gross assets but did not affect the net value of assets as the disposed assets had previously been fully depreciated. In addition, the depreciation. The Company sold a fully depreciated property in Puerto Rico India for net proceeds of approximately $485 $43

thousand (acquired for approximately $480 thousand) and accounted for a profit of approximately $5 $43 thousand in other income. For more information, please refer to Note 16 – "Segment Information" for the non-current assets other than financial instruments held in the country of domicile and foreign countries.

NOTE 7 –LEFT BLANK INTENTIONALLY

NOTE 8 – CLAIMS AND ADVANCES

	(in thousands)		*(in thousands)*	
	As of December 31, 2022 ($)	As of March 31, 2022 ($)	As of June 30, 2023 ($)	As of March 31, 2023 ($)
Claims receivable (1)	751	368	951	951
Non-current advances (2)	277	569		
Non-current deposits			27	27
Non-current advances			39	25
Total	1,028	937	1,017	1,003

(1) The claims receivable is due from different vendors. While the Company has initiated collection proceedings internally or with the appropriate authorities, it believes receiving the amount in the next 12 months will be challenging because of the time required for collection proceedings.

(2) Includes It includes $140 thousand owed to the company by one of our manufacturers for the equipment purchase.

NOTE 9 – LEASES

The Company has short-term leases primarily consisting of spaces with the remaining lease term being less than or equal to 12 months. The total short-term lease expense and cash paid for the nine months ended December 31, 2022, and 2021 are approximately $134 thousand and $131 thousand, respectively. The Company also has four operating leases as of December 31, 2022.

America: The Company has entered into a lease agreement for approximately five years, expiring in 2025. The annual lease expense is approximately $122 thousand. The lease contract does not contain any material residual value guarantees or material restrictive covenants. The remaining lease term for the operating lease is 2.9 years with a discount rate of 7%. The lease does not provide a readily determinable implicit rate. Therefore, the Company discounts lease payments based on an estimate of its incremental borrowing rate.

Asia: The Company has three lease agreements for three to four years, expiring between 2023 and 2024. The total annual lease expense is approximately $6 thousand. The lease contracts do not contain any material residual value guarantees or

material restrictive covenants. The remaining lease term for the operating leases is between 2-1.4 years with a discount rate of 7%. The lease does not provide a readily determinable implicit rate. Therefore, the Company discounts lease payments based on an estimate of its incremental borrowing rate.

	(in thousands) Three months ended December 31, 2022 ($)	*(in thousands) Three months ended December 31, 2021 ($)*	*(in thousands) Nine months ended December 31, 2022 ($)*	*(in thousands) Nine months ended December 31, 2021 ($)*
Operating lease costs	38	37	111	112
Short term lease costs	42	49	134	131
Total lease costs	80	86	245	243

Right of use assets and lease liabilities for our operating leases were recorded in the consolidated balance sheet as follows:

	(in thousands) As of December 31, 2022 ($)	*(in thousands) As of March 31, 2022 ($)*
Assets		
Operating lease asset	357	450
Total lease assets	357	450
Liabilities		
Current liabilities:		
Accrued liabilities and others (current portion-operating lease liability)	130	123
Noncurrent liabilities:		
Operating lease liability (non-current portion-operating lease liability)	241	341
Total lease liability	371	464

	(in thousands) As of December 31, 2022 ($)
Supplemental cash flow and non-cash information related to leases is as follows:	
Cash paid for amounts included in the measurement of lease liabilities	
–Operating cash flows from operating leases	87

Right-of-use assets obtained in exchange for operating lease obligations	357
As of December 31, 2022, the following table summarizes the maturity of our lease liabilities:	
Dec-23	150
Dec-24	139
Dec-25	22
Dec-26	-
Dec-27	-
Less: Present value discount	60
Total lease liabilities	371

NOTE 9 – LEFT BLANK INTENTIONALLY

NOTE 10 – ACCRUED AND OTHER LIABILITIES

	(in thousands)		*(in thousands)*	
	As of December 31, 2022 ($)	As of March 31, 2022 ($)	As of June 30, 2023 ($)	As of March 31, 2023 ($)
Compensation and other contributions	299	1,054	751	619
Provision for expenses	159	103	131	258
Short-term lease liability	130	123	129	133
Other current liability	302	180	448	358
Total	890	1,460	1,459	1,368

Compensation and other contribution-related liabilities consist of accrued salaries to employees. In addition, the provision for expenses includes provision for legal, professional, and marketing expenses. Other current liability also includes statutory payables of approximately $48 thousand and $55 $31 thousand as of December 31, 2022 June 30, 2023, and March 31, 2022 March 31, 2023, respectively, and approximately $3 thousand of short-term loans as of December 31, 2022 June 30, 2023, and March 31, 2022 March 31, 2023, respectively.

NOTE 11 – LOANS AND OTHER LIABILITIES

Loan as of December 31, 2022 June 30, 2023:

On June 11, 2020, the Company received an Economic Injury Disaster Loan ("EIDL") for approximately $150 thousand at an annual interest rate of 3.75%. The Company must pay principal and interest payments of $731 every month beginning June 5, 2021. For The SBA will apply each installment payment, the U.S. Small Business Administration ("SBA") will apply the payment first to pay interest accrued to the day SBA receives the payment and will then to apply any remaining balance to reduce principal. All

remaining principal and accrued interest are is due and payable 30 years from the loan date. date of the loan. For the nine three months ended December 31, 2022 June 30, 2023, and June 30, 2022, the interest expense and principal payment for the EIDL were was approximately $4.1 $1 thousand and $2 thousand, respectively. For the nine months ended December 31, 2021, the interest expense and principal payment for the EIDL were approximately $3.2 thousand and $2 $1 thousand, respectively. As of December 31, 2022 June 30, 2023, approximately $141 $140 thousand of the loan is classified as long-term Long-term loans and approximately $3 thousand as short-term Short-term loans.

On June 30, 2023, the Company successfully entered into a Master Loan and Security Agreement (the "Credit Agreement") with O-Bank, CO., LTD., pursuant to which the Company may borrow up to $12 million. The Credit Agreement serves to satisfy ongoing liquidity requirements and ensure the Company's ability to sustain its operations. The Credit Agreement matures on June 30, 2024, with an option to renew. Borrowings under the Credit Agreement will bear interest, calculated according to the interest rate mentioned in the Certificate of Deposit (as defined in the Credit Agreement), as the case may be, plus an applicable margin of 1%, and the Company shall bear the tax. Interest is due and payable in full by the Company on the last business day of each interest period. As of June 30, 2023, the entire amount of $12 million remains unused.

Other Liability:

	(in thousands) As of		***(in thousands)*** As of	
	December 31, 2022 ($)	March 31, 2022 ($)	June 30, 2023 ($)	March 31, 2023 ($)
Statutory reserve	15	16	21	21
Total	15	16	21	21

The statutory reserve is a gratuity reserve for employees in our subsidiaries in India.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

The Company may be involved in legal proceedings, claims, and assessments arising in the ordinary course of business. Such matters are subject to many uncertainties, and outcomes are not predictable with assurance. Accordingly, There are no such matters that are deemed material to the condensed consolidated financial statements as of December 31, 2022 June 30, 2023, except as disclosed in the legal proceedings section below.

In the U.S., we provide health insurance, life insurance, and a 401(k) plan wherein the Company matches up to 6% of the employee's pre-tax contribution up to a maximum annual amount determined by the IRS. In addition, under accordance with

applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ("Gratuity Plan") covering certain categories of employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company. In addition, employees receive benefits from a provident fund, a defined contribution plan. The employee and employer each make monthly contributions to the plan equal to 12% of the covered employee's salary. The contribution is made to the Indian Government's provident fund.

NOTE 13 – SECURITIES

As of December 31, 2022 June 30, 2023, the Company was authorized to issue up to 150,000,000 shares of common stock, a par value of $0.0001 per share, and 53,077,436 shares of common stock were issued and outstanding. The Company is also authorized to issue up to 1,000,000 shares of preferred stock, a par value of $0.0001 per share, and no preferred shares were issued and outstanding as of December 31, 2022 June 30, 2023.

Our common stock is listed on the NYSE American (ticker symbol: IGC). This security also trades on the Frankfurt, Stuttgart, and Berlin stock exchanges (ticker symbol: IGS1). The Company also has 91,472 units outstanding that can be separated into common stock. Ten units may be separated into one share of common stock. The unit holders are requested to contact the Company or our transfer agent, Continental Stock Transfer and Trust, to separate their units into common stock.

On January 13, 2021, the Company entered into a Sales Agreement (the "Agreement") with The Benchmark Company, LLC (the "Sales Agent"), under pursuant to which the Sales Agent is acting as the Company's sales agent with respect to the issuance and sale of up to $75,000,000 of the Company's shares of common stock, par value $0.0001 per share (the "Shares"), from time to time in an "at the market" ("ATM") offering as defined in Rule 415(a)(4) of the Securities Act of 1933, as amended. amended (the "Securities Act").

On June 30, 2023, the Company entered into a SPA with Bradbury Asset Management and three unrelated investors resulting in approximately $3 million in gross proceeds. The completion of the private placement is subject to customary closing conditions, including approval by the NYSE. Under the terms of the private placement, IGC will issue 10 million shares of unregistered common stock at a price of $0.30 per share. Shares are intended to be exempt from registration under the Securities Act, by virtue of the provisions of Section 4(a)(2) of the Securities Act and Regulation D and/or Regulation S adopted thereunder.

NOTE 14 – STOCK-BASED COMPENSATION

As of December 31, 2022 June 30, 2023, under the Company's previous 2008 and current 2018 Omnibus Incentive Plans, a total of 8,412,627 shares of common stock have been issued to employees, non-employees, and advisors. In addition, 5.8 million 10 million restricted share units ("RSUs") (RSUs), fair valued at $5.7 million $7 million with a weighted average value of $0.98 $0.70 per share, have been granted but not yet issued from different Incentive Plans and Grants. This includes 3 million 5 million RSUs granted to employees and directors, which consists of a vesting schedule based entirely on the attainment of either both operational milestones (performance conditions) or and market conditions, assuming continued employment either as an employee or director with the Company. The performance based performance-based RSUs are accounted for upon certification by management, Management, confirming the probability of achievement of milestones. As of December 31, 2022 June 30, 2023, management Management confirmed two three of the milestones had been achieved, and the rest were considered probable to be achieved by March 31, 2027.

Additionally, options held by advisors and directors to purchase 300150 thousand shares of common stock fair valued at $278$69 thousand with a weighted average of $0.93$0.46 per share have been granted but are to be exercised over a service period ending in Fiscal 2031. Options exercised before the service period are expensed when exercised.

The options are valued using a Black-Scholes Pricing Model and Market-based RSU isMarket based RSUs are valued based on a lattice model, with the following assumptions:

	Granted in Fiscal 2023	Granted in Fiscal 2022	Granted in Fiscal 2024	Granted in Fiscal 2023
Expected life of options	5 years	5 years	5 years	5 years
Vested options	100%	100%	100%	100%
Risk free interest rate	2.64%	2.42%		
Risk-free interest rate			2.64%	2.64%
Expected volatility	285%	282%	285%	285%
Expected dividend yield	Nil	Nil	Nil	Nil

The expense associated with share-based payments to employees, directors, advisors, and contractors is allocated over the vesting or service period and recognized in the selling,Selling, general and administrative ("SG&A") expenses (including research and development). For the ninethree months ended December 31, 2022June 30, 2023, the Company's share-based expense and option-based expensesexpense shown in SG&ASelling, general and administrative expenses (including research and development) were $2.2 million$354 thousand and $23$4 thousand, respectively and for the three months ended June 30, 2022, the Company's share-based expense and option-based expense was $1.14 million and $8 thousand, respectively.

For the nine months ended December 31, 2021, the Company's share-based and option-based expenses were $1.0 million thousand and $24 thousand, respectively.

Non-vested shares	Shares (in thousands) (#)	Weighted average grant date fair value ($)
Non-vested shares as of March 31, 2023	4,429	1.01
Granted	4,300	0.30
Vested	(192)	0.30
Cancelled/forfeited	-	-
Non-vested shares as of June 30, 2023	8,537	0.65

Non-vested shares	***Shares (in thousands)***	Weighted average grant date fair value ($)
Non-vested shares as of March 31, 2022	5,283	1.17
Granted	1,650	0.43
Vested	(1,139)	1.05
Cancelled/forfeited	-	-
Non-vested shares as of December 31, 2022	5,794	0.98

Options	Shares (in thousands) (#)	Weighted average grant date fair value ($)	Weighted average exercise price ($)
Options outstanding as of March 31, 2023	150	1.39	0.30
Granted	-	-	-
Exercised	-	-	-
Cancelled/forfeited	-	-	-
Options outstanding as of June 30, 2023	150	1.39	0.30

Options	***Shares (in thousands)***	Weighted average grant date fair value ($)	Weighted average exercise price ($)
Options outstanding as of March 31, 2022	300	0.93	0.34
Granted	-	-	-
Exercised	-	-	-
Cancelled/forfeited	-	-	-
Options outstanding as of December 31, 2022	300	0.93	0.34

There was a combined unrecognized expense of $4.1 million $3.5 million related to non-vested shares and share options that the Company expects to be recognized over the weighted average life of 2.3 5 years.

NOTE 15 – FAIR VALUE OF FINANCIAL INSTRUMENTS

As of December 31, 2022 June 30, 2023, the Company's investments may consist of money market funds, debt and equity funds, and other marketable securities, among others which have been classified as Level 1 of the fair value hierarchy because they have been valued using quoted prices in active markets. The Company's cash and cash equivalents have also been classified as Level 1 on the same principle. Financial instruments are classified as current if they are expected to be liquidated within the next twelve months. The Cash Certificate of Deposits are classified as Level 2 as theydo not have regular market pricing, but its their fair value can be determined based on other data values or market prices. The Company's remaining investments have been classified as Level 3 instruments as there is little or no market data. Level 3 investments are valued using the cost method.

The following table presents information about the Company's assets that are measured at fair value on a recurring basis as of December 31, 2022 June 30, 2023, and March 31, 2022 March 31, 2023, and indicates the fair value hierarchy of the valuation techniques the Company used to determine such fair value:

As of December 31, 2022

(in thousands)

Particular	Adjusted Cost ($)	Gain ($)	Loss ($)	Fair Value ($)	Cash & Cash Equivalents ($)	Short Term Investments ($)
Level 1						
Cash	2,898	-	-	2,898	2,898	-
Money Market Fund	2,005	-	-	2,005	2,005	-
Debt Funds	39	1	-	40	40	-
Mutual Fund	85	3	-	88	-	88
Level 2						
Certificate of Deposits	2	-	-	2	2	-
TOTAL	5,029	4	-	5,033	4,945	88

As of March 31, 2022 June 30, 2023

Particular	Adjusted Cost ($)	Gain ($)	Loss ($)	Fair Value ($)	Cash & Cash Equivalents ($)	Short Term Investments ($)
Level 1						
Cash	641	-	-	641	641	-
Money Market Fund	1,051	-	-	1,051	1,051	-
Debt Funds	13	-	-	13	13	-

Mutual Fund	155	10	-	165	-	165
Level 2						
Certificate of Deposits	80	-	-	80	18	62
Level 3	-	-	-	-	-	-
TOTAL	1,940	10	-	1,950	1,723	227

(in thousands) As of March 31, 2023

Particular	Adjusted Cost ($)	Gain ($)	Loss ($)	Fair Value ($)	Cash & Cash Equivalents ($)	Short Term Investments ($)	Adjusted Cost ($)	Gain ($)	Loss ($)	Fair Value ($)	Cash & Cash Equivalents ($)	Short Term Investments ($)
Level 1												
Cash	10,460	-	-	10,460	10,460	-	1,156	-	-	1,156	1,156	-
Money Market Fund	-	-	-	-	-	-	2,000	-	-	2,000	2,000	-
Debt Funds	-	-	-	-	-	-	40	-	-	40	40	-
Mutual Funds	-	-	-	-		-						
Mutual Fund							152	2	-	154	-	154
Level 2		-	-	-	-	-						
Certificate of Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Level 3							-	-	-	-	-	-
TOTAL	10,460	-	-	10,460	10,460	-	3,348	-	-	3,350	3,196	154

NOTE 16 – SEGMENT INFORMATION

FASB ASC 280, "*Segment Reporting*" establishes standards for reporting information about reportable segments. Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker, or decision-making group ("CODM"), in deciding how to allocate resources and assess in assessing performance. The CODM evaluates revenues and gross profits based on product lines and routes to market. Based on our integration and management Management strategies, we operate in two reportable segments: (i) Infrastructure segment and (ii) Life Sciences segment.

The Company's CODM is the Company's chief executive officer ("CEO"). The CEO reviews financial information presented on an operating segment basis to make for purposes of making operating decisions and assess assessing financial performance. Therefore, and before our Life Sciences segment started, the Company determined that it operated in a single operating and reportable segment. As of the date of this report and in preparation for the new and different source of revenue, the Company has determined that it operates in two operating and reportable segments: (a) Infrastructure segment and (b) Life Sciences segment. The Company does not include intercompany transfers between segments for management Management reporting purposes.

The following provides information required by ASC 280-10-50-38 "Entity-wide Information":

1) The table below shows revenue reported by segment:

Products and Services

Segments	*(in thousands)* Nine months ended December 31, 2022 ($)	Percentage of Total Revenue (%)	*(in thousands)* Three months ended June 30, 2023 ($)	Percentage of Total Revenue (%)
Infrastructure segment	59	8%	167	30%
Life Sciences segment	686	92%	388	70%
Total	745	100%	555	100%

Segments	*(in thousands)* Nine months ended December 31, 2021 ($)	Percentage of Total Revenue (%)	*(in thousands)* Three months ended June 30, 2022 ($)	Percentage of Total Revenue (%)
Infrastructure segment	26	10%	10	5%
Life Sciences segment	249	90%	202	95%
Total	275	100%	212	100%

For information for on revenue by product and service, refer to Note 2, “Summary of Significant Accounting Policies”.

2) The table below shows the revenue attributed to the country of domicile (U.S.) and foreign countries. Revenue is generally attributed to the geographic location of customers:

Segments	Country	*(in thousands)* Nine months ended December 31, 2022 ($)	Percentage of Total Revenue (%)	Country	*(in thousands)* Three months ended June 30, 2023 ($)	Percentage of Total Revenue (%)
Asia				India	167	30 %
America	U.S.	673	90 %	U.S.	388	70 %
	Colombia	13	2 %			
Asia	India	59	8 %			
Total	Total	745	100 %	Total	555	100 %

Segments	Country	*(in thousands)* Three months ended June 30, 2022 ($)	Percentage of Total Revenue (%)
Asia	India	10	5 %
America	U.S.	202	95 %
Total		212	100 %

Segments	Country	*(in thousands)* Nine months ended December 31, 2021 ($)	Percentage of Total Revenue (%)
America	U.S.	218	78 %

Asia	India	57	22 %
Total		275	100 %

3) The table below shows the non-current assets other than financial instruments held in the country of domicile (U.S.) and foreign countries.

Nature of assets	*(in thousands)* USA (Country of Domicile) ($)	Foreign Countries (India, Hong Kong, and Colombia) ($)	Total as of December 31, 2022 ($)	*(in thousands)* USA (Country of Domicile) ($)	Foreign Countries (India, Hong Kong, and Colombia) ($)	Total as of June 30, 2023 ($)
Intangible assets, net	1,022	-	1,022	1,179	-	1,179
Property, plant, and equipment, net	4,198	4,111	8,309	3,958	4,146	8,104
Claims and advances	577	451	1,028	597	420	1,017
Operating lease asset	323	34	357	273	22	295
Total non-current assets	6,120	4,596	10,716	6,007	4,588	10,595

Nature of assets	*(in thousands)* USA (Country of Domicile) ($)	Foreign Countries (India, Hong Kong, and Colombia) ($)	Total as of March 31, 2022 ($)	*(in thousands)* USA (Country of Domicile) ($)	Foreign Countries (India, Hong Kong, and Colombia) ($)	Total as of March 31, 2023 ($)
Intangible assets, net	436	481	917	1,170	-	1,170
Property, plant, and equipment, net	4,978	4,441	9,419	4,074	4,139	8,213
Claims and advances	550	387	937	585	418	1,003
Operating lease asset	396	54	450	298	28	326
Total non-current assets	6,360	5,363	11,723	6,127	4,585	10,712

NOTE 17 – SUBSEQUENT EVENTS

None On July 11, 2023, the Canadian Intellectual Property Office issued a patent (#2,961,410) to report. the Company titled "CANNABINOID COMPOSITION AND METHOD FOR TREATING PAIN". The patent relates to compositions and methods for treating

multiple types of seizure disorders in humans using a combination of cannabinoids with other compounds. Subject to further research and study, the combination may be used for relieving pain in patients with psoriatic arthritis, fibromyalgia, scleroderma, shingles, and related pain-generating conditions.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The purpose of this Management's Discussion and Analysis ("MD&A") is to provide an understanding of India Globalization Capital, IGC Pharma, Inc.'s dba IGC Inc. ("IGC," "the Company, the "Company," "we," "our," and/or "us"), consolidated financial condition and results of operations and cash flows. The MD&A should be read in conjunction with our unaudited condensed financial statements and related notes that appear elsewhere in this Quarterly Report on Form 10-Q for the three months and nine months ended December 31, 2022June 30, 2023, and the Annual Report on Form 10-K for the fiscal year ended March 31, 2022March 31, 2023, filed with the SEC on June 23, 2022July 7, 2023 (the "2022"2023 Form 10-K"). The Company's actual results could differ materially from those discussed here. Factors that could cause differences include those discussed in the "Forward-Looking Statements" and "Risk Factors" sections and discussed elsewhere in this report. The risks and uncertainties can cause actual results to differ significantly from those in our forward-looking statements or implied in historical results and trends. Accordingly, we caution readers not to place undue reliance on any forward-looking statements made by us, which speak only as of the date they are made. We disclaim any obligation, except as expressly required by law and the rules of the SEC, to publicly update or revise any such statements to reflect any change in our expectations or in events, conditions, or circumstances on which any such statements may be based, or that may affect the likelihood that actual results will differ from those outlined in the forward-looking statements.

Business Overview

IGC Pharma, Inc. is a clinical-stage pharmaceutical company with a diversified revenue model that develops advanced both prescription drugs and over-the-counter (OTC) products. Our focus is on developing innovative therapies for neurological disorders such as Alzheimer's disease, epilepsy, Tourette syndrome, and sleep disorders. We also focus on formulations for treating diseases eating disorders, chronic pain, premenstrual syndrome (PMS), and conditions, including dysmenorrhea, in addition to health and wellness OTC formulations. The Company is developing its lead candidate, IGC-AD1, an investigational oral therapy for the treatment of agitation associated with Alzheimer's disease. IGC-AD1 is currently in Phase 2 (Phase 2B) clinical trials after completing nearly a decade of research and realizing positive results from pre-clinical and a Phase 1 trial. This previous research into IGC-AD1 has demonstrated efficacy in reducing plaques and tangles, which are two important hallmarks of Alzheimer's, as well as reducing neuropsychiatric symptoms associated with dementia in Alzheimer's disease, (AD) such as agitation. We were formerly known as India Globalization Capital, Inc. and incorporated in Maryland on April 29, 2005. Our fiscal year is the 52- or 53-week period ending March 31.

Currently, most of our revenue comes from the Life Sciences segment and, in the future, we believe, from our investigational drugs for treating Alzheimer's disease. We have also built a facility for a potential Phase 3 trial and have strategic relations for the procurement of Active Pharmaceutical Ingredients (APIs). In addition, we have acquired and initiated work on

TGR-63, a pre-clinical molecule that exhibits an impressive affinity for reducing neurotoxicity in Alzheimer's cell lines. The advancement of IGC-AD1 into Phase 2 trials represents a significant milestone for the company and positions us for multiple pathways to future success. Although there can be no assurance, we anticipate that the positive outcomes from these and other trials will drive further growth, valuation, and market potential for IGC-AD1.

IGC has two segments: Life Sciences and Infrastructure.

Life Sciences Segment

Pharmaceutical: Since 2014, the Company has focused primarily on the potential uses of phytocannabinoids, in combination with other compounds, to treat multiple diseases, such as Alzheimer's disease. As a company engaged in the clinical-stage pharmaceutical industry, we focus our research and development efforts, subject to results of future clinical trials, on seeking pharmaceutical solutions that may a) alleviate neuropsychiatric symptoms such as agitation, anxiety, and depression associated with dementia in Alzheimer's disease; and b) halt the onset, progression, or cure Alzheimer's disease.

The Company currently has two main investigational small molecules in various stages of development:

1) **IGC-AD1**, menstrual cramps (dysmenorrhea), premenstrual syndrome (PMS) and chronic pain. The Company's leading drug our proprietary lead therapeutic candidate, IGC-AD1, is a Tetrahydrocannabinol (THC) based formulation that has demonstrated in Alzheimer's cell lines, the potential to be effective in suppressing reduce the buildup of Aβ plaques and the potential to decrease or ameliorating two key inhibit the phosphorylation of tau, a protein that is responsible for the formation of neurofibrillary tangles (NFTs), both important hallmarks of AD: plaques and tangles. Alzheimer's. In addition, Phase 1 human trial results demonstrated IGC-AD1's potential to reduce agitation in dementia due to Alzheimer's. IGC-AD1 is currently in Phase 2B trials for treating agitation in dementia from Alzheimer's, a condition that affects over 10-million individuals in North America and Europe, and

2) **TGR-63**, is a non-cannabinoid small molecule that has shown promise in pre-clinical trials for reducing amyloid burden in an Alzheimer's disease model. In Alzheimer's, the accumulation of beta-amyloid protein in the brain leads to the formation of Aβ plaques, which are associated with neurotoxicity and cell dysfunction, ultimately leading to cell death and cognitive decline. The potential efficacy of TGR-63 lies in its ability to inhibit the aggregation of beta-amyloid. If shown to be safe and efficacious in human trials in reducing the formation of Aβ plaques, this molecule could halt the neurotoxic process caused by beta-amyloid, thereby preventing, or treating Alzheimer's.

Currently, IGC-AD1 is in a Phase 2B safety and efficacy clinical trial for agitation in dementia from AD Alzheimer's (clinicaltrials.gov, NCT05543681). The Company progress we are making in the clinic, gives us confidence in the potential of IGC-AD1 as a potentially groundbreaking therapy, with the potential to treat Alzheimer's and also has lines to manage devastating symptoms that separate families, increase admissions to nursing homes, and drive the cost of various cannabinol (CBD) based consumer products such as Holief, which includes gummies and pain relief creams for women experiencing PMS and menstrual cramps, and Sunday Seltzer, which includes a CBD-infused energy beverage, all currently available for purchase. Alzheimer's care, although there can be no assurance.

We have a two-pronged approach for our Alzheimer's investigational drug development strategy, the first prong is to investigate IGC-AD1 as an Alzheimer's symptoms modifying agent, and the second is to investigate TGR-63 as a disease modifying agent. This involves conducting more trials on IGC-AD1 over the next few years, subject to FDA approval, with, although there can be no assurance, the anticipated goal of demonstrating safety and efficacy and potentially obtaining FDA approval for IGC-AD1 as a cannabinoid-based new drug that can help to manage agitation for patients suffering from Alzheimer's disease. The Company

currently has two main investigational small molecules in various stages of development: TGR-63 second prong is to investigate the potential efficacy on memory and/or decreasing or managing plaques and tangles, some of the hallmarks of Alzheimer's disease.

Although there can be no assurance, we believe that additional investment in clinical trials, research, and development ("R&D'), facilities, marketing, advertising, and acquisition of complementary products and businesses supporting our Life Sciences segment will be critical to the development and delivery of innovative products and positive patient and customer experiences. We hope to leverage our R&D and intellectual property to develop ground-breaking, science-based products that are proven effective through planned pre-

1) IGC-AD1, our lead therapeutic candidate, is a THC based formulation that has demonstrated in AD cell lines, in vitro, the potential in reducing a key peptide responsible for Aβ plaques, and the potential to decrease or inhibit the phosphorylation of tau a protein that is responsible for the formation of neurofibrillary tangles, both key hallmarks of AD. In addition, in the Phase 1 human trial it demonstrated the potential to reduce agitation in dementia due to AD. IGC-AD1 is currently in Phase 2B trials for treating agitation in dementia from AD, a condition that affects over 10-million individuals in North America and Europe, and

clinical and clinical trials. Although there can be no assurance, we believe this strategy has the potential to improve existing products and lead to the creation of new products, which, based on scientific study and research, may offer positive results for the management of certain conditions, symptoms, and side effects.

2) TGR-63, a non-cannabinoid molecule, is an enzyme inhibitor shown in pre-clinical trials to reduce neurotoxicity in Alzheimer's cell lines.

While the bulk of our medium and longer-term focus is on clinical trials and getting IGC-AD1 to be an FDA approved drug, our shorter-term strategy, is to use our resources to provide white label services and market Holief™. We believe this may provide us with several profit opportunities, although there can be no assurance of such profit opportunities.

Over-the-Counter Products:

We have created a women's wellness brand, Holief™ available through online channels that are compliant with relevant federal, state, and local laws, and regulations. Holief™ is an all-natural, non-GMO, vegan, line of over-the-counter (OTC) products aimed at treating menstrual cramps (dysmenorrhea) and premenstrual syndrome (PMS). The Company controls nine patents products are available online and seven patent applications, including two each for IGC-AD1 through Amazon and TGR-63 and their use related to Alzheimer's. other online channels.

Infrastructure Segment

The Company's various personal care CBD-based over the counter ("OTC") consumer products are sold through online infrastructure business has been operating since 2008, it includes: (i) Execution of Construction Contracts and wholesale channels under the following two brands: (ii) Rental of Heavy Construction Equipment.

Company Highlights

- Holief™ is a vegan, non-GMO, cruelty free, paraben free, lab verified, CBD infused line During the three months ended June 30, 2023, the Company generated approximately $555 thousand in revenue, representing an increase of OTC products with plant-based ingredients aimed at supporting period cramp discomforts and other PMS symptoms. approximately $343 thousand, or 161%, compared to the approximately $212 thousand recorded during the three months ended June 30, 2022.

- Sunday Seltzer™ is On June 30, 2023, the Company secured a vegan, organic, lightly carbonated energy drink with natural caffeine $12 million revolving line of credit from green tea extract, CBD, vitamin B, and vitamin C, with no added sugars, and no preservatives. The energy drink is available in two flavors, pomegranate-lemon, and peach-ginger. In addition, Sunday Seltzer™ is also available in four other flavors with no caffeine. the Hong Kong Branch of O-Bank Co. Ltd. ("O-Bank" or the "Bank"). This funding will support the working capital needs of the Company, primarily related to Alzheimer's research.

Both Holief™ and Sunday Seltzer™ are compliant with applicable federal, state, and local laws, and regulations.

- On June 30, 2023, the Company entered into the Share Purchase Agreement ("SPA"), and under the terms of the SPA, the Company issued 10 million shares of unregistered common stock at a price of $0.3 per share.

- On June 6, 2023, the Company received a Notice of Allowance from the Commissioner of Patents, Canada, for its patent filing on the use of cannabinoids in the treatment of seizures (IGC-501). The formulation also received an intent to grant from the European Patent Office, protecting the formulation in the U.S., Canada, and certain European countries.

IGC operates two segments: the Life Sciences segment described above and a legacy Infrastructure segment to execute construction contracts and the rental of heavy construction equipment in India. The Company is currently actively executing a project in this segment.

Other Developments

The Company commenced its Phase 2 clinical trial for agitation in dementia from Alzheimer's at two U.S. sites and one Canadian site with plans to add between five to ten additional sites in the United States, Canada, and possibly South America to increase population diversity, promoting both the inclusion of underrepresented populations and helping the Company to better understand the impact of IGC-AD1 on the population of the Americas. The trial is intended to enroll 146 patients with one half, the treated group, receiving IGC-AD1, and the other half, the control group, receiving a placebo. The goal of the trial is to evaluate and establish the efficacy of IGC-AD1 in treating patients with Alzheimer's dementia to reduce neuropsychiatric symptoms ("NPS") such as agitation, which affects 76% of individuals with Alzheimer's (Mussele et al., 2015). The Company hopes to be the first natural THC based medication to treat agitation in dementia due to Alzheimer's.

Business Strategy

The Life Sciences segment business strategy includes:

1. Subject to FDA approval, developing IGC-AD1 as a drug for treating agitation in dementia due to Alzheimer's and investigating and developing TGR-63 for the potential treatment of Alzheimer's disease.

2. Marketing Holief™, Sunday Seltzer™ Holief™, and white label services. formulations.

We believe developing a drug for either treatment of symptoms or as a disease modifying both symptom and disease-modifying agent has considerable less risk due to the need for expensive multi-year trials and FDA approval. trials. However, there could be a is considerable upside and significant value creation to the extent we obtain a first-to-market first-in-class advantage, of which there can be no assurance. If we were to obtain a first-to-market first-in-class advantage, such an advantage could result in significant growth if and when an approved drug is marketed. Our Holief™ strategy includes expanding the line of products and developing online services that connect women with healthcare professionals who can help with PMS and dysmenorrhea, more specifically. Building an online community that brings women together can create brand equity and loyalty. such as IGC-AD1 launches.

We believe that additional investment in clinical trials, R&D, artificial intelligence ("AI"), research, and development (R&D), facilities, marketing, advertising, and acquisition of complementary products and businesses will be critical to the ongoing growth of the Life Sciences segment. We Although there can be no assurance, we believe these investments will fuel the development and delivery of innovative products that drive positive patient and customer experiences. We hope to leverage our R&D and intellectual property to develop ground-breaking, science-based products that are proven effective through clinical trials, subject to FDA approval. While Although there can be no assurance, we believe this strategy can improve our existing products and lead to the creation of new hemp-based products that can provide treatment options for multiple conditions, symptoms, and side effects.

Our Infrastructure segment strategy entails executing the current construction contracts that are in effect.

COVID-19 Update

Our infrastructure business is based in the state of Kerala, India. COVID-19 has had and continues to have, a significant impact around the world, prompting governments and businesses to take unprecedented measures in response. The Company continues to monitor the situation and take appropriate action. The extent to which the COVID-19 pandemic may impact the Company's operational and financial performance remains uncertain and will depend on many factors outside the Company's control. Additional future impacts on the Company may include material adverse effects on demand for the Company's products and services.

Results of Operations for the Three Months Ended December 31, 2022, June 30, 2023, and December 31, 2021 June 30, 2022

The historical results presented below are not necessarily indicative of the results that may be expected for any future period. The following table presents an overview of our results of operations for the three months ended December 31, 2022 June 30, 2023, and December 31, 2021 June 30, 2022:

Statement of Operations (in thousands, unaudited)

	Three months ended December 31,				Three months ended June 30,			
	2022 ($)	2021 ($)	Change ($)	Percent Change	2023 **($)**	2022 **($)**	Change **($)**	Percent Change
Revenue	332	142	190	134%	555	212	343	161%
Cost of revenue	(230)	(80)	(150)	188%	(300)	(70)	(230)	329%
Gross profit	102	62	40	65%	255	142	113	79%
Selling, general and administrative expenses	(1,574)	(2,070)	496	(24)%	(1,647)	(1,550)	(97)	6%
Research and development expenses	(806)	(377)	(429)	114%	(747)	(1,394)	647	(46)%
Operating loss	(2,278)	(2,385)	107	(4)%	(2,139)	(2,802)	663	(24)%
Other income, net	29	4	25	625%	64	17	47	276%
Loss before income taxes	(2,249)	(2,381)	132	(6)%	(2,075)	(2,785)	710	(25)%
Income tax expense/benefit	-	-	-	-	-	-	-	-
Net loss	(2,249)	(2,381)	132	(6)%	(2,075)	(2,785)	710	(25)%

Revenue – Revenue During the three months ended June 30, 2023, the Company generated approximately $555 thousand in revenue, representing an increase of approximately $343 thousand, or 161%, compared to the approximately $212 thousand recorded during the three months ended June 30, 2022. The primary source of revenue in both the years was from the Life Sciences segment, encompassing the sales of our formulations as white-labeled manufactured products and sales of branded holistic women's health care products, among others. The Infrastructure segment revenue was approximately $332 $167 thousand and $142 $10 thousand for the three months ended December 31, 2022 June 30, 2023, and December 31, 2021, respectively. Revenue in both quarters was primarily derived from our Life Sciences segment, which involved providing white label manufactured products, sales of holistic women's health care products and beverages including the Company's energy drink, among others. The increase in sales was primarily related to increased sales of the Company's services and products. The Infrastructure segment revenue was approximately $41 thousand and $8 thousand for the three months ended December 31, 2022, and December 31, 2021 June 30, 2022, respectively. The increase in revenue derived from the Infrastructure segment relates to progress the completion of a construction contract. The Company remains committed to its current strategy of driving sales in construction activity. formulations both as branded and white-labeled products.

Cost of revenue – The cost Cost of revenue amounted to approximately $230 $300 thousand for the three months ended December 31, 2022 June 30, 2023, compared to $80 $70 thousand in the three months ended December 31, 2021 June 30, 2022, this represents gross margins of 31% and 44% 46% to 67%, respectively. The change in the cost of revenue is primarily attributable to

the cost of raw materials, labor, and other direct overheads required to produce our products in the Life Science segment. The decrease in gross margin is reflective of a change in the mix of revenue between Infrastructure and Life Science. Typically, the cost related gross margin in the Life Sciences business, while higher than in the infrastructure, will fluctuate from one quarter to low margin Infrastructure revenue. another based on the mix within the Life Science business between white label, private label, and branded products. It is early to model or project gross margins.

Selling, general and administrative expenses ("SG&A") – SG –SG&A expenses were approximately $1.5 million and $2.07 million for the three months ended December 31, 2022, and December 31, 2021, respectively. The decrease of $496 thousand is attributed to a reduction of compensation, legal and marketing expenses. SG&A expenses consist primarily of encompass various costs such as employee-related expenses, sales commission, commissions, professional fees, legal fees, marketing expenses, other corporate expenses, allocated general overhead, and provisions, depreciation, and write-offs relating related to doubtful accounts and advance, if any. advances. During the three months ended June 30, 2023, SG&A expenses increased by approximately $97 thousand or 6% to approximately $1.6 million, from approximately $1.5 million recorded for the three months ended June 30, 2022. The increase in SG&A expenses is attributed to operational expenses.

Research and Development expenses – R&D expenses were attributed to our Life Sciences segment. The R&D expenses increased decreased by approximately $429 $647 thousand or 114%, 46% to $806 $747 thousand during the three months ended December 31, 2022 June 30, 2023, from approximately $377 thousand $1.4 million for the three months ended June 30, 2022. The decrease is primarily attributable to a one-time non-cash expense during the three months ended December 31, 2021 June 30, 2022. The increase is primarily attributable to Other than one-time non-cash expenses, the progression of Phase 2 trials on IGC-AD1 and pre-clinical studies on TGR-63. We anticipate increased R&D expenses as the development of TGR-63 and the Phase 2 trial on Alzheimer's pick up more momentum.

Results of Operations for the Nine Months Ended December 31, 2022, and December 31, 2021

The historical results presented below are not necessarily indicative of the results that may be expected for any future period. The following table presents an overview of our results of operations for the nine months ended December 31, 2022, and December 31, 2021:

Statement of Operations (in thousands, unaudited)

	Nine months ended December 31,			
	2022 ($)	2021 ($)	Change ($)	Percent Change
Revenue	745	275	470	171 %
Cost of revenue	(366)	(149)	(217)	146 %
Gross profit	379	126	253	201 %
Selling, general and administrative expenses	(4,943)	(7,956)	3,013	(38)%
Research and development expenses	(2,968)	(1,097)	(1,871)	171 %
Operating loss	(7,532)	(8,927)	1,395	(16)%
Impairment of investment	-	(37)	37	(100)%

Other income, net	56	451	(395)	(88)%
Loss before income taxes	(7,476)	(8,513)	1,037	(12)%
Income tax expense/benefit	-	-	-	-
Net loss	(7,476)	(8,513)	1,037	(12)%

Revenue – Revenue was approximately $745 thousand and $275 thousand for the nine months ended December 31, 2022, and December 31, 2021, respectively. Revenue in both quarters was primarily derived from our Life Sciences segment, which involved providing white label manufactured products, sales of holistic women's health care products and beverages including are approximately the Company's energy drink, among others. The increase in sales was primarily related to increased sales of the Company's services and products. The Infrastructure segment revenue was approximately $59 thousand and $26 thousand for the nine months ended December 31, 2022, and December 31, 2021, respectively. The increase in revenue derived from the Infrastructure segment relates to progress on the construction activity. same.

Cost of revenue – The cost of revenue amounted to approximately $366 thousand for the nine months ended December 31, 2022, compared to $149 thousand in the nine months ended December 31, 2021, this represents gross margins of 51% and 46%, respectively. The change in cost of revenue is primarily attributable to the cost of raw materials required to produce our products and the cost related to low margin Infrastructure revenue. While gross margins increased, year over year, there is lack of visibility moving forward due to overall inflationary pressures.

Selling, general and administrative expenses – SG&A expenses were approximately $5 million and $7.96 million for the nine months ended December 31, 2022, and December 31, 2021, respectively. The decrease of $3 million is attributed to an adjustment of one-time expenses and a reduction of compensation, legal and marketing expenses. SG&A expenses consist primarily of employee-related expenses, sales commission, professional fees, legal fees, marketing, other corporate expenses, allocated general overhead and provisions, depreciation and write-offs relating to doubtful accounts, and advance, if any.

Research and Development expenses – R&D expenses were attributed to our Life Sciences segment. The R&D expenses increased by approximately $1.8 million or 171% to $2.9 million during the nine months ended December 31, 2022, from approximately $1.1 million during the nine months ended December 31, 2021. The increase is primarily attributable to the progression of Phase 2 trials on IGC-AD1 and pre-clinical studies on TGR-63. We anticipate additional R&D expenses as the Phase 2 trial commences with patient sign-ups.

Impairment of investment – During the nine months ended December 31, 2022, there was no investment impairment. However, during the nine months ended December 31, 2021, the Company exited its investment and acquisition of Evolve I, Inc. ("Evolve"). The Company received shares of IGC common stock, which had granted to Evolve as consideration to the Share Subscription Agreement (SSA), in exchange for the return of its shareholding in Evolve. Accordingly, the Company cancelled the IGC shares received by it and impaired its remaining investment of approximately $37 thousand.

Other income, net – Other net income decreased increased by approximately $395 $47 thousand or 88% 276% during the nine three months ended December 31, 2022 June 30, 2023. As a result, the The total other income for the nine three months ended December 31, 2022 June 30, 2023, and 2021 2022, is approximately $56 $64 thousand and $451 $17 thousand, respectively. During The increase in other income for the nine three months ended December 31, 2021 June 30, 2023, is attributable to profit from the sale of assets. The component of other income included a one-time income of approximately $430 thousand related to the forgiveness of the PPP Note. Other income typically includes interest and rental income, dividend income, profit profits from

the sale of assets, unrealized gains from non-debt investments, net income, and income from scrap sales. the sale of scraps. These sources contribute to the overall other income generated by the Company.

Liquidity and Capital Resources

Our sources of liquidity are cash and cash equivalents, funds raised through the ATM offering, cash flows from operations, short-term and long-term borrowings, and short-term liquidity arrangements. The Company continues to evaluate various financing sources and options to raise working capital to help fund current research and development programs and operations. The Company does not have any material long-term debt, capital lease obligations or other long-term liabilities, except as disclosed in this report. Please refer to Note 12, "Commitments and contingencies", and Note 11, "Loans and Other Liabilities" and Note 9, "Leases" Liabilities," in Item 1 of this report for further information on Company commitments and contractual obligations.

On June 30, 2023, the Company successfully entered into a Master Loan and Security Agreement (the "Credit Agreement") with O-Bank, CO., LTD., pursuant to which the Company may borrow up to $12 million and, in addition, sold 10 million shares for $3 million pursuant to an SPA with Bradbury Asset Management and three unrelated investors. The Company believes its existing balances of cash, cash equivalents, equity raise and short term investments, and other short-term liquidity arrangements will be sufficient, the Credit Agreement serve to satisfy its working capital needs, capital asset purchases, debt repayments, investments, including but not limited to, mutual funds, treasury bonds, and other asset classes, clinical trials, and other ongoing liquidity requirements if any, associated and ensure the Company's ability to sustain its operations. Furthermore, the Company intends to raise additional funds through private placement and ATM offerings, subject to market conditions, although there can be no assurance thereof.

The Credit Agreement matures on June 30, 2024, with its existing operations over an option to renew. Borrowings under the short . Credit Agreement will bear interest, calculated according to the interest rate mentioned in the Certificate of Deposit (as defined in the Credit Agreement), as the case may be, plus an applicable margin of 1%, and the Company shall bear the tax. Interest is due and payable in full by the Company on the last business day of each interest period. As of June 30, 2023, the entire amount of $12 million remains unused.

The Company expects to raise further capital for its trials research and development initiatives as and when it is able to do so, but there can be no assurance thereof. In addition, there can be no assurance of the terms thereof, and any subsequent equity financing sought may have dilutive effects on our current shareholders. While there is no guarantee that we will be successful, we are applying to non-dilutive funding opportunities such as Small Business Research and Development programs. In addition, subject to limitations on the amount of capital that can be raised, the Company expects to utilize its shelf registration on a statement on Form S-3 S- 3 to raise capital through at-the-market Offerings offerings or otherwise.

Please refer to Item 1A 1A. "Risk Factors" of the Company's 2022 our Form 10-K for the fiscal year ended March 31, 2023, for further information on the risks related to the Company.

(in thousands, unaudited)

	As of December 31, 2022 ($)	As of March 31, 2022 ($)	Change	Percent Change	(in thousands, unaudited) As of June 30, 2023 ($)	As of March 31, 2023 ($)	Change	Percent Change
Cash and cash equivalents	4,945	10,460	(5,515)	(53)%	1,723	3,196	(1,473)	(46)%
Working capital	7,998	12,670	(4,672)	(37)%	2,947	4,568	(1,621)	(35)%

Cash and cash equivalents

Cash and cash equivalents decreased by approximately $5.5 million $1.4 million to approximately $5 million $2 million in the nine three months ended December 31, 2022 June 30, 2023, from $10.4 million $3.2 million as of March 31, 2022 March 31, 2023, a decrease of approximately 53% 46%.

Summary of Cash flows

	(in thousands, unaudited) Nine months ended December 31,			
	2022	2021	Change	Percent Change
Cash used in operating activities	(5,530)	(6,575)	1,045	(16)%
Cash (used in)/ provided by investing activities	7	(189)	196	(104)%
Cash provided by financing activities	101	4,143	(4,042)	(98)%
Effects of exchange rate changes on cash and cash equivalents	(93)	14	(107)	100 %
Net decrease in cash and cash equivalents	(5,515)	(2,607)	(2,908)	112 %
Cash and cash equivalents at the beginning of period	10,460	14,548	(4,088)	(28)%
Cash and cash equivalents at the end of the period	4,945	11,941	(6,996)	(59)%

	(in thousands, unaudited) Three months ended June 30,			
	2023	2022	Change	Percent Change

Cash used in operating activities	(1,468)	(2,196)	728	(33)%
Cash used in investing activities	(5)	(158)	153	(97)%
Cash used in financing activities	(1)	(1)	-	-
Effects of exchange rate changes on cash and cash equivalents	1	(52)	53	(102)%
Net decrease in cash and cash equivalents	(1,473)	(2,407)	934	(39)%
Cash and cash equivalents at the beginning of period	3,196	10,460	(7,264)	(69)%
Cash and cash equivalents at the end of the period	1,723	8,053	(6,330)	(79)%

Operating Activities

Net cash used in operating activities for the nine three months ended December 31, 2022 June 30, 2023, was approximately $5.5 million $1.5 million. It consists of a net loss of approximately $7.5 million $2.1 million, a positive impact on cash due to non-cash expenses of approximately $2.8 million, $459 thousand, and a negative positive change in operating assets and liabilities of approximately $856 $148 thousand. Non-cash expenses consist of an amortization and depreciation charge of approximately $504 $155 thousand, stock-based expenses of approximately $2.3 million, $357 thousand, and net loss on the sale of a property, plant, and equipment of an approximately $39 thousand. $53 thousand decrease in other non-cash items. In addition, changes in operating assets and liabilities had a negative positive impact of approximately $856 $148 thousand on cash, of which approximately $127 $118 thousand is due to a decrease in accounts receivables, approximately $572 $142 thousand decrease increase in accounts payable, approximately $91 thousand increase in accrued and other liabilities and approximately $157 $33 thousand decrease increase in other net current assets and liabilities.

Net cash used in operating activities for the nine three months ended December 31, 2021 June 30, 2022, was approximately $6.6 million $2.2 million. This It consists of a net loss of approximately $8.5 million $2.8 million, a positive impact on cash due to non-cash expenses of approximately $1.4 million, and non-cash items totaling a negative change in operating assets and liabilities of approximately $2.89 million, which in turn $793 thousand. Non-cash expenses consist of an amortization and amortization/depreciation charge of approximately $486 $162 thousand and stock-based expenses totaling approximately $1.1 million, approximately $1.7 million for a provision related to stolen inventory, approximately $37 thousand related to the impairment of investment and gain due to forgiveness of the PPP Note of approximately $430 thousand. Changes $1.2 million. In addition, changes in operating assets and liabilities had a net negative impact of approximately $944 $793 thousand on cash, of which approximately $51 $258 thousand is related due to inventory. decrease in accrued and other liabilities and approximately $524 thousand decrease in accounts payable.

Investing Activities

Net cash provided by used in investing activities for the nine three months ended December 31, 2022 June 30, 2023, was approximately $7 $5 thousand, which comprised net proceeds from the sale of property, plant, and equipment of approximately $239 thousand, adjusted with cash expenses of approximately $144 $28 thousand for the acquisition and filing expenses related

to patents intellectual property, approximately $23 thousand for the purchase of property, plant, and approximately $88 thousand of a short-term investment. equipment.

Net cash used in investing activities for the nine three months ended December 31, 2021 June 30, 2022, was approximately $189 $158 thousand, which comprised of expenses of approximately $37 $31 thousand for the acquisition and filing expenses related to patents and purchase of property, plant, and equipment of approximately $152 $127 thousand.

Financing Activities

Net cash provided used by financing activities from the issuance of equity stock through our ATM offering, net of all expenses related to the issuance of stock, was approximately $101 $1 thousand and $4.1 million for the nine three months ended December 31, 2022 June 30, 2023 and June 30, 2022, and 2021, respectively. which is comprised of re-payment of loan.

Off-Balance Sheet Arrangements

We do not have any outstanding derivative financial instruments, off-balance sheet guarantees, interest rate swap transactions, or foreign currency forward contracts. Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity, or market risk support to such entity. We do not have any variable interest in an unconsolidated entity that provides financing, liquidity, market risk, or credit support to us or that engages in leasing, hedging or research and development services with us.

Critical Accounting Policies

While all accounting policies impact the financial statements, certain policies may be viewed as critical. Critical accounting policies are those that are both most important to the portrayal of financial condition and results of operations and that require management's most subjective or complex judgments and estimates. Our management believes the policies that fall within this category are the policies on revenue recognition, inventory, accounts receivable, foreign currency translation, impairment of long-lived assets and investments, stock-based compensation, and cybersecurity.

Please see our disclosures in Note 2 – Summary of Significant Accounting Policies to the Notes to the Unaudited Condensed Consolidated Financial Statements in this report, in the Notes to the Audited Consolidated Financial Statements in the 2022 2023 Form 10-K, as well as Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations in the 2022 2023 Form 10-K, for a discussion of all our critical and significant accounting policies.

Recent Accounting Pronouncements

Changes to U.S. GAAP are established by the Financial Accounting Standards Board ("FASB") (FASB) in the form of accounting standards updates ("ASUs") (ASUs) to the FASB's Accounting Standards Codification. The Company considers the applicability and impact of all ASUs. Newly issued ASUs not listed are expected to have no impact on the Company's consolidated

financial position and results of operations, because either the ASU is not applicable, or the impact is expected to be immaterial. Recent accounting pronouncements which may be applicable to us are described in Note 2, "Significant Accounting Policies" to the Notes to the Unaudited Condensed Consolidated Financial Statements in this report and in the Notes to the Audited Consolidated Financial Statements in Part II of our 2022 2023 Form 10-K.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Item 3 does not apply to us because we are a smaller reporting company.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management Management maintains disclosure controls and procedures as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act") that are designed to provide reasonable assurance that information required to be disclosed in our reports filed or submitted under the Exchange Act is processed, recorded, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, Management, including our Chief Executive Officer (our principal executive officer) and Principal Financial Officer, (our principal executive officer and principal financial officer, respectively), as appropriate, to allow for timely decisions regarding required disclosure.

Our management, Management, including the Chief Executive Officer and Principal Financial Officer, carried out conducted an evaluation of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on this evaluation, our Chief Executive Officer and Principal Financial Officer concluded that our disclosure controls and procedures were effective to ensure that the information required to be disclosed in the reports filed or submitted by us under the Exchange Act was recorded, processed, summarized and reported within the requisite time periods specified in SEC rules and forms and that such information was accumulated and communicated to our management, Management, including our Chief Executive Officer and Principal Financial Officer, as appropriate to allow for timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

Our management, Management, including our Chief Executive Officer and Principal Financial Officer, evaluated our "internal control over financial reporting" as defined in Exchange Act Rule 13a-15(f) to determine whether any changes in our internal control over financial reporting occurred during the three months ended December 31, 2022 June 30, 2023, that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Based on that evaluation, there

were no changes in our internal control over financial reporting during the three months ended December 31, 2022 June 30, 2023, that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

The Company may be involved in legal proceedings, claims, and assessments arising in the ordinary course of business. Such matters are subject to many uncertainties, and outcomes are not predictable with assurance.

As of December 31, 2022 June 30, 2023, the Company and one of its officers are parties to the following litigation matter:

Apogee Financial Investments, Inc., et al. v. India Globalization Capital, Inc., et al., Civil Action No. 1:21-cv-03809 (U.S. District Court for the Southern District of New York). On April 29, 2021, Apogee Financial Investments, Inc. ("Apogee") (Apogee) and John R. Clarke ("Clarke") (Clarke) filed a complaint against the Company and IGC's President and Chief Executive Officer, Ram Mukunda ("Mukunda") (Mukunda) (the "Apogee Litigation") Apogee Litigation). The litigation was originally initiated by IGC on February 8, 2021 (India Globalization Capital, Inc. v. Apogee Financial Investments, Inc., Civil Action No. 1:21-cv-01131, U.S. District Court for the Southern District of New York), wherein IGC alleged that Apogee breached a purchase agreement dated December 18, 2014, related to IGC's intended purchase of a business known as Midtown Partners and & Co., LLC ("Midtown") (Midtown). In response to the original lawsuit filed by IGC, Apogee and Clarke filed a counterclaim as well as the Apogee Litigation. On June 28, 2021, Apogee and Clarke filed an amended complaint. complaint/counterclaim. On July 23, 2021, IGC and Mukunda moved to partially dismiss the counterclaim and the Apogee Litigation. On March 7, 2022, the Court granted the motion to dismiss in substantial part, leaving only two claims: Apogee's counterclaim cross-claim against the Company for an alleged breach of the purchase agreement; agreement; and Clarke's claim against the Company for an alleged breach of an alleged promise to issue him shares of the Company. On June 24, 2022, Apogee and Clarke filed a second amended complaint/counterclaim asserting the same claims. On February 21, 2023, IGC and Mukunda filed a motion for summary judgment seeking judgment on both IGC's underlying Complaint against Apogee and Apogee's and Clarke's claims against Apogee and Mukunda. On April 19, 2023, Apogee and Clarke filed a response to the motion. Both Apogee and Clarke withdrew their claims against Mukunda at that time. The Company filed its reply in support of summary judgment on May 16, 2023. On July 20, 2023, after the close of the quarterly reporting period, the court granted the motion for summary judgment in substantial part, ruling (a) that Apogee breached the parties' purchase agreement, (b) that Clarke's claims were barred by the applicable statute of limitations, (c) that Apogee breached a contract related to a loan made by IGC to Apogee in 2015 and that IGC is entitled to damages and interest as a result; and (d) that all claims against Mukunda are dismissed. The court is expected to set a trial date to decide certain remaining issues: (i) whether IGC breached the purchase agreement by issuing restricted, as opposed to unrestricted, stock to Apogee, and, if so, what damages, if any, Apogee may receive as a result; and (ii) the amount of damages IGC will be awarded based on Apogee's breach of the purchase agreement. The Company considers the counterclaim and the Apogee Litigation to be ordinary, routine litigation incidental to the business. The Company and Mukunda deny denies any and all liability and, in particular, deny many denies that it breached the purchase

agreement and that Apogee has suffered any damages. Given the Company's position that Apogee suffered no damages due to any conduct by IGC, the Company intends to seek resolutions of the factual allegations contained in Apogee's and Mr. Clarke's filings in the Apogee Litigation. Both litigation without proceeding to trial. However, failing those efforts, the Company and Mukunda intend intends to vigorously defend the litigation and are is represented by counsel for that purpose.

Item 1A. Risk Factors

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information under this item.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None. On June 30, 2023, the Company entered into a SPA with Bradbury Asset Management and three unrelated investors resulting in approximately $3 million in gross proceeds. The completion of the private placement is subject to customary closing conditions, including approval by the NYSE. Under the terms of the private placement, IGC will issue 10 million shares of unregistered common stock at a price of $0.30 per share. Shares are intended to be exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"), by virtue of the provisions of Section 4(a)(2) of the Securities Act and Regulation D and/or Regulation S adopted thereunder.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit Number	Exhibit Description

3.1	Amended and Restated Articles of Incorporation of the Registrant, as amended on August 1, 2012 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on August 6, 2012).
3.2	Articles of Amendment to the Company's Amended and Restated Articles of Incorporation filed with the State Department of Assessments and Taxation of Maryland on March 7, 2023 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on March 21, 2023).
3.3	By-laws of the Registrant (incorporated by reference to Exhibit 3.2 to the Company's Post-Effective Amendment No.1 to Form S-3 filed on January 22, 2021).
3.3 3.4	Amendment to the Amended and Restated Articles of Incorporation of the Registrant as amended on August 2, 2014 (incorporated by reference to Exhibit 3.3 to the Company's Post-Effective Amendment No.1 to Form S-3 filed on January 22, 2021).
3.5	Amendment to the Bylaws of the Company dated March 2, 2023 (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed on March 21, 2023).
10.01(a)(b)	Employment Agreement, effective as of May 9, 2023, by and between IGC Pharma, Inc. and Ms. Claudia Grimaldi (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 5, 2023).
10.02	Form of Share Purchase Agreement (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on July 7, 2023).
10.03(b)	Master Loan Agreement, dated June 30, 2023, between IGC Pharma, Inc. and O-Bank, CO., LTD (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on July 7, 2023).
31.1*	Rule 13a-14(a) / 15d-14(a) Certification of Chief Executive Officer.
31.2*	Rule 13a-14(a) / 15d-14(a) Certification of Principal Financial Officer.
32.1**	Certifications pursuant to 18 U.S.C. §1350.
101.INS*	Inline XBRL Instance Document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

*

* Filed herewith.

** Furnished herewith.

(a) Management contract or compensatory plan or arrangement.

** Furnished herewith.

(b) Certain schedules or similar attachments to this exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K. The registrant hereby agrees to furnish supplementally to the Securities and Exchange Commission upon request a copy of any omitted schedule or attachment to this exhibit.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

INDIA GLOBALIZATION CAPITAL, IGC PHARMA, INC.

Date: February 14, 2023 August 10, 2023

By: /s/ Ram Mukunda

Ram Mukunda

President and Chief Executive Officer

(Principal Executive Officer)

Date: February 14, 2023 August 10, 2023

By: /s/ Claudia Grimaldi

Claudia Grimaldi

Vice President Vice-president & Chief Compliance Officer

(Principal Financial Officer)

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO 17 CFR 240.13(a)-14(a)
(SECTION 302 CERTIFICATION)

I, Ram Mukunda, certify that:

1. I have reviewed this quarterly report on Form 10-Q of India Globalization Capital, IGC Pharma, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2023 August 10, 2023

By: /s/ Ram Mukunda

Ram Mukunda

President and Chief Executive Officer

(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO 17 CFR 240.13(a)-14(a)
(SECTION 302 CERTIFICATION)

I, Claudia Grimaldi, certify that:

1. I have reviewed this quarterly report on Form 10-Q of India Globalization Capital, IGC Pharma, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2023 August 10, 2023

By: /s/ Claudia Grimaldi

Claudia Grimaldi

Vice President

(Principal Vice-president & Chief Compliance Officer (Principal Financial Officer)

Exhibit 32.1

CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Ram Mukunda, certify, as of the date hereof, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of India Globalization Capital, IGC Pharma, Inc. on Form 10-Q for the period ended December 31, 2022 June 30, 2023, (i) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (ii) that information contained in such Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of India Globalization Capital, IGC Pharma, Inc. at the dates and for the periods indicated.

Date: February 14, 2023 August 10, 2023

By: /s/ Ram Mukunda

Ram Mukunda

Chief Executive Officer and President

(Principal Executive Officer)

I, Claudia Grimaldi, certify, as of the date hereof, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of India Globalization Capital, IGC Pharma, Inc. on Form 10-Q for the period ended December 31, 2022 June 30, 2023, (i) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (ii) that information contained in such Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of India Globalization Capital, IGC Pharma, Inc. at the dates and for the periods indicated.

Date: February 14, 2023 August 10, 2023

By: /s/ Claudia Grimaldi

Claudia Grimaldi

Vice President

(Principal Vice-president & Chief Compliance Officer (Principal Financial Officer)

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