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

FORM 10-K

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

For Fiscal Year Ended March 31, 2025.

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

For the transition period from _____ to _____

Commission file number: 001-32830

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:

Common Stock	**IGC**	**NYSE American LLC**
(Title of each class)	(Trading Symbol)	(Name of each exchange on which registered)

Securities registered pursuant to Section 12(g) of the Act: None.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☐ Yes ☑ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☑ No

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 ☐
Non-accelerated filer ☑
Emerging growth company ☐

Accelerated filer ☐
Smaller reporting 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 has filed a report on and attestation to its management assessment of the effectiveness of its Internal Control Over Financial Reporting under section 404 (b) of the Sarbanes-Oxley by the registered public accounting firm that prepared or issued its annual report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b). ☐

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

The aggregate market value of the voting and non-voting stock held by non-affiliates of the Registrant, as of September 30, 2024, the last business day of the Registrant's most recently completed second fiscal quarter, was approximately $29,724,689. Solely for the purposes of this disclosure, shares of common stock held by executive officers and directors of the Registrant as of such date have been excluded because such persons may be deemed to be affiliates. This determination of executive officers and directors as affiliates is not necessarily a conclusive determination for any other purposes.

83,891,586 shares of our common stock were outstanding as of June 20, 2025.

DOCUMENTS INCORPORATED BY REFERENCE

None

IGC PHARMA, INC.
FORM 10-K
FOR THE FISCAL YEAR ENDED MARCH 31, 2025

TABLE OF CONTENTS

		Page
PART I		
Item 1.	Business	5
Item 1A.	Risk Factors	25
Item 1B.	Unresolved Staff Comments	39
Item 1C.	Cybersecurity	39
Item 2.	Properties	40
Item 3.	Legal Proceedings	40
Item 4.	Mine Safety Disclosures	40
PART II		
Item 5.	Market for Registrant's Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities	41
Item 6.	[Reserved]	42
Item 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations	42
Item 7A.	Quantitative and Qualitative Disclosures About Market Risk	51
Item 8.	Financial Statements and Supplementary Data	51
Item 9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	78
Item 9A.	Controls and Procedures	78
Item 9B.	Other Information	78
Item 9C.	Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	78
PART III		
Item 10.	Directors, Executive Officers, and Corporate Governance	79
Item 11.	Executive Compensation	85
Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	87
Item 13.	Certain Relationships and Related Transactions, and Director Independence	88
Item 14.	Principal Accountant Fees and Services	88
PART IV		
Item 15.	Exhibits and Financial Statement Schedules	91
Item 16.	Form 10-K Summary	92
Signatures		93

FORWARD-LOOKING STATEMENTS AND IMPORTANT FACTORS

This Annual Report on Form 10-K and the documents incorporated in this report by reference contain "forward-looking statements" within the meaning of federal securities laws. Additionally, we or our representatives may, from time to time, make other written or verbal forward-looking statements. In this report and the documents incorporated by reference, we 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," "could," "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. We caution you not to place undue reliance on forward-looking statements, which are based upon assumptions, expectations, plans, and projections. In addition, our goals and objectives are aspirational and are not guarantees or promises that such goals and objectives will be met. Forward-looking statements are subject to risks and uncertainties, including those identified in the "Risk Factors" included in this report and in the documents incorporated by reference that 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 law, we assume no 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.

Forward-looking statements are based upon, among other things, our assumptions with respect to:

- the sufficiency of our existing cash and cash equivalents and marketable securities to fund our future operating and capital expenses;
- our ability to successfully implement and deploy our artificial intelligence initiatives;
- our disposal of non-core Company assets;
- our ability to successfully register trademarks and patents, create and market new products and services, and achieve customer acceptance in the industries we serve;
- current and future economic and political conditions, including in North America, Colombia, Europe, and India;
- our ability to accurately predict the future demand for our products and services;
- our ability to successfully market our products in countries and states where our products are legal;
- our ability to maintain a stock listing on a national securities exchange;
- our ability to obtain and maintain regulatory approval of our existing product candidates and any other product candidates we may develop, and the labeling under any approval we may obtain;
- our ability to timely complete regulatory filings;
- our ability to obtain the U.S. Food and Drug Administration (FDA) approval for an Investigational New Drug Application (INDA) and to successfully run medical trials, including a Phase 2 trial for IGC-AD1;

- our reliance on third parties to conduct clinical trials and for the manufacture of IGC-AD1 for clinical and non-clinical studies and clinical trials;
- our financial performance;
- the outcome of medical trials that are conducted on our Investigational Drug Candidates and products;
- our ability to fund the costs of clinical trials and other related expenses;
- our ability to maintain our intellectual property position and our ability to maintain and protect our intellectual property rights;
- competition and general acceptance of alternative, pharmaceutical, and nutraceutical therapies;
- our ability to effectively compete and our dependence on market acceptance of our brands and products within and outside the United States;
- federal and state legislation and administrative policy regulating our formulations;
- our ability (based in part on regulatory concerns) to license our products to processors that can produce pharmaceutical-grade formulations;
- our ability to obtain and protect patents for the use of our formulations;
- our ability to obtain and install equipment for processing and manufacturing our products;
- our ability to successfully navigate disruptions of information technology systems or data security breaches that could adversely affect our business; and
- our ability to successfully implement our strategy.

You should consider the limitations on, and risks associated with, forward-looking statements and not unduly rely on the accuracy of predictions contained in such forward-looking statements. As noted above, these forward-looking statements speak only as of the date when they are made. Moreover, in the future, we may make forward-looking statements through our senior management that involve the risk factors and other matters described in this report, as well as other risk factors subsequently identified, including, among others, those identified in our filings with the SEC in our quarterly reports on Form 10-Q and our current reports on Form 8-K.

This document contains statements and claims that are not approved by the FDA, including statements on hemp and hemp extracts, including cannabinoids. These statements and claims are intended to be in compliance with federal and state laws.

PART I

In this report, unless the context requires otherwise, all references in this report to "IGC," "the Company," "we," "our," and "us" refer to IGC Pharma, Inc., together with the subsidiaries identified *in Exhibit 21.1 of this Annual Report on Form 10-K. We exclude our investments and minority non-controlling interests, and any information provided by them is not incorporated by reference in this report. They should not be considered part of this report.*

ITEM 1. BUSINESS

Overview

IGC is a Maryland corporation established in 2005 with a fiscal year ending on March 31, spanning a 52- or 53-week period. Please refer to Note 1, "Nature of Operations" and Item 8 of this Annual Report on Form 10-K, for further information on business segments.

Our mission is to improve the lives of individuals affected by Alzheimer's disease by addressing both its symptoms and the disease. Our near-term focus is on advancing IGC-AD1, our lead drug candidate currently in Phase 2 clinical trials targeting agitation in Alzheimer's patients. We are also investing in our early-stage pipeline of investigational therapies and exploring Artificial Intelligence (AI) powered models designed to identify early markers of Alzheimer's. We believe that combining scientific innovation with operational execution, including leveraging our internal contract research organization, positions us to efficiently advance our pipeline toward commercialization, although there can be no assurance thereof. Our long-term strategy is to build a portfolio of differentiated therapies that not only address symptomatic needs but also target disease-modifying mechanisms, thereby creating sustainable value for patients, caregivers, and shareholders.

Our lead investigational drug, IGC-AD1, has progressed through preclinical evaluations and a successful Phase 1 safety trial, and is currently being evaluated in a multicenter, randomized, double-blind, placebo-controlled Phase 2 clinical trial, officially named "CALMA" (Calming Agitation in Alzheimer's). Interim data from this trial have demonstrated encouraging signs of efficacy, with patients receiving IGC-AD1 experiencing a statistically significant reduction in agitation compared to placebo within the first 2-6 weeks of treatment. This reduction in agitation is particularly notable as it could, although there can be no assurance, significantly improve patient care and represents a potential breakthrough in managing Alzheimer's-related agitation. In addition, IGC-AD1, Phase 2 clinical trial interim data also demonstrate a clinical and statistically significant reduction in sleep disturbances among Alzheimer's patients receiving the active medication compared to placebo.

During fiscal 2025, the Company reassessed its reportable segment structure in connection with its strategic realignment toward Life Sciences. As a result, management determined that the Company operates as a single reportable segment, focused on the vision to make the world free from Alzheimer's. Historically, the Company reported two operating segments: Life Sciences and Infrastructure. While the Infrastructure segment generated revenues in fiscal 2024, it did not generate any revenues in fiscal 2025 and is no longer actively managed or evaluated as a discrete operating segment by the Company's Chief Operating Decision Maker. For more information, please refer to "Note 18 – Segment Information".

Our Drug Development Pipeline

IGC Pharma is on a mission to transform Alzheimer's treatment. We are building a robust pipeline of drug candidates, each targeting different aspects of the disease. Our product candidate pipeline and anticipated milestones include the followings: -

Asset	Target Indication	Mechanism of Action	Development Stage	Key Milestones
IGC- AD1	Agitation in Alzheimer's dementia	CB1 receptor partial agonist; reduces neuroinflammation and restores neurotransmitter balance	Phase 2 clinical trial (CALMA study)	Interim Phase 2 data analysis suggests cognitive improvements in the active treatment group versus the placebo group.
TGR-63	Early to moderate Alzheimer's disease	Disrupts amyloid-beta (Aβ) plaque formation; crosses blood-brain barrier	Preclinical	Demonstrated favorable safety profile; advancing towards clinical trials
LMP	Alzheimer's disease	Targets neuroinflammation, neurotransmitter imbalance, and inflammasome-3	Preclinical	Bioequivalence to IGC-AD1 anticipated in 2025
IGC-M3	Early-stage Alzheimer's disease	Inhibits Aβ plaque aggregation	Preclinical	Toxicology studies planned for mid-2025
IGC-1C	Alzheimer's disease and metabolic disorders	Targets tau protein phase separation; potential GLP-1 receptor agonist	Preclinical	Exhibits strong binding affinity to tau protein; potential for weight loss applications
IGC-1A	Metabolic disorders (e.g., type 2 diabetes, obesity)	Potential GLP-1 and GIP receptor agonist; CB1 receptor inverse agonist	Preclinical	Identified through AI modeling; toxicology and dosing studies underway

This pipeline reflects IGC Pharma's strategic focus on addressing neurodegenerative diseases, particularly Alzheimer's, through innovative mechanisms targeting key pathological features like amyloid plaques and tau protein aggregation. Additionally, the expansion into metabolic disorders showcases the versatility of our drug discovery platform, leveraging AI to identify promising therapeutic candidates.

The Company is also attempting to harness the power of AI to develop early detection models, optimize clinical trials, and explore new applications for our drugs. Additionally, our 31 patent filings, including for IGC-AD1, demonstrate our commitment to innovation and protecting our intellectual property.

Artificial Intelligence (AI)/Machine Learning (ML)

In our pursuit of innovation, we leverage AI and ML. AI refers to the development of intelligent systems that can learn and act autonomously. ML is a branch of AI that allows computers to learn from data without the need for explicit programming. This technology plays a role in our efforts and could allow companies of our size to do what previously was the domain of much larger pharmaceutical companies. For instance, we are utilizing ML by training transformers, a powerful neural network architecture, to analyze vast datasets from our Phase 1 and unblinded Phase 2 interim clinical trial to identify patterns and optimize the clinical trial protocol for a potential Phase 3 trial. The AI model, for example, has the potential to tell us if a particular neuropsychiatric scale that we used in Phase 1 and Phase 2 added valuable information to the trial, and if it did not, we could remove that scale from a future Phase 3 trial, thus saving money and time in the overall trial management. In the long term, with more data, the trained AI model could allow us to consider incoming patient signatures, such as scans, symptoms, patient history, among others, and predict outcomes for our drug, including adverse effects, thus personalizing the delivery of IGC-AD1, of which there can be no assurance.

Currently, the AI team is working on developing a Multimodal Interpretable Transformer for Alzheimer's Disease (MINT-AD). This tool aims to support clinicians in real-world decision-making towards reducing Alzheimer's false negatives and delayed diagnosis. We are developing MINT-AD for three aims/phases: risk stratification for AD, cognitive decline prediction 2-5 years in advance, and deployment as a physician's tool.

We have collected and started harmonizing a group of 32 worldwide databases that include longitudinal aging data, clinical and neuroimaging, and omics data. The databases represent participants from various countries, with a large representation from North, Central, and South America, and Asia. A detailed map of the databases is shown in Fig. 1.

For the first phase, we are pretraining and finetuning state-of-the-art Large Language Models (LLMs) to extract intricate patterns in the data that uncover groups of interacting risk factors for early detection. Our first efforts have focused on the longitudinal data due to its compatibility and ease of use in LLMs. To input the data into language models, we are building prompts in two formats: semi-structured prompts made up by the original variable names and their values, and descriptive prompts made up by tailored text for each database. Also, we are implementing masked attention strategies to help the model focus on the data that is available for each database. By leveraging LLMs, we aim to enhance interpretability, generalizability, and clinical usability. Regarding interpretability, we have tested adversarial attack approaches that can help understand the decision-making of the model and expose wanted and unwanted behaviors in early stages. Additionally, to define a training target, we have extracted cognitive scales so that the model identifies which risk factors impact the patient the most. Some of the scales we have found across databases include the Mini-Mental State Examination (MMSE), the Community Screening Interview for Dementia (CSI-D), and the Montreal Cognitive Assessment (MoCA). We are also working on incorporating clinical and imaging data, including MRI and PET scans, and varied omics data, such as RNA sequencing, whole genome sequencing, and DNA methylations. Each group of data types will be developed in modules and then integrated through a Mixture-of-Experts (MoE) architecture. Fig. 2 shows a general overview of our approach with MoE. Our next steps will focus on finishing the harmonization process and incorporating the remaining databases. Once we have various modules, we plan to train their ensemble in the MoE and test gating strategies to properly direct the input to the most appropriate expert.

So far, the first phase is focused on the current cognitive state and the factors that have the most significant impact on that state. In the second phase, we want to focus on understanding how cognitive abilities evolve over time and how modifiable risk factors lead to a positive or negative cognitive trajectory. For this task, we will include datapoints throughout time, focusing on the importance of temporality and causality in the data. Also, we can leverage strategies like chain-of-thought (CoT) in the transformer-based models from the previous phase to train the models to understand how the reasoning behind a risk factor leads to the cognitive outcome. This strategy will be implemented with help from experts that can provide examples of the analysis process on a case-by-case basis.

In the last phase, we will deploy the final model with insights from both previous phases to conduct further real-world validation and assess the impact of the model in early detection and cognitive trajectory improvements.

Fig. 1: Overview of the database for MINT-AD

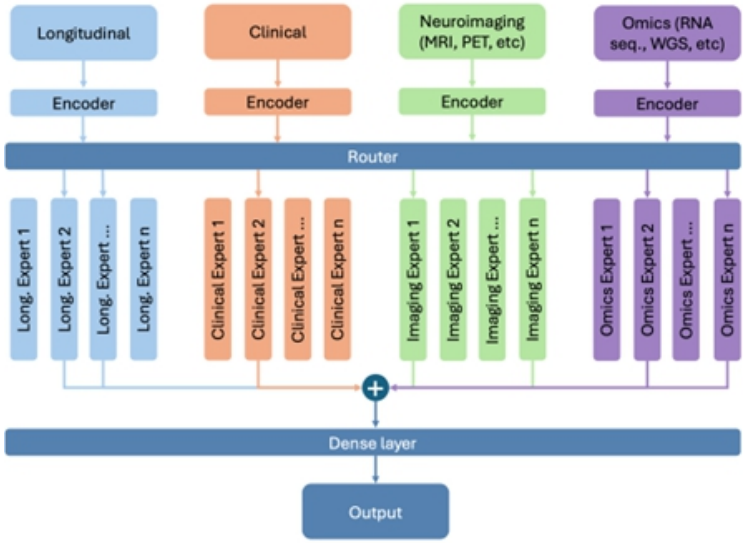


Fig. 2: MINT-AD architecture using MoE

Our Strategy

Our goal is to develop product candidates to diagnose and/or treat central nervous system disorders, such as Alzheimer's disease and neurodegenerative conditions. Key elements of our business strategy to achieve this mission include:

- **Advance Differentiated Therapies for High-Need CNS Indications*:* -** Subject to FDA approval and clinical trials, IGC Pharma is advancing IGC-AD1 as a potential treatment for agitation in dementia due to Alzheimer's disease—an area with limited effective therapies and significant unmet medical need.

- **Expand IGC-AD1's therapeutic potential to treat AD, subject to FDA approval: -** Subject to FDA approval, IGC Pharma aims to broaden the clinical application of IGC-AD1 beyond agitation to target core Alzheimer's disease symptoms, contingent upon regulatory approval and support clinical data. Although there can be no assurance, this expansion could significantly enhance the drug's value and impact in addressing a major unmet medical need.

- **Advance the development of TGR-63 as a potential therapeutic for AD: -** IGC Pharma is progressing TGR-63, a preclinical candidate designed to target amyloid-beta plaque formation, a hallmark of Alzheimer's pathology. This molecule represents a key component of the Company's long-term strategy to diversify its Alzheimer's pipeline and address the disease at its biological core.

- **Publish scientific findings in peer-reviewed journals to strengthen clinical credibility and visibility: -** IGC Pharma actively disseminates research through peer-reviewed publications to validate its scientific approach, enhance transparency, and support regulatory engagement. This strategy reinforces the Company's reputation within the medical and investor communities and underpins the advancement of its drug development programs.

- **Allocate Capital to Enhance Shareholder Value: -** IGC Pharma Inc. is committed to strategically allocating capital to enhance shareholder value by advancing its AD pipeline, optimizing operational efficiency, and maintaining a robust financial position.

We believe developing a drug for both symptom and disease-modifying agents has less risk due to the need for expensive multi-year trials. However, there is considerable upside and significant value creation to the extent we obtain a first-in-class advantage, of which there can be no assurance. If we were to obtain a first-in-class advantage, such an advantage could result in significant growth if and when an approved drug such as IGC-AD1 launches.

We believe that additional investment in clinical trials, AI, R&D, facilities, marketing, advertising, and the acquisition of complementary products and businesses will be critical to the ongoing growth of the Life Sciences segment. 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. Although there can be no assurance, we believe this strategy can improve our existing products and lead to the creation of new products that can provide treatment options for multiple conditions, symptoms, and side effects.

Core business competencies and advantages

Our core competencies include:

- a network of doctors, scientists with Ph.D. degrees, and intellectual property legal experts with a sophisticated understanding of drug discovery, research, FDA filings, intellectual protection, and product formulation;
- knowledge of various cannabinoid strains, their phytocannabinoids profile, extraction methodology, and impact on various pathways;
- knowledge of plant and cannabinoid-based combination therapies;
- knowledge of research and development in the field;
- approximately thirty-one (31) patent applications out of which our portfolio includes twelve (12) granted patents. For more information, please refer to Item I, "Business" of Part I;
- facilities and a team with experience in manufacturing, marketing, and selling products. These competencies have enabled us to make progress on our business goals, specifically completing the Phase 1 clinical trial of IGC-AD1, which has the potential to positively impact on the lives of millions of patients suffering from the symptoms of Alzheimer's disease, subject to FDA approval.

Background on Alzheimer's Disease (AD) Pathology

AD pathology can be divided into two categories: familial or inherited AD and sporadic AD. The histopathology of early-onset familial AD and late-onset sporadic AD is indistinguishable. Both forms of AD are characterized by extracellular amyloid-β (Aβ) plaques and intracellular tau-containing neurofibrillary tangles (Götz, et al., 2011). Simplistically, in normal brain functioning, a large protein called Amyloid Precursor Protein (APP) is cleaved into smaller fragments called Aβ proteins. In a normal brain, these are subsequently broken down further and cleared. However, in AD brains, these Aβ proteins are not broken down and cleared; they instead stick to one another and deposit as inter-neuronal sticky plaque—that is, they deposit as plaque between neurons. In the brain, within a neuron, tau (τ) is a key protein that holds together the transport scaffold. As an analogy, it is the brick-and-mortar of the highway over which nutrients are transported within a neuron. In an AD brain, tau breaks down due to a process called hyperphosphorylation and is unable to hold the transport highway. The breakdown results in neurofibrillary tangles (NFTs) and eventually leads to neuronal death.

The misfolded structure of Aβ proteins, along with NFTs, generates a characteristic tendency for their aggregation (Chiti & Dobson, 2006) around damaged or dead neurons and within cerebral vasculature in the brain. It manifests in memory loss followed by progressive dementia. It has long been believed that Aβ1–40 (Aβ40) and Aβ1–42 (Aβ42) aggregates are the constituents of the insoluble plaques that are characteristic of AD. This disease is also associated with neuroinflammation, excitotoxicity, and oxidative stress (Campbell& Gowran, 2007; Rich, et al., 1995). However, the continuous aggregation of Aβ proteins along with hyperphosphorylation of tau protein inside the cell, causing NFT formation, are generally accepted as the major etiological factors of the neuronal cell death associated with the progression of Alzheimer's disease (Octave, 1995; Reitz, et al., 2011; Pillay, et al., 2004). The two hallmarks of Alzheimer's are shown in Figure 3.

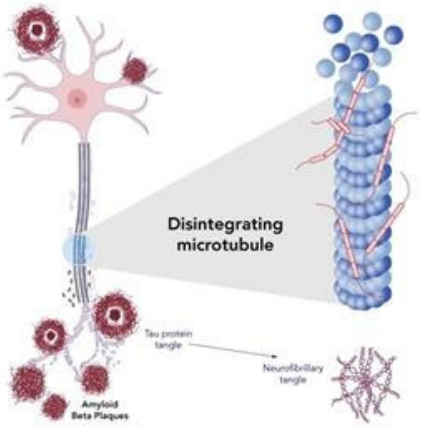
Figure 3: Hallmarks of Alzheimer's

- Extracellular Plaque: β-amyloid (Aβ)
- Tau Neurofibrillary Tangles (NTFs).

Causes loss of neurons & critical neuronal connections.

Also linked to Alzheimer's:

- Metabolism disruption
- Mitochondrial dysfunction
- Neuroinflammation



Alzheimer's affects not only cognition but also mood and behavior, changes which increase in intensity as the disease progresses. Approximately 6.9 million Americans aged 65 and older are living with Alzheimer's dementia, according to the Alzheimer's Association's 2024 Facts and Figures report. In 2025, it is estimated that 7.2 million Americans aged 65 and older have Alzheimer's dementia, reflecting the growing aging population. Alzheimer's is the most common cause of dementia, accounting for an estimated 60% to 80% of cases. Most individuals also have the brain changes of one or more other causes of dementia. This is called mixed pathologies, and if recognized during life it is called mixed dementia. There are various symptoms associated with this medical condition, such as screaming, pacing, biting, disrobing, excessive motor movements, physical aggression, and verbal aggression, among others. These behaviors make up clinical agitation in dementia due to Alzheimer's disease and it they make it very difficult for caregivers to manage their loved ones. Agitation is associated with increased hospitalization and accelerated cognitive decline.

Symptoms of AD depend on the stage of the disease: preclinical, mild, moderate, or severe. NPS, such as agitation, apathy, delusions, hallucinations, and sleep impairment, are common accompaniments of dementia. Loss of functionality, including progressive difficulty in performing instrumental and basic activities of daily living, is also seen with disease progression (Tang et al., 2019). There is a spectrum of behavioral disorders that can affect patients with AD. These include agitation, anxiety, disturbance of the sleep cycle, depression, inappropriate sexual behavior, disinhibition, and irritability, among others (Lyketsos, et al., 2011). These behavioral disturbances not only affect the patient's quality of life but also cause extreme emotional distress for the caregivers. These disturbances can become very difficult to manage, so most of the time, combined therapy is used (Matsunaga et al., 2015). This can cause secondary undesirable effects, such as excessive sleepiness, which diminishes the capability of the patient to be active and alert during the day; dizziness, which can increase the risk for falls (Allan, et al., 2005); worsening of cognitive function, which in turn worsens functionality (Paterniti S, et al., 2002); and even death due to cardiovascular complications (Qiu, et. Al., 2006).

Background on Agitation in Alzheimer's dementia

Agitation is a prevalent neuropsychiatric symptom among individuals with Alzheimer's disease, characterized by restlessness, aggression, and emotional distress. Studies indicate that up to 80% of individuals with Alzheimer's experience agitation during the course of the disease. Based on these figures, approximately 5.8 million Americans with Alzheimer's may experience agitation in 2025. This substantial number underscores the critical need for effective interventions targeting agitation to improve patient quality of life and reduce caregiver burden. Agitation is a behavioral syndrome characterized by increased, often undirected, motor activity, restlessness, aggressiveness, and emotional distress. While there can be no guarantee, we expect the Phase 2 trial to take between 12 and 18 months to complete, barring a variety of unknown factors.

We are currently developing IGC-AD1 for the treatment of Agitation in Alzheimer's dementia (AAD). There is only one FDA-approved pharmacological treatment for the indication of AAD.

The National Institute on Aging (NIA) at the National Institutes of Health (NIH) defines AD as an irreversible, progressive brain disorder that destroys memory and thinking skills. AD is a progressive neurodegenerative disorder that manifests initially as forgetfulness, advancing to severe cognitive impairment and memory loss. Emotional distress, aggressive behaviors, disruptive irritability, and disinhibition characterize agitation. Agitation in Alzheimer's dementia has been associated with increased caregiver burden, decreased functioning, earlier nursing home placement, and death.

The NIA categorizes Alzheimer's in three stages- mild, moderate, and severe (NIA, 2019). Symptoms of mild Alzheimer's can include wandering (getting lost, not remembering the way home), trouble handling money and paying bills, repeating questions, and personality or behavior changes. As the disease progresses to moderate, there is damage to the areas of the brain that control language, reasoning, sensory processing, and conscious thought. Patients can have difficulty with multi-step tasks such as getting dressed. Behavioral problems, including hallucinations, delusions, paranoia, and impulsive behavior, can also increase. When severe Alzheimer's sets in, plaques and tangles spread throughout the patient's brain, and the brain shrinks significantly. People with severe Alzheimer's are completely dependent on others for care. They cannot communicate, and near the end of their life, they may be largely bedridden as the body shuts down (NIA, 2021).

Patients with AD are currently treated with various medications, including antipsychotics, which have been considered the mainstay of treatment. These treatments, however, are limited by safety concerns. Typical antipsychotics prescribed for agitation, aggression, or insomnia are associated with functional decline in patients with AD, while studies indicate that atypical antipsychotics may be associated with increased rates of cerebrovascular events and death in patients with dementia.

Currently, there are limited options to help Alzheimer's patients with agitation or relief the burden placed on their caregivers (Cheng, 2017).

Currently, IGC-AD1 is in a Phase 2 clinical trial, and on March 20, 2024, and on November 14, 2024, IGC announced the "Positive Interim Results for IGC-AD1 in Reducing Alzheimer's agitation" and "Additional Phase 2 Interim Results Highlighting Cognitive Benefits of IGC-AD1 for Alzheimer's Treatment", respectively. The interim data validates IGC-AD1's potential as a transformative therapeutic option with a large market opportunity in Alzheimer's disease management, although there can be no assurance.

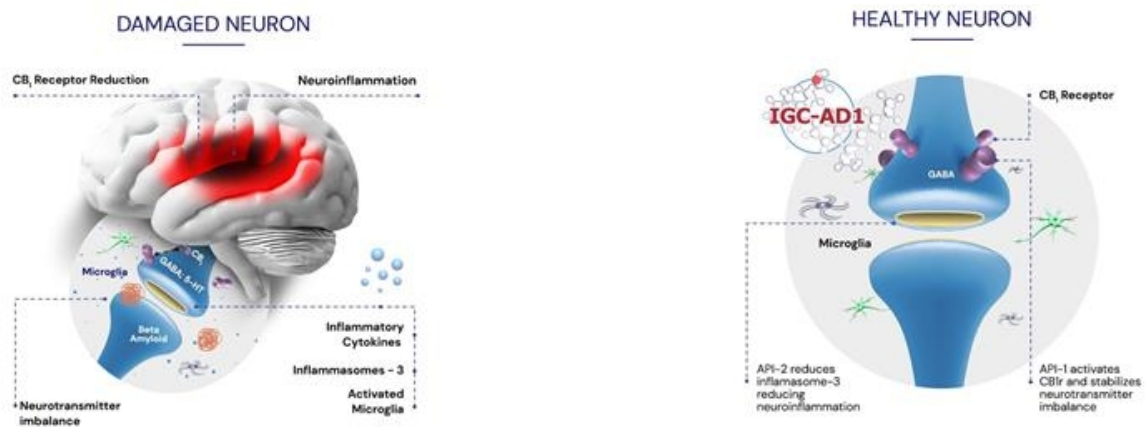
IGC-AD1 as a Treatment for Agitation in Alzheimer's Dementia

Approximately 6.9 million Americans aged 65 and older are living with Alzheimer's dementia, according to the Alzheimer's Association's 2024 Facts and Figures report. AAD is associated with an accelerated cognitive decline, increased caregiver burden, increased hospitalization, and increased need for medication, all significantly diminishing the quality of life for patients. Current therapies carry black box warnings, indicative of serious adverse reactions that may lead to death or serious injury. IGC-AD1 is designed to target AAD's underlying causes and address the unmet need for safe and effective therapy.

As illustrated in Figure 2, neuroinflammation, neurotransmitter imbalance, and CB1 receptor dysfunctions are all associated with AAD (Yasuno et al., 2023; Manuel et al., 2014). In addition, upregulation of inflammasome-3 has been shown to lead to neuroinflammation, consequently leading to aggressive behavior (Yu et al., 2023). IGC-AD1's formulation combines a CB1 receptor partial agonist with anti-neuroinflammatory properties that help balance neurotransmitter imbalance and an inflammasome inhibitor that targets the upregulation of inflammasome-3.

The 146-patient IGC-AD1 Phase 2 trial, for which these interim results are presented, continues to enroll in the U.S. and Canada. As the interim results are based on a small number of patients (n=26), there is no guarantee that the positive interim results will hold up as more patients are enrolled in the trial. Learn more and find information about recruitment centers at https://clinicaltrials.gov/study/NCT05543681.

Figure 4: Damaged and Healthy Neurons



IGC-AD1 Clinical Trial Data

To the best of our knowledge, the Company's Phase 2 clinical trial of IGC-AD1 is the first human clinical trial using low doses of THC, in combination with another molecule, to treat symptoms of dementia in Alzheimer's patients. THC is a naturally occurring cannabinoid produced by the cannabis plant. It is known for being a psychoactive substance that can impact mental processes in a positive or negative way, depending on the dosage. THC is biphasic, meaning that low and high doses of the substance may affect mental and physiological processes in substantially different ways. For example, in some patients, low doses may relieve a symptom, whereas high doses may amplify a symptom. IGC's trial is based on low dosing and controlled trials on patients suffering from Alzheimer's disease.

We conducted a double-blind, single-site, randomized, three-cohort, multiple-ascending dose (MAD) clinical trial (FDA IND Number: 146069, NCT04749563) using the investigational new drug (IND) IGC-AD1. In this trial, we looked at safety, tolerability, neuropsychiatric symptoms, and pharmacokinetics, among others. The trial concluded that all three dosing levels (once a day, twice a day, and twice a day) were safe, with no serious or life-threatening events or deaths reported.

On December 1, 2021, IGC submitted the Clinical/Statistical Report (CSR) to the FDA on its Phase 1 trial titled "A Phase I Randomized Placebo-Controlled MAD Study to Evaluate Safety and Tolerability of IGC-AD1 in Subjects with Dementia Due to Alzheimer's Disease." The already disclosed data is presented here for a better understanding of the safety profile of IGC-AD1. The data presented here is not exhaustive and represents a small portion of the data submitted to the FDA.

Phase 1 Primary Endpoint: Safety & Tolerability

Safety and tolerability (S&T) were assessed by recording both solicited and non-solicited Adverse Events (AEs). The solicited AEs, assessed daily, were somnolence, falls, dizziness, asthenia, suicidal ideation, hypertension, psychiatric symptoms, and paradoxical nausea. All AEs were graded as mild, moderate, severe, life-threatening, and serious (SAE). In the phase 1 trial, a) there were no SAEs, b) no life-threatening AEs, and c) no deaths.

Phase 1 Secondary Endpoints: Neuropsychiatric Inventory (NPI)

Neuropsychiatric Symptoms (NPS) such as agitation/aggression, depression, anxiety, elation/euphoria, apathy, disinhibition, irritability, delusions, hallucinations, aberrant motor behavior, sleep disorders, and appetite/eating disorders are prevalent in patients who have AD (Phan et al., 2019). NPS in Alzheimer's is a significant burden on patients and caregivers, and at some point in the progression of Alzheimer's disease, more than 97% of patients suffer from at least one symptom. The Neuropsychiatric Inventory (NPI) is a scale that measures the severity of each symptom and establishes both individual symptom scores as well as an overall NPI score. Separately, the NPI also scores caregiver distress (NPI-D). The NPI is used by about 50% of neurologists to assess and treat Alzheimer's patients (Fernandez et al., 2010).

In the Phase 1 trial conducted on patients with AD, we measured changes in NPS as assessed by the NPI as well as caregiver distress as assessed by the NPI-D. In the Phase 1 trial (N=10), seven received the active medication, and at baseline, they had agitation scores between two and twelve. The three Cohorts shown in Table 1 received the medication once a day (qd), twice a day (bid), and three times a day (tid). We measured and analyzed the change in the mean NPI score for agitation between Day 1 and Day 10 and between Day 1 and Day 15 for all three cohorts.

- As shown in the Table 1, our analysis shows Cohort 2 (bid) had the largest absolute change in the mean agitation score between Day one and Day ten (53% drop, p=.085) as well as between Day 1 and Day 15 (67% drop, p=.05).

Table 1: NPI (Agitation) analysis for each of the three cohorts

Domain	**Cohort 1 (n=7) qd**			**Cohort 2 (n=6) bid**			**Cohort 3 (n=5) tid**		
NPI (Agitation)	**Baseline**	**Day**	**Day**	**Baseline**	**Day**	**Day**	**Baseline**	**Day**	**Day**
	Day 0	10	15	Day 0	10	15	Day 0	10	15
Mean Score	4.7	3.3	3	4.3	2.1	1.5	4.2	3.2	1.4
Mean Change	-	1.4	1.7	-	2.2	2.8	-	1	2.8
Mean Change%	-	37%	48%	-	**53%**	**67%**	-	23%	67%
p-values	-	0.058	0.045	-	**0.085**	**0.05**	-	0.29	0.045

According to the NPI, a reduction of 4 points or 30% in the score is considered clinically meaningful (Cummings et al., 1994). In addition, we used a paired 2-tailed t-test with 9 degrees of freedom to assess the statistical significance of the decrease in the overall NPI agitation domain. As seen in Table 1, the NPI score for Agitation in Cohort 2 at day 15 shows a reduction of 67% (p = .05). Based on this study the dosing of twice a day or bid was selected for the Phase 2 trial.

IGC-AD1 Phase 2 Clinical Trial Update

IGC Pharma launched a Phase 2 trial with a protocol titled "A Phase 2, Multi-Center, Double-Blind, Randomized, Placebo-controlled, trial of the safety and efficacy of IGC-AD1 on agitation in participants with dementia due to Alzheimer's disease" (clinicaltrials.gov, Identifier: CT05543681). The trial treatment duration is 6 weeks, with the intervention, IGC-AD1 or placebo, administered twice a day. The study is powered to include 146 Alzheimer's patients; as a superiority trial with parallel groups, half of the participants will receive a placebo, and the other half will receive IGC-AD1. The primary and secondary endpoints are the mean change in agitation scores from baseline, compared to placebo, as assessed by the Cohen-Mansfield Agitation Inventory (CMAI) in Alzheimer's patients after 6 weeks of treatment and the mean change in CMAI scores after 2 weeks of treatment, respectively. Agitation is rated at the trial site, at baseline, week 2, and week 6, by a trained practitioner using the CMAI, a scale designed and widely used to measure agitation in Alzheimer's dementia (AAD) in clinical trials.

The IGC-AD1 Phase 2 is an ongoing clinical trial that continues to enroll. IGC-AD1 is an oral liquid formulation administered twice daily (bid) for six weeks with no placebo run-in and titration to full dose over two days. To date over 1,000 oral doses have been administered, with no dose-limiting adverse events observed, highlighting the safety profile of IGC-AD1. The Investigational product targets different pathways implicated in AAD, including CB1 receptor dysfunction, neuroinflammation and neurotransmitter imbalance. The investigational drug contains THC, the principal psychoactive cannabinoid found in Cannabis, as one of two active pharmaceutical agents.

Pre-Specified Interim Results

An experienced third party conducted a protocol pre-specified interim analysis, mean changes from baseline were analyzed using a mixed-effects model for repeated measures (MMRM). Findings showed that patients taking IGC-AD1, on average, experienced a significant reduction in agitation scores compared to those on placebo, and the positive effects were observed as early as week two of the trial. Interim results will be discussed in the following sections.

IGC-AD1 Trial Interim Primary and Secondary Endpoints Results

The primary objective is to assess the efficacy of IGC-AD1 in AAD after six weeks of treatment using the CMAI scale. The secondary objective is to assess IGC-AD1 efficacy and early response in AAD using also the CMAI scale, after 2 weeks of treatment.

Based on the CMAI interim results shown in Table 2 below, IGC-AD1 demonstrated a clinical and statistically significant agitation reduction compared to placebo in patients with AD, indicating strong therapeutic potential and meeting the primary endpoint. The CMAI least-squared (LS) mean difference at week 6 was -10.46 (95% CI: -20.53 to -0.40) with a Cohen's d effect size of 0.79 (p= .042), indicating a large and significant IGC-AD1 effect over placebo. Cohen's d is a standardized statistical effect size that describes the magnitude of the difference between two groups, taking into account the variability in outcomes.

Based on the interim results, the secondary endpoint was also met; the data demonstrates a clinically significant reduction, approaching statistical significance, in agitation in Alzheimer's at week two compared to placebo. CMAI LS mean difference at week 2, assessing early response, was -12.19 with an ES of 0.79 (p= .071). The ES, similarly, to the primary endpoint, indicates a large magnitude of difference between the active and placebo groups**.**

Table 2:- Interim CMAI Results for Week 2 and Week 6

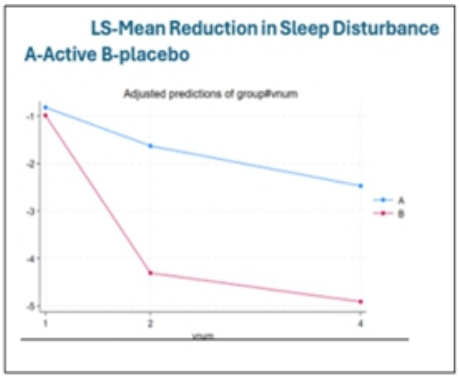
	Week 2			Week 6 (EOT)		
Scale	**LS Mean Change (95% CI)**	**p value**	**Cohen's d**	**LS Mean Change (95% CI)**	**p value**	**Cohen's d**
CMAI	-12.19 (-25.52, 1.14)	.071	0.79	-10.46 (-20.53, -0.4)	.042	0.79

IGC-AD1 Clinical Trial Interim Data Demonstrates Significant Reduction in Sleep Disturbances

As part of an interim analysis, the Company observed statistically and clinically significant reductions in sleep disturbances, as measured by the Neuropsychiatric Inventory (NPI-12) Sleep Subscale. At week 2, patients receiving the active medication experienced a 71% reduction in sleep disturbance (p = 0.012), which improved further to 78% at week 6 (p = 0.02), compared to placebo. These findings suggest that IGC-AD1 may reduce the frequency and/or severity of nighttime behavioral disturbances, an underrecognized but impactful symptom affecting up to 44% of individuals with AD.

Figure 5: - Shows the clinically and statistically significant decrease in the frequency and/or severity of sleep disturbances (B) for the active group versus the placebo group (A) as measured by the NPI Sleep Subscale.

Sleep disturbances are known to exacerbate cognitive and behavioral symptoms in AD and are a common contributor to caregiver distress and early institutionalization. The ability to improve sleep quality represents an important potential therapeutic benefit, as enhanced sleep has been linked to reduced amyloid-beta accumulation and slower disease progression in preclinical studies.



Beyond its implications in Alzheimer's care, sleep disorders affect over 30 million Americans and are associated with increased risk for cognitive decline and cardiovascular disease. If the sleep-related benefits of IGC-AD1 are confirmed in larger clinical trials, the candidate may address a significant unmet need within the broader global sleep aid market, which is projected to exceed $100 billion by 2030.

Previously reported data from the ongoing Phase 2 trial also demonstrated notable reductions in agitation, further supporting IGC-AD1's potential as a multi-targeted therapy for managing neuropsychiatric symptoms in AD. The Company anticipates additional data readouts from the CALMA trial in late 2025, including further analysis of sleep-related outcomes.

In parallel, IGC Pharma plans to initiate future studies evaluating IGC-AD1 as a disease-modifying therapy, reflecting the Company's strategic commitment to advancing innovative, mechanism-driven treatments for central nervous system disorders.

Existing Treatments for Agitation in Alzheimer's Dementia

In May 2023, the U.S. Food and Drug Administration (FDA) approved the first medication for the treatment of AAD, Brexpiprazole, an atypical antipsychotic, with a boxed warning. This approval followed a significantly larger 12-week Phase 3 trial, which showed a CMAI LS mean difference from baseline at week 12, between active treatment and placebo of -5.32 with a Cohen's d effect size of 0.35, and a p-value of 0.003 (Lee et al., 2023).

Regulatory Environment for IGC-AD1

IGC-AD1 is currently made from federally legal hemp In addition, IGC-AD1 contains the federally legal amount of THC as defined in the 2018 Farm Bill. Therefore, IGC-AD1 is federally legal based on the amount of THC in the formulation and the origin of the THC. The Company grew hemp under a license in the state of Arizona. Manufacturing IGC-AD1 from hemp is an extremely inefficient process requiring vast amounts of hemp to manufacture the investigational medication. The regulatory landscape appears to be changing in that the U.S. government is seeking to reschedule THC from Schedule 1 to Schedule 3. The Company use hemp to manufacture IGC-AD1 , which is egal. The Company has received permission from the regulators to conduct the IGC-AD1 Phase 2 trial in the U.S., Canada, and Colombia.

TGR-63 and Alzheimer's disease

TGR-63 was licensed from the Jawaharlal Nehru Centre for Advanced Scientific Research in India and developed by Prof. T Govindaraju, who designed several naphthalene monoimide compounds and compared their capacity to inhibit Aβ aggregation, their cytotoxicity, and their neuronal rescue capacity, in which TGR-63 excelled.

Researchers at the Jawaharlal Nehru Centre for Advanced Scientific Research (JNCASR), in India, conducted approximately 10 years of research on Naphthalene Monoimide (NMI) compounds and the activity of NMI compounds on neurotoxicity associated with AD.

In Alzheimer's patients, neurotoxicity is linked to beta-amyloid (Aβ) plaques and Neuro Fibrillary Tangles (NFT). JNCASR's research based on Alzheimer's cell lines identified one lead NMI molecule, TGR-63, from a family of NMI molecules with the potential to reduce amyloid beta (Aβ) plaques. Further, they demonstrated that the molecule reduces cognitive decline in a transgenic mouse model of Alzheimer's. Their results were published in *Advanced Therapeutics* under the title "Naphthalene Monoimide Derivative Ameliorates Amyloid Burden and Cognitive Decline in a Transgenic Mouse Model of Alzheimer's Disease" on January 28, 2021.

Pursuant to the signed agreement dated March 28, 2022, IGC Pharma (through Hamsa Biopharma India Pvt. Ltd.) acquired exclusive intellectual property rights to the molecule, which it intends to pursue as a potential new drug candidate, subject to further study, research, and development. IGC Pharma is conducting human trials with IGC-AD1, which is currently being tested as a symptom-modifying agent in Alzheimer's dementia. TGR-63, on the other hand, could act as a potential disease-modifying agent to expand the Company's pursuit of a drug that can treat AD.

Figures 6 and 7: - Show the destabilization of Aβ plaques and Aβ42 peptide with the help of TGR-63.

Computational Studies: A Plausible Mode of Action

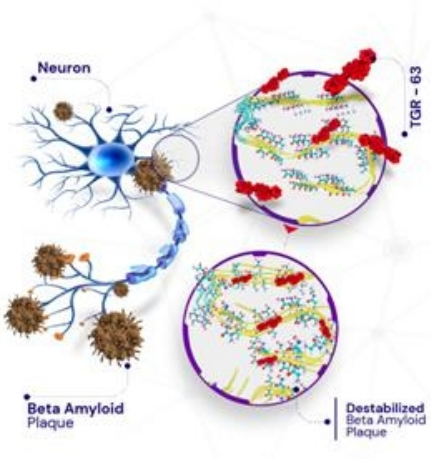


Figure 6: In silico analysis demonstrated that TGR-63 molecular design enables it to interact with amyloid aggregates, disrupting various types of bonds. This destabilizes plaque's structure, facilitating their breakdown.
*(*Adv. Therap. 2021, 4 2000225)*.

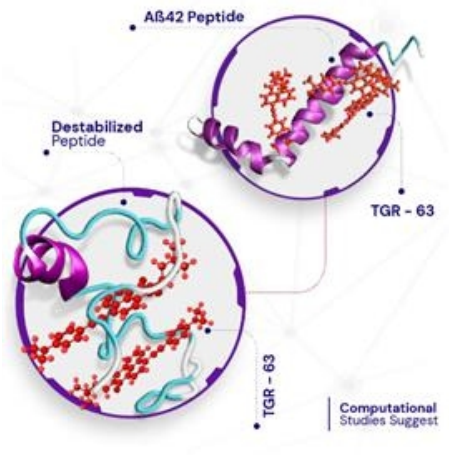


Figure 7: TGR-63 also shows high affinity for the Aß42 peptide, compromising its tertiary structure and promoting the formation of globular non-toxic structures that can be metabolized.
*(*Adv. Therap. 2021, 4 2000225)*.

Pre-clinical studies of TGR-63

TGR-63 is a patent-pending molecule designed to disrupt the structure of the amyloid beta (Aβ) plaque, one of the key hallmarks of AD, associated with neuronal toxicity and cognitive decline. TGR-63 targets plaques by inhibiting the aggregation of Aβ42 peptides and destabilizing their tertiary structure.

Specifically, the pre-clinical research on TGR-63 showed the following:

Impact on plaque levels: Studies in PC12 and SHSY5Y cell lines grown in an AD-like environment have showed TGR-63's ability in decreasing Aβ plaque levels, leading to an increase in 26% neuron viability (neuronal rescue). TGR-63's potential as a treatment for AD was further evaluated in a genetically modified mouse model mimicking Alzheimer's amyloid pathology. In that assay, the group treated with TGR-63, compared to the vehicle-treated group, showed a 78% and 85% reduction in the cortical and hippocampal amyloid load, respectively, demonstrating its potential to alleviate amyloid burden. Figure 5 shows the reduction of the amyloid burden by TGR-63 in the APP/PS1 AD mouse model.

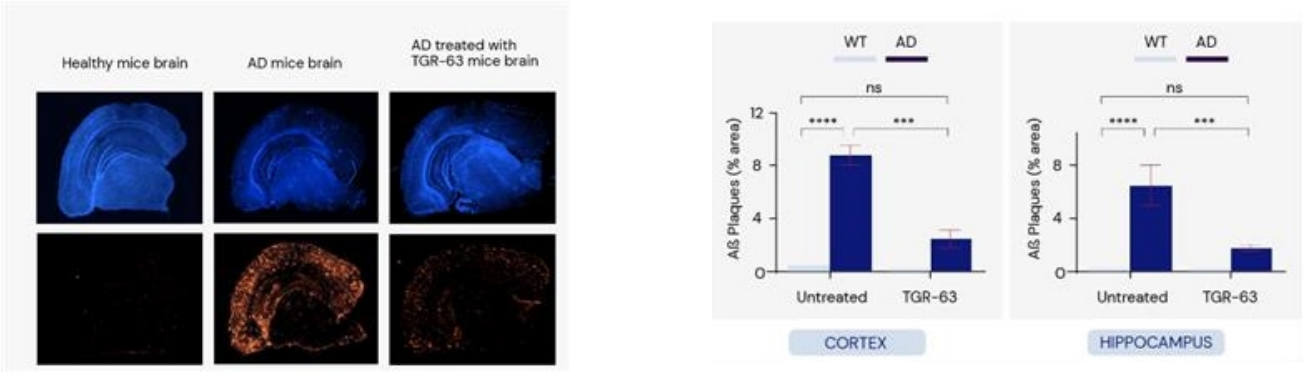
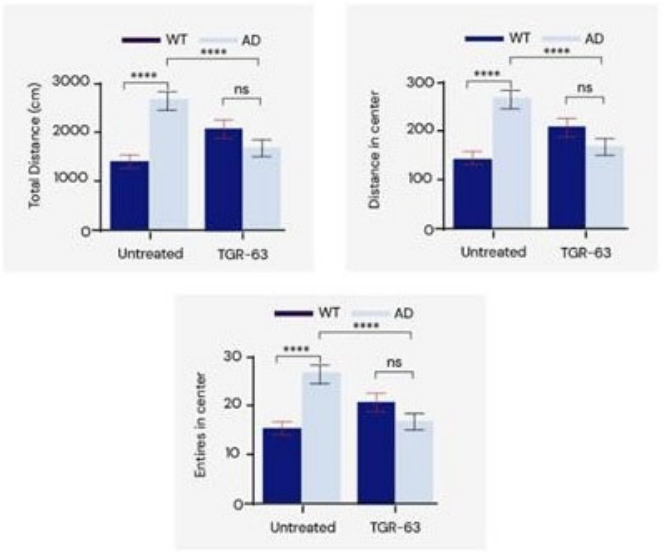


Figure 8: Reduction of the amyloid burden by TGR-63 in the APP/PS1 AD phenotypic mice model. A) Visualization of amyloid plaques in the half hemisphere: Confocal microscopy images of coronal section of WT, AD mice, and TGR-63 treated AD mice brain. B) Reduction of cortical and hippocampal amyloid burden by TGR-63 treatment: Higher magnification images of vehicle and TGR-63 treated mice (WT and AD) brain sections to visualize and compare the Aβ plaques deposition in the cortex and hippocampus areas. C, D) Quantification of Aβ plaques: The amount of Aβ plaques (%area) deposited in different regions (cortex and hippocampus) of vehicle and TGR63 treated mice (WT and AD) brain was analyzed. Data represent mean ± SEM, number of mice = 3 per group (*$p < 0.05$). Scale bar: 20 µm. *(*Adv. Therap. 2021, 4 2000225)*.

Behavioral Impact: During the investigation, two groups of APP/PS1 mice undertook an Open-Field (OF) test, a behavioral assessment designed to measure aberrant behavior, stress and coping responses, and emotional state, among others, in rodent models. The mice in the APP/PS1 group that received TGR-63 treatment showed a 43% reduction in their overall movement within the test area (p<.0001), a 59% reduction in movement within the central zone of the test area (p<.01), and a 55% reduction in entries to the center zone compared to the untreated group (p<.05). These are shown in Figure 6. The results from these multiple tests indicate that TGR-63 treatment helped to improve in their anxious-like and aggressive-like behaviors compared to the group that did not receive the treatment, normalizing emotional and behavioral responses in the mouse model, reinforcing its potential as a promising treatment.

Figure 9 Behavioral Tests



Impact on memory: The cognitive impact of TGR-63 was assessed using two renowned behavioral tests, the Novel Object Recognition (NOR) Test and the Morris Water Maze (MWM), conducted on APP/PS1 genetically modified Alzheimer's mice.

During the NOI Test, mice were familiarized with two identical objects, followed by exploration of both novel and familiar objects after 24 and 48 hours, to establish the discrimination index (DI). AD mice displayed a significantly lower DI (-3, $p<0.0001$, 24h; -7, $p<0.0001$, 48h) compared to wild-type (WT) mice (+49, 24h; +43 48h), indicating impaired long-term memory formation, while AD mice treated with TGR-63 exhibited an improved DI (+50, $p<0.0001$; +38, $p<0.001$), indicative of healthy long term memory formation and successful memory retrieval.

In the MWM test, the time to reach a platform hidden in a pool for four training days showed a remarkable improvement for the TGR-63 treated AD model compared to the AD-vehicle group, indicating enhanced spatial memory, as demonstrated by a significant reduction (~60% reduction; $p < 0.05$) in the time required by the TGR-63 treated AD mice to locate the hidden platform, exhibiting a similar behavior to healthy mice. The results of the novel recognition test and the MWM are shown in Figures 7 and 8 respectively.

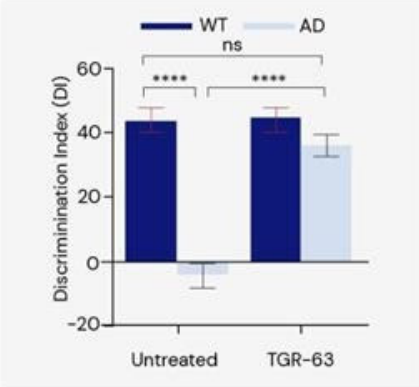


Figure 10: In the Novel Object Recognition test, mice treated with TGR-63 showed increased exploration of a new object over a familiar one, indicating enhanced learning capacity. *(*Adv. Therap. 2021, 4 2000225)*.

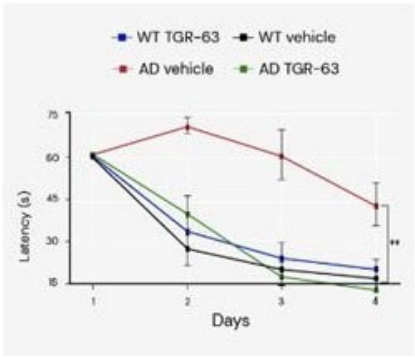


Figure 11: During the Morris Water Maze test, mice treated with TGR-63 exhibited improved spatial memory, with decreased latency in finding the target compared to the untreated group. (**Adv. Therap. 2021, 4 2000225).*

Contract Research Organization (CRO) and Clinical Trial Software

The IGC-Pharma Electronic Data Capture system (IGC-EDC) is a secure and user-friendly data management software designed to collect clinical trial data in electronic format. The software incorporates rigorous security measures that help IGC to protect data and ensure compliance with regulatory requirements and industry standards. This format is designed for our clinical trials, especially our Phase 2 trial. The EDC system is designed to store and organize handwritten source documents, including medical history, concomitant medications, laboratory results, neuropsychiatric scale scores, adverse events, vital signs, safety calls, and demographics, among others. The system allows users to generate data reports that will be used for data analysis and generate computational models to simulate the effects of our investigational drug IGC-AD1 on participants' outcomes.

At IGC Pharma, we recognize the significance of operational excellence and cost management in clinical trials. One major cost driver in conducting trials is the expense associated with engaging CROs. These costs can significantly impact the overall budget of a trial. To address this challenge and optimize trial costs, we have established an internal CRO, including proprietary software, that we believe sets us apart from the traditional approach of outsourcing. We believe this strategic move should enable us to reduce the costs associated with clinical trials compared to relying on external CROs, although there can be no assurance.

Intellectual Property

IGC Pharma, is committed to building a strong and defensible intellectual property (IP) portfolio that supports our strategic focus on neurodegenerative diseases and related therapeutic areas. Our IP strategy is centered on securing exclusive rights to proprietary technologies, inventions, and product candidates through the development, acquisition, and licensing of patents and related protections both in the United States and internationally.

We actively seek to protect our innovations by filing patent applications that cover novel methods, compositions, and uses associated with our investigational drug candidates, formulations, and related technologies. Our patent strategy is designed to cover key elements of our research and development efforts, particularly in the fields of AD, epilepsy, pain management, and other central nervous system (CNS) disorders. In addition to patent protection, we intend to leverage data exclusivity, market exclusivity, and patent term extensions, where applicable, to maximize the commercial potential and lifecycle of our assets, although there can be no assurance thereof.

Our commercial success depends in part on our ability to:

- Obtain and maintain strong patent and proprietary protection;
- Protect our trade secrets and proprietary know-how;
- Secure necessary licenses for third-party intellectual property;
- Enforce our rights against infringement; and
- Operate without infringing valid, enforceable third-party patents.

We aim to commercialize our intellectual property through multiple channels:

1. Pharmaceutical products are subject to U.S. Food and Drug Administration (FDA) approval. Our lead candidate, IGC-AD1, is currently in a Phase 2 clinical trial for treating agitation in AD. We are also developing TGR-63, a pre-clinical candidate with potential disease-modifying effects in Alzheimer's.
2. Branded wellness and lifestyle products, offered through retail and online distribution channels, in compliance with applicable federal, state, and local laws.
3. Partnerships and licensing agreements with third parties to accelerate product development and market entry.

We hold exclusive rights to all patents filed with the U.S. Patent and Trademark Office (USPTO). In Fiscal 2017, we acquired exclusive rights to data and a patent application from the University of South Florida (USF), and following Fiscal 2022, we acquired similar exclusive rights from the Jawaharlal Nehru Centre for Advanced Scientific Research (JNCASR).

While patent registration is a key component of our business strategy, we cannot guarantee that all provisional or non-final patent applications will result in granted patents. Please refer to Item 1A. Risk Factors – "We may not successfully register the provisional patents with the USPTO."

As of March 31, 2025, our intellectual property portfolio comprised twelve (12) issued patents and thirty-one (31) pending patent applications across the United States and international jurisdictions. Of the twelve issued patents, four (4) patents are licensed from third parties. These patents and applications cover compositions, methods of treatment, and formulations relevant to our core therapeutic areas, including AD, epilepsy, pain, and other neurodegenerative and central nervous system disorders.

Table 3 below provides the status of our patent filings:

Table 3 **Patent Filings & Status**

TARGET	DESCRIPTION	PATENT PENDING	GRANTED PATENTS	
			US	FOREIGN
Alzheimer's Disease (IGC-AD1)	Method & Composition for Treating CNS Disorders	12	-	1
Alzheimer's Disease (IGC-AD1)	Method & Composition for Treating CNS Disorders	1	2	-
Alzheimer's Disease (TGR-63)	Naphthalene Monoimide Derivatives with the ability to impact Aβ protein build-up	6	-	-
Alzheimer's Disease (IGC-1C)	Naphthalene Monoimide Derivatives with the ability to impact Tau aggregation and neurofibrillary tangle formation	5	-	-
Alzheimer's Disease (IGC-M3)	Naphthalene Monoimide Derivatives with the ability to impact Aβ plaque buildup and neurofibrillary tangle formation	4	-	-
Cancer (Naphthalene Diimdes)	Naphthalene Diimide Derivatives with the ability to self-assemble molecular interactions for biological and nonbiological systems	-	1	1
Alzheimer's Disease (IGC-LMP)	Composition, Synthesis, & Medical use of Hybrid Cannabinoid	1	-	-
Epilepsy	Composition & Method for Treating Seizures in humans & cats/dogs	-	2	-
Eating Disorders	Cannabis formulation with Cyproheptadine for treating Cachexia & Eating Disorders	-	1	-
Stuttering & Tourette Syndrome	Cannabinoid-Based formulation for Treating Stuttering & Symptoms of Tourette Syndrome	1	-	-
Pain	Cannabinoid-Based Formulation combined with Cobalamin and method for Pain Management	1	2	2
TOTAL		**31**	**8**	**4**

Patent Term Extension

After NDA approval, owners of relevant drug patents may apply for up to a five-year patent extension. The allowable patent term extension is calculated as half of the drug's testing phase — the time between IND submission and NDA submission — and all of the review phase — the time between NDA submission and approval up to a maximum of five years. The time can be shortened if the FDA determines that the applicant did not pursue approval with due diligence. The total patent term after the extension may not exceed 14 years.

For patents that might expire during the application phase, the patent owner may request an interim patent extension. An interim patent extension increases the patent term by one year and may be renewed up to four times. For each interim patent extension granted, the post-approval patent extension is reduced by one year. The director of the PTO must determine that approval of the drug covered by the patent for which a patent extension is being sought is likely. Interim patent extensions are not available for a drug for which an NDA has not been submitted.

Products and Services in the Life Sciences segment

We believe developing a drug for either symptoms or as a disease-modifying agent has less risk due to the need for multi-year trials and FDA approval. However, there is a considerable upside and significant value creation to the extent we obtain a first-to-market advantage, of which there can be no assurance. If we were to obtain a first-to-market advantage, such an advantage could result in significant growth if and when an approved drug launches.

We believe that additional investment in clinical trials, 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. 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. 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.

Markets and Distribution

In Fiscal 2025, our Life Sciences segment is focused on the Phase 2 clinical trial for IGC-AD1 and building a pipeline of other assets. In addition, the Company sells over-the-counter products and formulations made in Vancouver, Washington facilities. Our Life Sciences revenue is less than 1% of the relevant global market, which implies a good opportunity for growth. In Fiscal 2025, our sales and suppliers were concentrated, which represents some risk. Two customers individually accounted for over 10% of total sales.

Competition

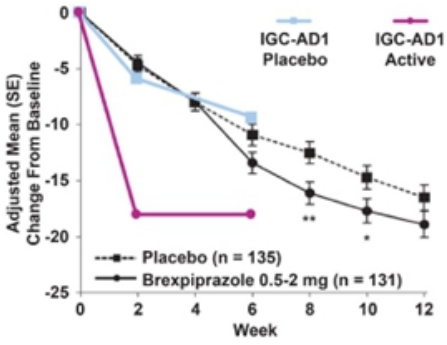
Overview

Our industry is highly competitive and subject to rapid and significant technological change. The large size and expanding scope of the CNS markets make them attractive therapeutic areas for biopharmaceutical businesses. Our competitors include well-funded pharmaceutical companies, companies in the food and skincare industries, and companies with experience in providing white labeling and tolling services. While we believe that our employees and consultants, scientific knowledge, technology, and development experience provide us with competitive advantages, we face competition from many different sources. Many of our competitors may have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals, and marketing approved products than we do.

Competition for the Company's investigational medications, products, and services:

We are aware of other companies working to develop therapeutics for the treatment of AAD, including Axsome Therapeutics, Inc., which is working to develop a combination of dextromethorphan and bupropion, and Otsuka and Lundbeck A/S, which recently received approval for Rexulti for this indication.

Interim data from our Phase 2 trial of IGC-AD1 for agitation in Alzheimer's disease show a statistically significant improvement in symptoms compared to placebo over six weeks, as measured by the Cohen-Mansfield Agitation Inventory (CMAI). IGC-AD1 demonstrated a large effect size (Cohen's d = 0.79) and showed improvement as early as Week 2. For context, Brexpiprazole (Rexulti), the currently approved therapy, reported a moderate effect size (Cohen's d = 0.4) and showed separation from placebo only by Week 6, based on published trial data, albeit with a significantly larger patient base.



In addition to efficacy, IGC-AD1 has shown a favorable safety profile to date. As of the 6-week interim analysis:

- No serious adverse events (SAEs) were reported
- No adverse events (AEs) led to treatment discontinuation
- No deaths occurred in the treatment or placebo arms

While cross-trial comparisons must be interpreted with caution due to differences in trial design and patient populations, these early findings suggest that IGC-AD1 may offer faster symptom relief with a potentially improved safety profile compared to the currently approved therapy.

The study remains ongoing to further assess efficacy, durability, and long-term safety.

Licenses, Technology, and Cybersecurity

We have intellectual property attorneys that advise, counsel, and represent the Company regarding the filing of patents or provisional patent applications, copyright applications, and trademark applications; trade secret laws of general applicability; employee confidentiality and invention assignment. Most of our data, including our accounting data, is stored in the cloud, which helps us mitigate the overall risk of losing data. We have a cybersecurity policy in place and are in the process of implementing tighter cybersecurity measures to safeguard against hackers. The Company holds all rights to the patents that have been filed by us with the USPTO.

The table below summarizes the nature of the activity, the type of license required and held, and encumbrances in obtaining permits for each location where the Company operated through its subsidiaries in Fiscal 2025:

Location	Nature of Activity	Type of License Required	Type of License held	Encumbrances in Obtaining Permit
U.S.	Life Sciences Products and General Management	General business Clinical Trials; Good Manufacturing Practices (GMP) certification. FDA approval to run a trial	General business licenses; Industrial Alcohol User Permit; FDA approval to run a trial.	None.
India	Infrastructure Contract, Rental of heavy equipment, and land	General business license	Business registrations with tax authorities in various states in India	None.
Colombia	Life Sciences Products and General Management	General business license; Instituto Nacional de Vigilancia de Medicamentos y Alimentos (INVIMA) Permits; Fondo Nacional De Estupefacientes (FNE) Permits.	General business license; Instituto Nacional de Vigilancia de Medicamentos y Alimentos (INVIMA) Permits; Fondo Nacional De Estupefacientes (FNE) Permits.	None.
Canada	Clinical Trials	Permit from Health Canada to conduct a trial in Canada. Permit to import IGC-AD1 into Canada.	Permit to conduct a trial and to import IGC-AD1 into Canada.	None

Governmental Regulations

In the U.S., we are subject to oversight and regulations, for some or all of our activities, by the following agencies: SEC, state regulators, NYSE, FTC, FINRA, and the FDA. Hemp is cannabis plant. Under the 2018 Farm Bill, Hemp is classified as a cannabis plant that has 0.3% or less THC by dry weight.

The 2018 Farm Bill, which was effective January 1, 2019, contains provisions that make industrial hemp, defined as a cannabis plant that has 0.3% of less THC by dry weight, legal. Although hemp is legal at the federal level, most states have created licensing and testing processes for the growing, processing, and sale of hemp and hemp-derived products.

For our business, we must apply for licenses in states where we desire to grow and process hemp. For example, in the state of Arizona, where we grew hemp, we were required to apply for licenses and register with the state the geo-location of all our operations, including the land on which hemp was grown and the facilities where hemp would be processed. These regulations are evolving, differ from jurisdiction to jurisdiction, and are subject to change.

FDA Approval Process

In the U.S., pharmaceutical products are subject to extensive regulation by the FDA. The Federal Food, Drug, and Cosmetic Act, or the FDC Act, and other federal and state statutes and regulations, govern the research, development, testing, manufacturing, storage, recordkeeping, approval, labeling, promotion and marketing, distribution, post-approval monitoring, and reporting, sampling, and importing and exporting of pharmaceutical products, among other things. Failure to comply with applicable U.S. requirements may subject a company to a variety of administrative or judicial sanctions, such as the imposition of clinical holds, FDA refusal to approve pending New Drug Applications (NDA), warning letters, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitution, disgorgement, civil penalties, and criminal prosecution.

Pharmaceutical product development in the U.S. typically involves pre-clinical laboratory and animal tests and the submission to the FDA of an Investigational New Drug (IND), which must become effective before clinical testing may commence. For commercial approval, the sponsor must submit adequate tests by all methods reasonably applicable to show that the drug is safe for use under the conditions prescribed, recommended, or suggested in the proposed labeling. The sponsor must also submit substantial evidence, generally consisting of adequate, well-controlled clinical trials, to establish that the drug will have the effect it purports or is represented to have under the conditions of use prescribed, recommended, or suggested in the proposed labeling. In certain cases, the FDA may determine that a drug is effective based on one clinical study plus confirmatory evidence. Satisfaction of FDA premarket approval requirements typically takes many years, and the actual time required may vary substantially based upon the type, complexity of the product, or disease.

Pre-clinical tests include laboratory evaluation of product chemistry, formulation, and toxicity, as well as animal trials to assess the characteristics and potential safety and efficacy of the product. The conduct of the pre-clinical tests must comply with federal regulations and requirements, including the FDA's good laboratory practices regulations and the U.S. Department of Agriculture's (USDA's) regulations implementing the Animal Welfare Act. The results of pre-clinical testing are submitted to the FDA as part of an IND along with other information, including information about product chemistry, manufacturing, and controls, and a proposed clinical trial protocol. Long-term pre-clinical tests, such as animal tests of reproductive toxicity and carcinogenicity, may continue after the IND is submitted.

A 30-day waiting period after the submission of each IND is required prior to the commencement of clinical testing in humans. If the FDA has not imposed a clinical hold on the IND or otherwise commented on or questioned the IND within this 30-day period, the clinical trial proposed in the IND may begin.

Clinical trials involve the administration of an investigational new drug to healthy volunteers or patients under the supervision of a qualified investigator. Clinical trials must be conducted: (i) in compliance with federal regulations; (ii) in compliance with Good Clinical Practice (GCP), an international standard meant to protect the rights and health of patients and to define the roles of clinical trial sponsors, administrators, and monitors; and (iii) under protocols detailing the objectives of the trial, the parameters to be used in monitoring safety and the effectiveness criteria to be evaluated. Each protocol involving testing on U.S. patients and subsequent protocol amendments must be submitted to the FDA as part of the IND.

The FDA may order the temporary or permanent discontinuation of a clinical trial at any time or impose other sanctions if it believes that the clinical trial either is not being conducted in accordance with FDA requirements or presents an unacceptable risk to the clinical trial patients. The trial protocol and informed consent information for patients in clinical trials must also be submitted to an institutional review board, or IRB, for approval. An IRB may also require the clinical trial at the site to be halted, either temporarily or permanently, for failure to comply with the IRB's requirements or may impose other conditions.

Clinical trials to support NDAs for marketing approval are typically conducted in three sequential phases, but the phases may overlap. In general, in Phase 1, the initial introduction of the drug into healthy human subjects or patients, the drug is tested to assess metabolism, pharmacokinetics, pharmacological actions, side effects associated with increasing doses, and, if possible, early evidence on effectiveness. Phase 2 usually involves trials in a limited patient population to determine the effectiveness of the drug for a particular indication, dosage tolerance, and optimum dosage and to identify common adverse effects and safety risks. If a compound demonstrates evidence of effectiveness and an acceptable safety profile in Phase 2 evaluations, Phase 3 trials are undertaken to obtain additional information about clinical efficacy and safety in a larger number of patients, typically at geographically dispersed clinical trial sites, to permit the FDA to evaluate the overall benefit-risk relationship of the drug and to provide adequate information for the labeling of the drug. In most cases, the FDA requires two adequate and well-controlled Phase 3 clinical trials to demonstrate the efficacy of the drug. The FDA may, however, determine that a drug is effective based on one clinical study plus confirmatory evidence. Only a small percentage of investigational drugs complete all three phases and obtain marketing approval. In some cases, the FDA may require post-market studies, known as Phase 4 studies, to be conducted as a condition of approval in order to gather additional information on the drug's effect in various populations and any side effects associated with long-term use. Depending on the risks posed by the drugs, other post-market requirements may be imposed.

After completion of the required clinical testing, an NDA is prepared and submitted to the FDA. The FDA approval of the NDA is required before marketing of the product may begin in the U.S. The NDA must include the results of all pre-clinical, clinical, and other testing and a compilation of data relating to the product's pharmacology, chemistry, manufacture, and controls. The cost of preparing and submitting an NDA is substantial.

The FDA has 60 days from its receipt of an NDA to determine whether the application will be accepted for filing based on the agency's threshold determination that it is sufficiently complete to permit substantive review. Once the submission is accepted for filing, the FDA begins an in-depth review. Under the statute and implementing regulations, the FDA has 180 days (the initial review cycle) from the date of filing to issue either an approval letter or a complete response letter unless the review period is adjusted by mutual agreement between the FDA and the applicant or as a result of the applicant submitting a major amendment. In practice, the performance goals established pursuant to the Prescription Drug User Fee Act have effectively extended the initial review cycle beyond 180 days. The FDA's current performance goals call for the FDA to complete a review of 90 percent of standard (non-priority) NDAs within 10 months of receipt and within six months for priority NDAs, but two additional months are added to standard and priority NDAs for a new molecular entity (NME).

The FDA may also refer applications for novel drug products, or drug products that present difficult questions of safety or efficacy, to an advisory committee, which is typically a panel that includes clinicians and other experts, for review, evaluation, and a recommendation as to whether the application should be approved. The FDA is not bound by the recommendation of an advisory committee, but it generally follows such recommendations. Before approving an NDA, the FDA will typically inspect one or more clinical sites to assure compliance with GCP. Additionally, the FDA will inspect the facility or the facilities at which the drug is manufactured. The FDA will not approve the product unless compliance with the current GMP is satisfactory, and the NDA contains data that provides substantial evidence that the drug is safe and effective in the indication studied.

After the FDA evaluates the NDA and the manufacturing facilities, it issues either an approval letter or a complete response letter. A complete response letter generally outlines the deficiencies in the submission and may require substantial additional testing or information for the FDA to reconsider the application. If, or when, those deficiencies have been addressed to the FDA's satisfaction in a resubmission of the NDA, the FDA will issue an approval letter. The FDA has committed to reviewing 90 percent of resubmissions within two to six months, depending on the type of information included.

An approval letter authorizes commercial marketing of the drug with specific prescribing information for specific indications. As a condition of NDA approval, the FDA may require a risk evaluation and mitigation strategy (REMS) to help ensure that the benefits of the drug outweigh the potential risks. REMS can include medication guides, communication plans for health care professionals, and elements to assure safe use (ETASU). ETASU can include but is not limited to, special training or certification for prescribing or dispensing, dispensing only under certain circumstances, special monitoring, and the use of patient registries. The requirement for a REMS can materially affect the potential market and profitability of the drug. Moreover, product approval may require substantial post-approval testing and surveillance to monitor the drug's safety or efficacy. Once granted, product approvals may be withdrawn if compliance with regulatory standards is not maintained, or problems are identified following initial marketing.

Expedited Development:

Designations such as Breakthrough Therapy Designation (BTD) and Fast Track Designation can speed up the development process by allowing for more frequent communication with the FDA and potentially faster review timelines. This can translate to getting the drug to market quicker.

- **Breakthrough Therapy Designation (BTD):** This designation is given by the FDA to drugs that have the potential to significantly improve treatment for serious or life-threatening conditions. It allows for more intensive interaction with the FDA during development and can expedite the review process.

- **Fast Track Designation:** This designation is designed to facilitate the development and expedite the review of drugs that address unmet medical needs. It offers some advantages like more frequent meetings with the FDA and potential for rolling review (reviewing data as it becomes available).

Disclosure of Clinical Trial Information

Sponsors of clinical trials of certain FDA-regulated products, including prescription drugs, are required to register and disclose certain clinical trial information on a public website maintained by the U.S. National Institutes of Health. Information related to the product, patient population, phase of the investigation, study sites, investigator, and other aspects of the clinical trial is made public as part of the registration. Disclosure of the results of these trials can be delayed for up to two years if the sponsor certifies that it is seeking approval of an unapproved product or that it will file an application for approval of a new indication for an approved product within one year. Competitors may use this publicly available information to gain knowledge regarding the design and progress of our development programs.

The Hatch-Waxman Act

Orange Book Listing

In seeking approval for a drug through an NDA, applicants are required to list with the FDA each patent the claims of which cover the applicant's product. Upon approval of a drug, each of the patents listed in the application for the drug is then published in the FDA's Approved Drug Products with Therapeutic Equivalence Evaluations, commonly known as the Orange Book. Drugs listed in the Orange Book can, in turn, be cited by potential generic competitors in support of approval of an abbreviated new drug application (ANDA). An ANDA provides for the marketing of a drug product that has the same active ingredients in the same strengths and dosage form as the listed drug and has been shown through bioequivalence testing to be bioequivalent to the listed drug. Other than the requirement for bioequivalence testing, ANDA applicants are not required to conduct or submit results of pre-clinical or clinical tests to prove the safety or effectiveness of their drug product. Drugs approved in this way are considered to be therapeutically equivalent to the listed drug, are commonly referred to as "generic equivalents" to the listed drug and can often be substituted by pharmacists under prescriptions written for the original listed drug in accordance with state law.

The ANDA applicant is required to certify to the FDA concerning any patents listed for the approved product in the FDA's Orange Book. Specifically, the applicant must certify that: (i) the required patent information has not been filed; (ii) the listed patent has expired; (iii) the listed patent has not expired but will expire on a particular date, and approval is sought after patent expiration; or (iv) the listed patent is invalid or will not be infringed by the new product. The ANDA applicant may also elect to submit a section viii statement, certifying that its proposed ANDA labeling does not contain (or carves out) any language regarding the patented method-of-use rather than certify to a listed method-of-use patent. If the applicant does not challenge the listed patents, the ANDA application will not be approved until all the listed patents claiming the referenced product have expired.

A certification that the new product will not infringe the already approved product's listed patents or that such patents are invalid is called a Paragraph IV certification. If the ANDA applicant has provided a Paragraph IV certification to the FDA, the applicant must also send notice of the Paragraph IV certification to the NDA and patent holders once the ANDA has been accepted for filing by the FDA. The NDA and patent holders may then initiate a patent infringement lawsuit in response to the notice of the Paragraph IV certification. The filing of a patent infringement lawsuit within 45 days of the receipt of a Paragraph IV certification automatically prevents the FDA from approving the ANDA until the earlier of 30 months, expiration of the patent, settlement of the lawsuit, or a decision in the infringement case that is favorable to the ANDA applicant. The ANDA application also will not be approved until any applicable non-patent exclusivity listed in the Orange Book for the referenced product has expired.

Exclusivity

Upon NDA approval of a new chemical entity or NCE, which is a drug that contains no active component that has been approved by the FDA in any other NDA, that drug receives five years of marketing exclusivity, during which time the FDA cannot receive any ANDA or 505(b)(2) application seeking approval of a drug that references a version of the NCE drug. Certain changes to a drug, such as the addition of a new indication to the package insert, are associated with a three-year period of exclusivity during which the FDA cannot approve an ANDA or 505(b)(2) application that includes the change. An ANDA or 505(b)(2) application may be submitted one year before NCE exclusivity expires if a Paragraph IV certification is filed. If there is no listed patent in the Orange Book, there may not be a Paragraph IV certification, and thus, no ANDA or 505(b)(2) application may be filed before the expiration of the exclusivity period.

For a botanical drug, the FDA may determine that the active moiety is one or more of the principal components or the complex mixture as a whole. This determination would affect the utility of any five-year exclusivity as well as the ability of any potential generic competitor to demonstrate that it is the same drug as the original botanical drug. Five-year and three-year exclusivities do not preclude FDA approval of a 505(b)(1) application for a duplicate version of the drug during the period of exclusivity, provided that the 505(b)(1) applicant conducts or obtains a right of reference to all of the preclinical studies and adequate and well-controlled clinical trials necessary to demonstrate safety and effectiveness.

Orphan Drug Act

Under the Orphan Drug Act, the FDA may grant orphan drug designation to drugs intended to treat a rare disease or condition, generally a disease or condition that affects fewer than 200,000 individuals in the U.S. (or affects more than 200,000 in the U.S. and for which there is no reasonable expectation that the cost of developing and making available in the U.S. a drug for such disease or condition will be recovered from sales in the U.S. of such drug). Orphan drug designation must be requested before submitting an NDA. After the FDA grants orphan drug designation, the generic identity of the drug and its potential orphan use are disclosed publicly by the FDA. Orphan drug designation does not convey any advantage in or shorten the duration of the regulatory review and approval process. The first NDA applicant to receive FDA approval for a particular active ingredient to treat a particular disease with FDA orphan drug designation is entitled to a seven-year exclusive marketing period in the U.S. for that product for that indication. During the seven-year exclusivity period, the FDA may not approve any other applications to market the same drug for the same disease, except in limited circumstances, such as a showing of clinical superiority to the product with orphan drug exclusivity. If the FDA designates an orphan drug based on a finding of clinical superiority, the FDA must provide a written notification to the sponsor that states the basis for orphan designation, including "any plausible hypothesis" relied upon by the FDA. The FDA must also publish a summary of its clinical superiority findings upon granting orphan drug exclusivity based on clinical superiority. Orphan drug exclusivity does not prevent the FDA from approving a different drug for the same disease or condition or the same drug for a different disease or condition. Among the other benefits of orphan drug designation are tax credits for certain research and a waiver of the NDA application user fee.

Special Protocol Assessment

A company may reach an agreement with the FDA under the Special Protocol Assessment (SPA), process as to the required design and size of clinical trials intended to form the primary basis of an efficacy claim. According to its performance goals, the FDA is supposed to evaluate the protocol within 45 days of the request to assess whether the proposed trial is adequate, and that evaluation may result in discussions and a request for additional information. A SPA request must be made before the proposed trial begins, and all open issues must be resolved before the trial begins. If a written agreement is reached, it will be documented and made part of the administrative record. Under the FDC Act and FDA guidance implementing the statutory requirement, an SPA is generally binding upon the FDA except in limited circumstances, such as if the FDA identifies a substantial scientific issue essential to determining safety or efficacy after the study begins, public health concerns emerge that were unrecognized at the time of the protocol assessment, the sponsor and the FDA agree to the change in writing, or if the study sponsor fails to follow the protocol that was agreed upon with the FDA.

U.S. Coverage and Reimbursement

Significant uncertainty exists as to the coverage and reimbursement status of our lead product candidates, such as IGC-AD1 or any other for which we may seek regulatory approval. Sales in the U.S. will depend in part on the availability of adequate financial coverage and reimbursement from third-party payors, which include government health programs such as Medicare, Medicaid, TRICARE, and the Veterans Administration, as well as managed care organizations and private health insurers. Prices at which we or our customers seek reimbursement for our product candidates can be subject to challenge, reduction, or denial by payors.

The process for determining whether a payor will provide coverage for a product is typically separate from the process for setting the reimbursement rate that the payor will pay for the product. Third-party payors may limit coverage to specific products on an approved list or formulary, which might not include all the FDA-approved products for a particular indication. Also, third-party payors may refuse to include a branded drug on their formularies or otherwise restrict patient access to a branded drug when a less costly generic equivalent or another alternative is available. Medicare Part D, Medicare's outpatient prescription drug benefit, contains protections to ensure coverage and reimbursement for oral oncology products, and all Part D prescription drug plans are required to cover substantially all oral anti-cancer agents. However, a payor's decision to provide coverage for a product does not imply that an adequate reimbursement rate will be available. Private payors often rely on the lead of the governmental payors in rendering coverage and reimbursement determinations. Sales of products such as IGC-AD1 or any other product candidates will, therefore, depend substantially on the extent to which the costs of our products will be paid by third-party payors. Achieving favorable coverage and reimbursement from the Centers for Medicare and Medicaid Services ("CMS") and/or the Medicare Administrative Contractors is typically a significant gating issue for the successful introduction of a new product.

Third-party payors are increasingly challenging the price and examining the medical necessity and cost-effectiveness of medical products and services, in addition to their safety and efficacy. In order to obtain coverage and reimbursement for any product that might be approved for marketing, we may need to conduct studies in order to demonstrate the medical necessity and cost-effectiveness of any products, which would be in addition to the costs expended to obtain regulatory approvals. Third-party payors may not consider our product candidates to be medically necessary or cost-effective compared to other available therapies, or the rebate percentages required to secure favorable coverage may not yield an adequate margin over cost or may not enable us to maintain price levels sufficient to realize an appropriate return on our investment in drug development.

Human Capital Management and Environment, Health, and Safety

Human Capital Management

We believe that our ability to attract, retain, and develop exceptional talent is critical to our success, particularly in advancing our clinical development programs and scientific research. As of March 31, 2025, our full-time employee headcount worldwide was 70.

We foster a culture of collaboration, accountability, and innovation. We comply with all applicable labor, health, and safety laws and support employee well-being through flexible work policies and safe workplace practices. We invest in employee development, offering training and learning opportunities to help our teams grow professionally and contribute to our long-term success. We are committed to providing equal opportunities for all employees. Our compensation and equity programs are designed to retain talent and align with long-term shareholder value.8

Environment, Health, and Safety (EHS)

We are committed to health, safety, and environmental compliance in all our operations in the U.S., Colombia and India. While our operations have a limited environmental impact, we promote responsible practices to minimize waste and ensure safety in our research and office environments. Management oversees our EHS practices and updates them as needed to meet regulatory and operational requirements.

Available Information

The Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to reports filed pursuant to Sections 13(a) and 15(d) of the Exchange Act are filed with the Securities and Exchange Commission (the SEC"). The Company is subject to the informational requirements of the Exchange Act and files or furnishes reports, proxy statements, and other information with the SEC. Such reports and other information filed by the Company with the SEC are available free of charge on the Company's website at www.igcpharma.com when such reports are available on the SEC's website. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at www.sec.gov. The contents of these websites are not incorporated into this filing. Further, the Company's references to the URLs for these websites are intended to be inactive textual references only.

ITEM 1A. RISK FACTORS

You should carefully consider the following risk factors, together with all other information included in this report, in evaluating the Company and our common stock. If any of the following risks and uncertainties develop into actual events, they could have a material adverse effect on our business, financial condition, or results of operations. In that case, the trading price of our common stock and other securities also could be adversely affected. We make various statements in this section, which constitute "forward-looking statements." See "Forward-Looking Statements."

Risks Related to Our Business, Industry, and Operations:

We have incurred significant losses and have an accumulated deficit. If we cannot achieve profitability, the market price of our common stock could decline significantly.

As of March 31, 2025, we had cash and cash equivalents of approximately $405 thousand and working capital of approximately $639 thousand compared to cash and cash equivalents of $1.2 million and working capital of $1.4 million as of March 31, 2024, for continuing operations.

We have had a history of operating losses. Our net losses decreased by approximately $6 million from $13 million in Fiscal 2024 to approximately $7.1 million in Fiscal 2025. We expect to continue incurring substantial expenses as we advance the clinical development of IGC-AD1 and our other product candidates. Our ability to achieve or sustain profitability depends on our success in developing, obtaining regulatory approval for, and commercializing our product candidates, which is highly uncertain and subject to significant risks. If we fail to achieve profitability or improve our financial condition, our ability to raise additional capital may be limited, and the market price of our common stock could decline significantly. Additionally, continued losses could impact our ability to maintain compliance with applicable stock exchange listing requirements.

We may not be successful in our artificial intelligence initiatives, which could adversely affect our business, reputation, or financial results.

We are making investments in AI initiatives, including generative AI, to, among other things, recommend relevant unconnected content across our products, enhance our advertising tools, develop new products, and develop new features for existing products. In particular, we expect our AI initiatives will require increased investment in infrastructure and headcount.

There are significant risks involved in developing and deploying AI, and there can be no assurance that the usage of AI will enhance our products or services or be beneficial to our business, including our efficiency or profitability. For example, our AI-related efforts, particularly those related to generative AI, subject us to risks related to harmful content, accuracy, bias, discrimination, toxicity, intellectual property infringement or misappropriation, defamation, data privacy, cybersecurity, and sanctions and export controls, among others. It is also uncertain how various laws related to online services, intermediary liability, and other issues will apply to content generated by AI. In addition, we are subject to the risks of new or enhanced governmental or regulatory scrutiny, litigation, or other legal liability, ethical concerns, negative consumer perceptions as to automation and AI, or other complications that could adversely affect our business, reputation, or financial results.

As a result of the complexity and rapid development of AI, it is also the subject of evolving review by various U.S. governmental and regulatory agencies, and other foreign jurisdictions are applying, or are considering applying, their platform moderation, intellectual property, cybersecurity, and data protection laws to AI and/or are considering general legal frameworks on AI. We may not always be able to anticipate how to respond to these frameworks, given that they are still rapidly evolving. We may also have to expend resources to adjust our offerings in certain jurisdictions if the legal frameworks on AI are not consistent across jurisdictions.

As such, it is not possible to predict all of the risks related to the use of AI, and changes in laws, rules, directives, and regulations governing the use of AI may adversely affect our ability to develop and use AI or subject us to legal liability.

Our cannabinoid medication makes it difficult to raise money as a public company.

Within the species Cannabis sativa L, most countries define hemp by the amount of THC. Under the 2018 Farm Bill, hemp is classified as a cannabis plant that has 0.3% or less THC by dry weight.

Despite deriving IGC-AD1 from legal hemp, the Company is often incorrectly classified as a “cannabis company”, with all the nuances that accompany that label, including being blacklisted by banks, investment banks, and until recently by the largest stock clearing services company. The near-monopoly nature of some of these institutions, especially clearing houses, makes it difficult for the Company to raise money, deposit share certificates, or even have investment banking relationships. As we cannot control how others perceive us, there can be no assurance that we will be able to raise enough capital for our planned expansion.

We may engage in strategic transactions that could impact our liquidity, increase our expenses, and present significant distractions to our management, which ultimately may not be successful.

From time to time, we may consider strategic transactions, such as acquisitions of companies, asset purchases, and out-licensing or in-licensing of products, product candidates, or technologies, particularly those arrangements that seek to leverage other organizations’ internal platforms or competencies for the benefit of our products or potential products. Additional potential transactions that we may consider may include a variety of different business arrangements, including spin-offs, strategic partnerships, joint ventures, restructurings, divestitures, business combinations, and investments. Any such transaction may require us to incur non-recurring or other charges that may increase our near and long-term expenditures and may pose significant integration challenges or disrupt our management or business, which could adversely affect our operations and financial results. For example, these transactions may entail numerous operational and financial risks, including:

- exposure to unknown or unanticipated liabilities, including foreign laws with which we are unfamiliar;

- disruption of our business and diversion of our management's time and attention to develop acquired products, product candidates, or technologies;
- the incurrence of substantial debt or dilutive issuances of equity securities to pay for acquisitions, which we may not be able to obtain on favorable terms, if at all;
- higher than expected acquisition and integration costs;
- write-downs of assets or goodwill or impairment charges;
- increased amortization expenses;
- difficulty and cost in combining the operations and personnel of any acquired businesses with our operations and personnel;
- entering a long-term relationship with a partner that proves to be unreliable or counterproductive;
- impairment of relationships with key suppliers or customers of any acquired businesses due to changes in management and ownership; and
- inability to retain key employees of any acquired businesses.

There can be no assurance that we will undertake or successfully complete any transactions of the nature described above. Any transactions that we do complete could have a material adverse effect on our business, results of operations, financial condition, and prospects if we are unable to execute the planned objectives or capitalize on the relationship in the manner that was originally contemplated.

Global Operations

We currently operate in the U.S., Canada, Colombia, and India, and buy raw materials and equipment from China, and our operations and expenses could be affected by currency fluctuations, capital and exchange controls, economic conditions including inflation, expropriation, and other restrictive government actions, changes in intellectual property legal protections and remedies, trade regulations, tax laws, and regulations, and procedures and actions affecting approval, production, pricing, and marketing of, reimbursement for and access to our products, as well as impacts of political or civil unrest or military action, including but not limited to the current conflicts, terrorist activity, unstable governments, and legal systems, inter-governmental disputes, public health outbreaks, epidemics, pandemics, natural disasters or disruptions related to climate change.

India, and Colombia may be particularly vulnerable to periods of financial or political instability or significant currency fluctuations or may have limited resources for healthcare spending.

Government financing and economic pressures can lead to negative pricing pressure in various markets where governments take an active role in setting prices, access criteria (e.g., through health technology assessments), or other means of cost control.

We continue to monitor the global trade environment, especially with China and the countries we operate in, and potential trade conflicts and impediments that could impact our business. If trade restrictions or tariffs reduce global economic activity, potential impacts could include declining sales, increased costs, volatility in foreign exchange rates, a decline in the value of our financial assets and pension plan investments, required increases of our pension funding obligations, increased government cost control efforts, delays or failures in the performance of customers, suppliers and other third parties on whom we may depend for the performance of our business, and the risk that our allowance for doubtful accounts may not be adequate.

Legal claims could be filed that may have a material adverse effect on our business, operating results, and financial condition. We may, in the future, face risks of litigation and liability claims. The extent of such exposure can be difficult or impossible to estimate, which can negatively impact our financial condition and results of operations.

Our operations are subject to numerous laws and regulations in the U.S., India, and Colombia, relating to the protection of the public and necessary disclosures regarding financial services. Liability under these laws involves inherent uncertainties. Violations of financial regulation laws are subject to civil and, in some cases, criminal sanctions. We may not have been, or may not be, or may be alleged to have not been or to not be, at all times, in complete compliance with all requirements, and we may incur costs or liabilities in connection with such requirements or allegations. We may also incur unexpected interruptions to our operations, administrative injunctions requiring operation stoppages, fines judgments, settlements, or other financial obligations or penalties, which could negatively impact our financial condition and results of operations. See Item 3, Legal Proceedings of this report, for further information on the current status of legal proceedings, if any. There can also be no assurance that any insurance coverage we have will be adequate or that we will prevail in any future cases. We can provide no assurance that we will be able to obtain liability insurance that would protect us from any such lawsuits. In the event that we are not covered by insurance, our management could spend significant time and resources addressing any such issues. The legal fees necessary to defend against multiple lawsuits can be significant, impacting the Company's overall bottom line when not covered by insurance or where the fees exceed the Company's insurance policy limits.

Our Company is in a highly regulated industry. Significant and unforeseen changes in policy may have material impacts on our business.

Continued development in the phytocannabinoids industry is dependent upon continued state legislative authorization of cannabinoids as well as legislation and regulatory policy at the federal level. The federal Controlled Substances Act currently makes cannabinoids use and possession illegal on a national level. While there may be ample public support for legislative authorization, numerous factors impact the legislative process. Any one of these factors could slow or halt the use and handling of cannabinoids in the U.S. or in other jurisdictions, which would negatively impact our development of phytocannabinoids-based therapies and our ability to test and productize these therapies.

Many U.S. state laws conflict with the federal Controlled Substances Act. It is unclear whether regulatory authorities in the U.S. would object to the registration or public offering of securities in the U.S. by our Company; the status of our Company as a reporting company; or investors investing in our Company, if we engage in legal cannabinoids cultivation and supply pursuant to the laws and authorization of the jurisdiction where the activity takes place. In addition, the status of cannabinoids under the Controlled Substances Act may have an adverse effect on federal agency approval of pharmaceutical use of phytocannabinoid products. Any such objection or interference could delay indefinitely or increase substantially the costs to access the equity capital markets, test our therapies, or create products from the Life Sciences segment.

Our Company is inexperienced in conducting pre-clinical and clinical trials.

Our Company is inexperienced in conducting pre-clinical and clinical trials. Our attempt at demonstrating safety, efficacy, and ultimate useability may fail because of our lack of experience in designing, managing, and conducting clinical trials, resulting in unanticipated or adverse outcomes. Such outcomes may have an adverse effect on our stock price.

Clinical trials are expensive, time-consuming, and difficult to design and implement, and involve an uncertain outcome.

Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain. Failure can occur at any time during the clinical trial process. Because the results of preclinical studies and early clinical trials are not necessarily predictive of future results, IGC-AD1 and our other compounds may not have favorable results in later preclinical and clinical studies or receive regulatory approval. We may experience delays in initiating and completing any clinical trials that we intend to conduct, and we do not know whether planned clinical trials will begin on time, need to be redesigned, enroll patients on time, or be completed on schedule, or at all. Clinical trials can be delayed or terminated for a variety of reasons, including but not limited to:

- the FDA or comparable foreign regulatory authorities disagreeing as to the design or implementation of our clinical studies;
- obtaining regulatory approval to commence a trial;
- reaching an agreement on acceptable terms with prospective contract research organizations (CROs), and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- obtaining Institutional Review Board (IRB) approval at each site or Independent Ethics Committee (IEC) approval at sites outside the United States;

- recruiting suitable patients to participate in a trial in a timely manner and in sufficient numbers;
- having patients complete a trial or return for post-treatment follow-up;
- imposition of a clinical hold by regulatory authorities, including as a result of unforeseen safety issues or side effects or failure of trial sites to adhere to regulatory requirements or follow trial protocols;
- clinical sites deviating from trial protocol or dropping out of a trial;
- addressing patient safety concerns that arise during the course of a trial;
- adding a sufficient number of clinical trial sites; or
- manufacturing sufficient quantities of the product candidate for use in clinical trials.

We could also encounter delays if a clinical trial is suspended or terminated by us, the IRBs or IECs of the institutions in which such trials are being conducted, the Data Safety Monitoring Board (DSMB), for such trial or the FDA or other regulatory authorities. Such authorities may impose such a suspension or termination due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols, an inspection of the clinical trial operations or trial site by the FDA or other regulatory authorities resulting in the imposition of a clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a drug, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial. Furthermore, we rely on CROs and clinical trial sites to ensure the proper and timely conduct of our clinical trials, and while we have agreements governing their committed activities, we have limited influence over their actual performance.

The regulatory approval processes of the FDA and comparable foreign authorities are lengthy, time-consuming, and inherently unpredictable, and if we are ultimately unable to obtain regulatory approval for IGC-AD1 or any other product candidates, our business will be substantially harmed.

The time required to obtain approval by the FDA and comparable foreign authorities is unpredictable but typically takes many years following the commencement of clinical trials and depends upon numerous factors, including the substantial discretion of the regulatory authorities. In addition, approval policies, regulations, or the type and amount of clinical data necessary to gain approval may change during the course of a product candidate's clinical development and may vary among jurisdictions. We have not obtained regulatory approval for any product candidate, and it is possible that we will never obtain regulatory approval for IGC-AD1 or any other product candidate. We are not permitted to market any of our pharmaceutical product candidates in the United States until we receive regulatory approval of an NDA from the FDA. The regulatory approval process can be affected by, among other things, the following:

- we may be unable to demonstrate to the satisfaction of the FDA or comparable foreign regulatory authorities that a product candidate is safe and effective for its proposed indication;
- serious and unexpected drug-related side effects experienced by participants in our clinical trials or by individuals using drugs similar to our product candidates or other products containing the active ingredient in our product candidates;
- negative or ambiguous results from our clinical trials or results that may not meet the level of statistical significance required by the FDA or comparable foreign regulatory authorities for approval;
- we may be unable to demonstrate that a product candidate's clinical and other benefits outweigh its safety risks;
- the FDA or comparable foreign regulatory authorities may disagree with our interpretation of data from preclinical studies or clinical trials;
- the data collected from clinical trials of our product candidates may not be acceptable or sufficient to support the submission of an NDA or other submission or to obtain regulatory approval in the United States or elsewhere, and/or we may be required to conduct additional clinical trials;
- the FDA or comparable foreign authorities may disagree regarding the formulation, labeling, and/or specifications of our product candidates;
- the FDA or comparable foreign regulatory authorities may fail to approve or find deficiencies with the manufacturing processes or facilities of third-party manufacturers with which we contract for clinical and commercial supplies; and
- the approval policies or regulations of the FDA or comparable foreign regulatory authorities may significantly change in a manner rendering our clinical data insufficient for approval.

Prior to obtaining approval to commercialize a product candidate in the United States or abroad, we must demonstrate with substantial evidence from well-controlled clinical trials and to the satisfaction of the FDA or foreign regulatory agencies that such product candidates are safe and effective for their intended uses. Results from preclinical studies and clinical trials can be interpreted in different ways. Even if the preclinical or clinical data for our product candidates are promising, such data may not be sufficient to support approval by the FDA and other regulatory authorities. For diseases like Alzheimer's, the FDA has stated that one single Phase 3 trial is adequate for approval if it demonstrates robust and unquestionable efficacy. However, the circumstances under which a single adequate and controlled study can be used as the sole basis for demonstrating the efficacy of a drug are exceptional.

The FDA or any foreign regulatory bodies can delay, limit, or deny approval of our product candidates or require us to conduct additional preclinical or clinical testing or abandon a program for many reasons, including:

- the FDA or comparable foreign regulatory authorities may disagree with the design or implementation of our clinical trials;
- the FDA or comparable foreign regulatory authorities may disagree with our safety interpretation of our drug;
- the FDA or comparable foreign regulatory authorities may disagree with our efficacy interpretation of our drug; and
- the FDA or comparable foreign regulatory authorities may regard our Chemistry Manufacturing and Controls package as inadequate.

Of the large number of drugs in development, only a small percentage successfully complete the regulatory approval processes and are commercialized. This lengthy approval process, as well as the unpredictability of future clinical trial results, may result in us failing to obtain regulatory approval to market IGC-AD1 or another product candidate, which would significantly harm our business, results of operations, and prospects.

In addition, the FDA or the applicable foreign regulatory agency may also approve a product candidate for a more limited indication or patient population than we originally requested, and the FDA or applicable foreign regulatory agency may approve a product candidate with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that product candidate. Any of the foregoing scenarios could materially harm the commercial prospects for our product candidates.

We have concentrated our research and development efforts on the treatment of Alzheimer's Disease, which has seen limited success in drug development. Further, IGC-AD1 is based on a new approach to treating symptoms of Alzheimer's Disease, which makes it difficult to predict the time and cost of development and subsequent obtaining of regulatory approval.

Efforts by biopharmaceutical and pharmaceutical companies in treating Alzheimer's Disease have seen limited success in drug development, and there are no FDA-approved disease-modifying therapeutic options available for patients with Alzheimer's Disease. We cannot be certain that our approach will lead to the development of approvable or marketable products. The only drugs approved by the FDA to treat Alzheimer's Disease to date address the disease's symptoms. Alzheimer's Disease drug candidates have the highest failure rate of approximately 99.6%. As a result, the FDA has a limited set of products to rely on in evaluating IGC-AD1. This could result in a longer-than-expected regulatory review process, increased expected development costs, or the delay or prevention of commercialization of IGC-AD1 for the treatment of Alzheimer's Disease.

Enrollment and retention of patients in clinical trials is an expensive and time-consuming process and could be made more difficult or rendered impossible by multiple factors outside our control.

The timely completion of clinical trials in accordance with their protocols depends, among other things, on our ability to enroll a sufficient number of patients who remain in the study until its conclusion. We may encounter delays in enrolling or be unable to enroll a sufficient number of patients to complete any of our clinical trials, and even once enrolled, we may be unable to retain a sufficient number of patients to complete any of our trials. Patient enrollment and retention in clinical trials depend on many factors, including:

- the patient eligibility criteria defined in the protocol;
- the size of the patient population required for analysis of the trial's primary endpoints;
- the nature of the trial protocol;
- the existing body of safety and efficacy data with respect to the product candidate;
- the proximity of patients to clinical sites;
- our ability to recruit clinical trial investigators with the appropriate competencies and experience;
- clinicians' and patients' perceptions as to the potential advantages of the product candidate being studied in relation to other available therapies, including any new drugs that may be approved for the indications we are investigating;
- competing clinical trials being conducted by other companies or institutions;
- our ability to maintain patient consent; and
- the risk that patients enrolled in clinical trials will drop out of the trials before completion.

Our product candidates may cause serious adverse events or undesirable side effects, which may delay or prevent marketing approval or, if approved, require them to be taken off the market, require them to include safety warnings, or otherwise limit their sales.

Serious adverse events or undesirable side effects caused by IGC-AD1 or any other product candidates could cause us or regulatory authorities to interrupt, delay, or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA or other comparable foreign authorities. The results of any clinical trial we conduct could reveal a high and unacceptable severity and prevalence of side effects or unexpected characteristics.

If unacceptable side effects arise in the development of our product candidates, we, the FDA, or the IRBs at the institutions in which our studies are conducted, or the DSMB, if constituted for our clinical trials, could recommend a suspension or termination of our clinical trials, or the FDA or comparable foreign regulatory authorities could order us to cease further development of or deny approval of a product candidate for any or all targeted indications. In addition, drug-related side effects could affect patient recruitment or the ability of enrolled patients to complete a trial or result in potential product liability claims. In addition, these side effects may not be appropriately recognized or managed by the treating medical staff. We expect to have to train medical personnel using our product candidates to understand the side effect profiles for our clinical trials and upon any commercialization of any of our product candidates. Inadequate training in recognizing or managing the potential side effects of our product candidates could result in patient injury or death. Any of these occurrences may harm our business, financial condition, and prospects significantly.

Additionally, if one or more of our product candidates receives marketing approval, and we or others later identify undesirable side effects caused by such products, a number of potentially significant negative consequences could result, including:

- additional restrictions may be imposed on the marketing of the particular product or the manufacturing processes for the product or any component thereof;
- regulatory authorities may withdraw approvals of such products;
- regulatory authorities may require additional warnings on the label, such as a “black box” warning or contraindication;
- we may be required to implement a REMS or create a medication guide outlining the risks of such side effects for distribution to patients;
- we could be sued and held liable for harm caused to patients;
- the product may become less competitive; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of a product candidate, if approved, and could significantly harm our business, results of operations, and prospects.

Our product candidates may be unable to achieve the expected market acceptance, consequently limiting our ability to generate revenue from new products.

Even when product development is successful and regulatory approval has been obtained, our ability to generate sufficient revenue depends on the acceptance of our products by customers. We cannot assure you that our products will achieve the expected level of market acceptance and revenue. The market acceptance of any product depends on several factors, such as the price of the product, the effect of the product, the taste of the product, the reputation of the Company, competition, and marketing and distribution support.

The success and acceptance of a product in one state may not be replicated in other states or may be negatively affected by our activities in another state. Any factors preventing or limiting the market acceptance of our products could have a material adverse effect on our business, results of operations, and financial condition.

Business interruptions could delay us in the process of developing our product candidates and could disrupt our product sales.

Loss of our manufacturing facilities, stored inventory, or laboratory facilities through fire, theft, natural disasters, or other causes, or loss of our botanical raw material due to pathogenic infection, waste, destruction, or other causes, could have an adverse effect on our ability to meet demand for our products or to continue product development activities and to conduct our business. Failure to supply our partners with commercial products may lead to adverse consequences.

Climate change concerns could disrupt our businesses, adversely affect client activity levels, adversely affect the creditworthiness of our counterparties, and damage our reputation.

Climate change may cause extreme weather events that, among other things, could damage our facilities and equipment, injure our employees, disrupt operations at one or more of our primary locations, negatively affect our ability to service and interact with our clients, and adversely affect the value of our assets. Any of these events may increase our costs including our costs to insure against these events.

Climate change may also have a negative impact on the financial condition of our clients, which may decrease revenues from those clients and increase the credit exposures to those clients. Additionally, our reputation and client relationships may be damaged as a result of our involvement, or our clients' involvement, in certain industries associated with causing or exacerbating, or alleged to cause or exacerbate, climate change. We also may be negatively impacted by any decisions we make to continue to conduct or change our activities in response to considerations relating to climate change. New regulations or guidance relating to climate change, as well as the perspectives of shareholders, employees, and other stakeholders regarding climate change, may affect whether and on what terms and conditions we engage in certain activities or offer certain products.

Currency fluctuations may reduce our assets and profitability.

We have assets located in foreign countries that are valued in foreign currencies. Fluctuation of the U.S. dollar relative to the foreign currency may adversely affect our assets and profit.

Our business relies heavily on our management team, and any unexpected loss of key officers may adversely affect our operations.

The continued success of our business is largely dependent on the continued services of our key employees. The loss of the services of certain key personnel, without adequate replacement, could have an adverse effect on our performance. Our senior management, as well as the senior management of our subsidiaries, plays a significant role in developing and executing the overall business plan, maintaining client relationships, proprietary processes, and technology. While no one is irreplaceable, the loss of the services of any would be disruptive to our business.

Our quarterly revenue, operating results, and profitability will vary.

Factors that may contribute to the variability of quarterly revenue, operating results, or profitability include:

- Fluctuations in revenue due to the seasonality of the marketplace, which results in uneven revenue and operating results over the year;
- Additions and departures of key personnel;
- Strategic decisions made by us and our competitors, such as acquisitions, divestitures, spin-offs, joint ventures, strategic investments, and changes in business strategy; and
- Economic conditions, including but not limited to the adverse impact on operating results due to the COVID-19 pandemic.

We may not successfully register the provisional patents with the USPTO.

We have filed thirty-one (31) patent applications with the USPTO and also in other different countries in the combination therapy space for the indications of pain, Alzheimer's, medical refractory epilepsy, eating disorders, and Tourette syndrome as part of our intellectual property strategy focused on the phytocannabinoid-based health care industry. Although twelve patents have been issued, there is no guarantee that our remaining applications will result in a successful registration with the USPTO. If we are unsuccessful in registering patents, our ability to create a valuable line of products can be adversely affected. This, in turn, may have a material and adverse impact on the trading price of our common stock.

We may be unable to protect our intellectual property rights and/or intellectual property rights licensed to us and may be subject to intellectual property litigation and infringement claims by third parties.

We intend to protect our intellectual property through limited patents and our unpatented trade secrets and know-how through confidentiality or license agreements with third parties, employees, and consultants, and by controlling access to and distribution of our proprietary information. However, this method may not afford complete protection, particularly in foreign countries where the laws may not protect our proprietary rights as fully as in the U.S., and unauthorized parties may copy or otherwise obtain and use our products, processes, or technology. Additionally, there can be no assurance that others will not independently develop similar know-how and trade secrets. We are also dependent upon the owners of intellectual property rights licensed to us under various wholesale license agreements to protect and defend those rights against third party claims. If third parties take actions that affect our rights, the value of our intellectual property, similar proprietary rights or reputation, or the licensors who have granted us certain rights under wholesale license agreements, or we are unable to protect the intellectual property from infringement or misappropriation, other companies may be able to offer competitive products at lower prices, and we may not be able to effectively compete against these companies. We also face the risk of claims that we have infringed third parties' intellectual property rights. Any claims of intellectual property infringement, even those without merit, may require us to:

- defend against infringement claims, which are expensive and time-consuming;
- cease making, licensing, or using, either temporarily or permanently, products that incorporate the challenged intellectual property;
- re-design, re-engineer, or re-brand our products or packaging; or
- enter into royalty or licensing agreements to obtain the right to use a third party's intellectual property.

In the event of claims by third parties for infringement of intellectual property rights, we license from third parties under wholesale license agreements, we could be liable for costs of defending allegations of infringement, and there are no assurances the licensors will either adequately defend the licensed intellectual property rights or that they would prevail in the related litigation. In that event, we would incur additional costs and may be deprived of generating royalties from these agreements.

We may face risks relating to health care privacy and security laws.

We may be subject to various privacy and security regulations, including but not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA), as amended by The Health Information Technology for Economic and Clinical Health Act (HITECH), and their respective implementing regulations, including the related final published omnibus rule. HIPAA mandates, among other things, the adoption of uniform standards for the electronic exchange of information in common health care transactions, as well as standards relating to the privacy and security of individually identifiable health information. These obligations would require the Company to adopt administrative, physical, and technical safeguards to protect such information. Among other things, HITECH makes HIPAA's privacy and security standards directly applicable to "business associates" — independent contractors or agents of covered entities that receive or obtain protected health information in connection with providing a service on behalf of a covered entity. HITECH also increased the civil and criminal penalties that may be imposed against covered entities, business associates, and possibly other persons and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorney's fees and costs associated with pursuing federal civil actions. In addition, state laws govern the privacy and security of health information in certain circumstances, some of which are more stringent than HIPAA and many of which differ from each other in significant ways and may not have the same effect, thereby complicating compliance efforts. Failure to comply with these laws, where applicable, can result in the imposition of significant civil and criminal penalties.

Some of our lines of business will rely on third-party service providers to host and deliver services and data, and any interruptions or delays in these hosted services, security or privacy breaches, including cybersecurity attacks or failures in data collection, could expose us to liability claims, increased costs, reduced revenue, and harm our business and reputation.

Our lines of business and services, but especially our development of hemp-based cannabinoid combination therapies for products, and our long-term use and/or development of software to solve critical issues facing the pharmaceutical industry, rely on services hosted and controlled directly by our suppliers and distributors and their third-party service providers. We do not have redundancy for all our systems; many of our critical applications reside in only one of our data centers, and our disaster recovery planning may not account for all eventualities. These facts could cause reputational harm, loss of customers, or loss of future business, thereby reducing our revenue.

Our suppliers and distributors and their third-party service providers hold customer data, some of which is hosted in third-party facilities. A security incident or cybersecurity attack at those facilities or ours may compromise the confidentiality, integrity, or availability of customer data. We have a cybersecurity policy in place; however, unauthorized access to customer data stored on our computers or networks may be obtained through break-ins, breaches of our secure network by an unauthorized party, employee theft or misuse, or other misconduct. It is also possible that unauthorized access to customer data may be obtained through inadequate use of security controls by customers. Accounts created with weak passwords could allow cyber-attackers to gain access to customer data. If there were an inadvertent disclosure of customer information, or if a third party were to gain unauthorized access to the information we possess on behalf of our customers, our operations could be disrupted, our reputation could be damaged, and we could be subject to claims or other liabilities. In addition, such perceived or actual unauthorized disclosure of the information we collect or breach of our security could damage our reputation, result in the loss of customers, and harm our business.

Hardware or software failures or errors in our systems or those of our suppliers and distributors or their third-party service providers could result in data loss or corruption, cause the information that we collect to be incomplete or contain inaccuracies that our customers regard as significant, or cause us to fail to meet committed service levels. Furthermore, our ability to collect and report data may be delayed or interrupted by several factors, including access to the internet, the failure of our network or software systems, or security breaches. In addition, computer viruses or other malware may harm our systems, causing us to lose data, and the transmission of computer viruses or other malware could expose us to litigation. We may also find, on occasion, that we cannot deliver data and reports in near real time because of several factors, including failures of our network or software. If we supply inaccurate information or experience interruptions in our ability to capture, store and supply information in near real time or at all, our reputation could be harmed, we could lose customers, or we could be found liable for damages or incur other losses.

All our data is stored on the cloud on multiple servers, which helps us mitigate the overall risk of losing data. We are in the process of implementing tighter cybersecurity measures to safeguard against hackers. Complying with these security measures and compliances would incur further costs.

The states in which we and our distributors and suppliers and their service providers operate require that we maintain certain information about our customers and transactions. If we fail to maintain such information, we could be in violation of state laws. Laws and regulations relating to the handling of personal data may impede the adoption of our services or result in increased costs, legal claims, fines against us, or reputational damage.

We face risks associated with the manufacture of our products, which could adversely affect our business and financial results.

We are subject to the risks inherent in manufacturing our products, including industrial accidents, environmental events, strikes and other labor disputes, disruptions in supply chain or information systems, loss or impairment of key manufacturing sites or suppliers, product quality control, safety, increase in commodity prices and energy costs, licensing requirements and other regulatory issues, as well as natural disasters and other external factors over which we have no control. If such an event were to occur, it could have an adverse effect on our business and financial results.

Potential Risks Associated with the Disposal of Non-Core Assets

While our current focus is on advancing our Life Sciences business, we continue to own certain non-core assets, including infrastructure-related properties and equipment. We have not made a formal decision to dispose of these assets, other than “Asset held for sale”. Our decision to dispose of these non-core assets is aimed at monetizing non-core assets, streamlining operations, and optimizing resource allocation. However, if we decide to proceed with a sale, divestiture, or shutdown in the future, we may face various risks, including:

- Impairment charges or write-downs that could negatively impact our financial results and stockholders’ equity;
- Costs related to the termination of leases, contracts, or employee arrangements;
- Challenges in finding suitable buyers or partners, potentially resulting in unfavorable pricing or delayed transactions;
- Regulatory or legal risks associated with asset disposal, including environmental, labor, or tax compliance matters;
- Distraction of management’s attention from our core Life Sciences operations.

Any of these factors could negatively affect our business, financial condition, or results of operations. Investors should be aware of the potential risks associated with this process and its potential impact on our financial performance before investing in our company.

The Company is exposed to the risk of write-downs on the value of its inventory and other assets, in addition to purchase commitment cancellation risk.

The Company records a write-down for product and component inventories that become obsolete or exceed anticipated demand or for which cost exceeds net realizable value. The Company may also accrue necessary cancellation fee reserves for orders of excess products and components. The Company reviews long-lived assets, including capital assets held at its suppliers' facilities and inventory prepayments, for impairment whenever events or circumstances indicate the assets may not be recoverable. If the Company determines that an impairment has occurred, it records a write-down equal to the amount by which the carrying value of the asset exceeds its fair value. Although the Company believes its inventory, capital assets, inventory prepayments, and other assets and purchase commitments are currently recoverable, no assurance can be given that the Company will not incur write-downs, fees, impairments, and other charges given the rapid and unpredictable pace of product obsolescence in the industries in which the Company competes.

The Company orders components for its products and builds inventory in advance of product announcements and shipments. Manufacturing purchase obligations cover the Company's forecasted component and manufacturing requirements, typically for periods of up to 150 days. Because the Company's markets are volatile, competitive, and subject to rapid technology and price changes, there is a risk the Company will forecast incorrectly and order or produce excess or insufficient amounts of components or products or not fully utilize firm purchase commitments.

Our accounting personnel may make unintentional errors.

Given our small size and foreign operations, a small unrectified mistake in the preparation of financial statements and the maintenance of our books and records in accordance with U.S. GAAP and SEC rules and regulations may constitute a material weakness in our internal controls over financial reporting. For more information, please see Item 9A, "Controls and Procedures."

The Company is subject to complex and changing laws and regulations worldwide related to climate change and ESG initiatives, which expose the Company to potential liabilities, increased costs, and other adverse effects on the Company's business.

We are subject to transitional and physical risks related to climate change. Transitional risks include, for example, a disorderly global transition away from fossil fuels that may result in increased energy prices; customer preference for low or no-carbon products; stakeholder pressure to decarbonize assets; or new legal or regulatory requirements that result in new or expanded carbon pricing, taxes, restrictions on greenhouse gas emissions, and increased greenhouse gas disclosure and transparency. These risks could increase operating costs, including the cost of our electricity and energy use or other compliance costs. Physical risks to our operations include water stress and drought, flooding and storm surge, wildfires, extreme temperatures, and storms, which could impact pharmaceutical production, increase costs, or disrupt the supply chains of medicines for patients. Our supply chain is likely subject to these same transitional and physical risks and would likely pass along any increased costs to us. We do not anticipate that these risks will have a material financial impact on the Company in the near term, although there can be no assurance.

Governmental authorities, non-governmental organizations, customers, investors, employees, and other stakeholders are increasingly sensitive to ESG matters, such as equitable access to medicines and vaccines, product quality and safety, diversity, equity and inclusion, environmental stewardship, support for local communities, value chain environmental and social due diligence, corporate governance, and transparency, and addressing human capital factors in our operations. This focus on ESG matters may lead to new expectations or requirements that could result in increased costs associated with the research, development, manufacture, or distribution of our products. Our ability to compete could also be affected by changing customer preferences and requirements, such as growing demand for companies to establish validated Net Zero targets or offer more sustainable products. While we strive to improve our ESG performance and meet our voluntary goals, if we do not meet, or are perceived not to meet, our goals or other stakeholder expectations in key ESG areas, we risk negative stakeholder reaction, including from proxy advisory services, as well as damage to our brand and reputation, reduced demand for our products or other negative impacts on our business and operations. While we monitor a broad range of ESG matters, we cannot be certain that we will manage such matters successfully or that we will successfully meet the expectations of investors, employees, consumers, governments, and other stakeholders.

Risks Related to ownership of our common stock:

Future sales of common stock by us could cause our stock price to decline and dilute your ownership in our Company.

Our certificate of incorporation authorizes the issuance of up to 150,000,000 shares of common stock, par value of $0.0001 per share, and 1,000,000 shares of preferred stock, par value of $0.0001 per share. We are not restricted from issuing additional shares of our common stock or preferred stock, including any securities that are convertible into or exchangeable for or that represent the right to receive common stock or preferred stock or any substantially similar securities. The market price of our common stock could decline as a result of sales of a large number of shares of our common stock by us in the market or the perception that such sales could occur. If we raise funds by issuing additional securities in the future or stock options to purchase our common stock are exercised, the newly issued shares will also dilute your percentage ownership in our Company.

Our common stock price has fluctuated considerably and has recently reached our highest price levels, which may not be sustained.

The market price of shares of our common stock has fluctuated substantially in recent years and is likely to fluctuate significantly from its current level. Our common stock has also been volatile, with our 52-week closing price range being at a low of $0.27 and a high of $0.69 per share. Future announcements concerning the introduction of new products, services, or technologies or changes in product pricing policies by us or our competitors, or changes in earnings estimates by analysts, among other factors, could cause the market price of our common stock to fluctuate substantially. Also, stock markets have experienced extreme price and volume volatility in the last year. This volatility has had a substantial effect on the market prices of securities of many public companies for reasons frequently unrelated to the operating performance of the specific companies. These broad market fluctuations may also cause declines in the market price of our common stock. Investors seeking short-term liquidity should be aware that we cannot assure you that the stock price will continue at these or any higher levels.

A possible "short squeeze" due to a sudden increase in demand of our common stock that largely exceeds supply may lead to further price volatility in our common stock.

Investors may purchase shares of our common stock to hedge existing exposure in our common stock or to speculate on the price of our common stock. Speculation on the price of our common stock may involve long and short exposures. To the extent aggregate short exposure exceeds the number of shares of our common stock available for purchase in the open market, investors with short exposure may have to pay a premium to repurchase our common stock for delivery to lenders of our common stock. Those repurchases may, in turn, dramatically increase the price of our common stock until investors with short exposure are able to purchase additional shares of common stock to cover their short position. This is often referred to as a "short squeeze." A short squeeze could lead to volatile price movements in shares of our common stock that are not directly correlated to the performance or prospects of our Company, and once investors purchase the shares necessary to cover their short position, the price of our common stock may decline. We believe that the recent volatility in our common stock may be due, in part, to short squeezes that may be temporarily increasing the price of our common stock, which could result in a loss of some or all of your investment in our common stock.

Our management team will have broad discretion over the use of Company funds.

Our management will use their discretion to direct the use of Company funds. We intend to use the net proceeds from the sale of IGC shares in ATM offerings, sales proceeds, sale of capital assets, and other funds to fund working capital and capital expenditure requirements. It may also be used for clinical trials, share repurchases, debt repayments, and investments, including but not limited to mutual funds, treasury bonds, cryptocurrencies, and other asset classes. Management's judgments may not result in positive returns on investor investment, and the investor will not have an opportunity to evaluate the economic, financial, or other information upon which the Management bases its decisions. The Company may invest the funds, pending their use, in a manner that does not produce income or that loses value. The failure of management to apply these funds effectively could result in financial losses, and these financial losses could have a material adverse effect on our business and cause the price of our common stock to decline.

Our publicly filed reports are subject to review by the SEC, and any significant changes or amendments required as a result of any such review may result in material liability to us and may have a material adverse impact on the trading price of our common stock.

The reports of publicly traded companies are subject to review by the SEC from time to time for the purpose of assisting companies in complying with applicable disclosure requirements, and the SEC is required to undertake a comprehensive review of a company's reports at least once every three years under the Sarbanes-Oxley Act of 2002. SEC reviews may be initiated at any time. We could be required to modify, amend, or reformulate information contained in prior filings as a result of an SEC review, as well as the state in filings that we have inadequate control or expertise over financial reporting. Any modification, amendment, or reformulation of information contained in such reports could be significant and result in material liability to us and have a material and adverse impact on the trading price of our common stock.

We do not anticipate declaring any cash dividends on our common stock.

We have never declared or paid cash dividends on our common stock and do not plan to pay any cash dividends in the near future. Our current policy is to retain all funds and earnings for use in the operation and expansion of our business.

Maryland anti-takeover provisions and certain anti-takeover effects of our Charter and Bylaws may inhibit a takeover at a premium price that may be beneficial to our stockholders.

Maryland anti-takeover provisions and certain anti-takeover effects of our charter and bylaws may be utilized, under some circumstances, as a method of discouraging, delaying, or preventing a change of control of our Company at a premium price that would be beneficial to our stockholders. For more detailed information about these provisions, please see "Anti-takeover Law, Limitations of Liability and Indemnification" as follows:

Business Combinations

Under the Maryland General Corporation Law, some business combinations, including a merger, consolidation, share exchange, or, in some circumstances, an asset transfer or issuance or reclassification of equity securities, are prohibited for a period of time and require an extraordinary vote. These transactions include those between a Maryland corporation and the following persons (a Specified Person):

An interested stockholder who is defined as any person (other than a subsidiary) who beneficially owns 10% or more of the corporation's voting stock or who is an affiliate or an associate of the corporation who, at any time within a two-year period prior to the transaction, was the beneficial owner of 10% or more of the voting power of the corporation's voting stock; or an affiliate of an interested stockholder.

A person is not an interested stockholder if the board of directors approves in advance the transaction by which the person otherwise would have become an interested stockholder. The board of directors of a Maryland corporation also may exempt a person from these business combination restrictions prior to the time the person becomes a Specified Person and may provide that its exemption be subject to compliance with any terms and conditions determined by the board of directors. Transactions between a corporation and a Specified Person are prohibited for five years after the most recent date on which such stockholder becomes a Specified Person. After five years, any business combination must be recommended by the board of directors of the corporation and approved by at least 80% of the votes entitled to be cast by holders of voting stock of the corporation and two-thirds of the votes entitled to be cast by holders of shares other than voting stock held by the Specified Person with whom the business combination is to be effected, unless the corporation's stockholders receive a minimum price as defined by Maryland law and other conditions under Maryland law are satisfied.

A Maryland corporation may elect not to be governed by these provisions by having its board of directors exempt various Specified Persons, by including a provision in its charter expressly electing not to be governed by the applicable provision of Maryland law, or by amending its existing charter with the approval of at least 80% of the votes entitled to be cast by holders of outstanding shares of voting stock of the corporation and two-thirds of the votes entitled to be cast by holders of shares other than those held by any Specified Person. Our Charter does not include any provision opting out of these business combination provisions.

Control Share Acquisitions

The Maryland General Corporation Law also prevents, subject to exceptions, an acquirer who acquires sufficient shares to exercise specified percentages of the voting power of a corporation from having any voting rights except to the extent approved by two-thirds of the votes entitled to be cast on the matter not including shares of stock owned by the acquiring person, any directors who are employees of the corporation and any officers of the corporation. These provisions are referred to as the control share acquisition statute.

The control share acquisition statute does not apply to shares acquired in a merger, consolidation, or share exchange if the corporation is a party to the transaction, or to acquisitions approved or exempted prior to the acquisition by a provision contained in the corporation's charter or bylaws. Our Bylaws include a provision exempting us from the restrictions of the control share acquisition statute, but this provision could be amended or rescinded either before or after a person acquired control shares. As a result, the control share acquisition statute could discourage offers to acquire our common stock and could increase the difficulty of completing an offer.

Board of Directors

The Maryland General Corporation Law provides that a Maryland corporation which is subject to the Exchange Act and has at least three outside directors (who are not affiliated with an acquirer of the company) under certain circumstances may elect by resolution of the board of directors or by amendment of its charter or bylaws to be subject to statutory corporate governance provisions that may be inconsistent with the corporation's charter and bylaws. Under these provisions, a board of directors may divide itself into three separate classes without the vote of stockholders such that only one-third of the directors are elected each year. A board of directors classified in this manner cannot be altered by amendment to the charter of the corporation. Further, the board of directors may, by electing to be covered by the applicable statutory provisions and notwithstanding the corporation's charter or bylaws:

- provide that a special meeting of stockholders will be called only at the request of stockholders entitled to cast at least a majority of the votes entitled to be cast at the meeting;
- reserve for itself the right to fix the number of directors;
- provide that a director may be removed only by the vote of at least two-thirds of the votes entitled to be cast generally in the election of directors; and
- retain for itself the sole authority to fill vacancies created by an increase in the size of the board or the death, removal, or resignation of a director.

In addition, a director elected to fill a vacancy under these provisions serves for the balance of the unexpired term instead of until the next annual meeting of stockholders. A board of directors may implement all or any of these provisions without amending the charter or bylaws and without stockholder approval. Although a corporation may be prohibited by its charter or by resolution of its board of directors from electing any of the provisions of the statute, we have not adopted such a prohibition. We have adopted a staggered board of directors with three separate classes in our charter and given the board the right to fix the number of directors, but we have not prohibited the amendment of these provisions. The adoption of the staggered board may discourage offers to acquire our common stock and may increase the difficulty of completing an offer to acquire our stock. If our Board chooses to implement the statutory provisions, it could further discourage offers to acquire our common stock and could further increase the difficulty of completing an offer to acquire our common stock.

Effect of Certain Provisions of our Charter and Bylaws

In addition to the Charter and Bylaws provisions discussed above, certain other provisions of our Bylaws may have the effect of impeding the acquisition of control of our Company by means of a tender offer, proxy fight, open market purchases, or otherwise in a transaction not approved by our Board of Directors. These provisions of the Bylaws are intended to reduce our vulnerability to an unsolicited proposal for the restructuring or sale of all or substantially all of our assets or an unsolicited takeover attempt, which our Board believes is otherwise unfair to our stockholders. These provisions, however, also could have the effect of delaying, deterring, or preventing a change in control of our Company.

Our Bylaws provide that with respect to annual meetings of stockholders, (i) nominations of individuals for election to our Board of Directors and (ii) the proposal of business to be considered by stockholders may be made only pursuant to our notice of the meeting, by or at the direction of our Board of Directors, or by a stockholder who is entitled to vote at the meeting and has complied with the advance notice procedures set forth in our Bylaws.

Special meetings of stockholders may be called only by the chief executive officer, the board of directors or the secretary of our Company (upon the written request of the holders of a majority of the shares entitled to vote). At a special meeting of stockholders, the only business that may be conducted is the business specified in our notice of meeting. With respect to nominations of persons for election to our Board of Directors, nominations may be made at a special meeting of stockholders only pursuant to our notice of meeting, by or at the direction of our Board of Directors, or if our Board of Directors has determined that directors will be elected at the special meeting, by a stockholder who is entitled to vote at the meeting and has complied with the advance notice procedures set forth in our Bylaws.

These procedures may limit the ability of stockholders to bring business before a stockholders meeting, including the nomination of directors and the consideration of any transaction that could result in a change in control and that may result in a premium to our stockholders.

Our executive officers and large shareholders concentrated insider ownership of our common stock, which will limit your influence on corporate matters.

As of June 20, 2025, our executive officers and largest shareholders beneficially owned 21.01% based on 83,891,586 outstanding shares of common stock. As a result, our insiders have the ability to influence our management and affairs through the election and removal of our Board and all other matters requiring stockholder approval, including any future merger, consolidation, or sale of all or substantially all of our assets. This concentrated voting power could discourage others from initiating any potential merger, takeover or other change-of-control transaction that may otherwise be beneficial to our stockholders. Further, this concentrated insider ownership will limit the practical effect of your influence over our business and affairs, through any stockholder vote or otherwise. Any of these effects could depress the price of our common stock.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

At IGC, we are committed to maintaining the confidentiality, integrity, and availability of our information systems and data. As part of this commitment, we have implemented a comprehensive cybersecurity program to protect against unauthorized access, use, disclosure, modification, or destruction of our information assets. We are committed to ensuring the security and protection of our company's information assets and the personal information of our employees, customers, and stakeholders.

We recognize that cybersecurity threats are constantly evolving and have the potential to cause significant harm to our company and our stakeholders. In order to address these risks, we have established a cybersecurity risk management framework that is aligned with industry best practices and regulatory requirements.

Our program includes regular risk assessments, vulnerability management, access controls, incident response planning, and employee training and awareness programs. We also work closely with third-party service providers to ensure that they are meeting our cybersecurity standards.

In the event of a cybersecurity incident, we have established procedures for prompt investigation, containment, and remediation to minimize the impact on our operations and stakeholders. We believe that our cybersecurity program is robust and effective, and we will continue to invest in and improve our capabilities to address evolving threats, although there can be no assurance, that our cybersecurity program will prevent all incidents. We are committed to transparency and will provide updates on any material cybersecurity incidents that may impact our company or our stakeholders.

During Fiscal year ended March 31, 2025, we did not identify any cybersecurity threats that have materially affected or are reasonably likely to materially affect our business strategy, results of operations, or financial condition. However, despite our efforts, we cannot eliminate all risks from cybersecurity threats, or provide assurances that we have not experienced undetected cybersecurity incidents. For additional information about these risks, see Part I, Item 1A, "Risk Factors" in this Annual Report on Form 10-K.

Governance

Our board of directors addresses the Company's cybersecurity risk management as part of its general oversight function. The board of directors' audit committee is responsible for overseeing Company's cybersecurity risk management processes, including oversight and mitigation of risks from cybersecurity threats.

Our cybersecurity risk assessment and management processes are implemented and maintained by certain Company management, including our IT Lead. Our IT Lead has 5 years of experience in roles that include oversight of cybersecurity risk management programs. In addition, the IT Lead is assisted by an external agency with about 15 years of expertise in cybersecurity.

Our IT Lead is responsible for hiring appropriate personnel, helping to integrate cybersecurity risk considerations into the Company's overall risk management strategy, communicating key priorities to relevant personnel, helping prepare for cybersecurity incidents, approving cybersecurity processes, and reviewing security assessments and other security-related reports.

Our cybersecurity incident response processes are designed to escalate certain cybersecurity incidents to members of management depending on the circumstances, including the CEO, who help the Company mitigate and remediate cybersecurity incidents of which they are notified. In addition, the Company's incident response processes include reporting to the audit committee for certain cybersecurity incidents.

The audit committee will receive periodic reports from our management concerning cybersecurity issues, including certain threats and risks and the processes the Company has implemented to address them, as applicable. The audit committee also has access to various reports, summaries or presentations related to cybersecurity threats, risk, and mitigation.

ITEM 2. PROPERTIES

Our corporate headquarters is located in Potomac, Maryland. We own approximately 40,000 square feet of property used for general management and R&D operations. In addition, we are leasing, through September 2025, approximately 16,000 square feet in Vancouver, Washington, for manufacturing, sales, and distribution of our Life Sciences segment products and services. In addition, we own and have short-term lease facilities in the U.S. and India that are used for sales, storage, accounting, management, and R&D. The Company believes its existing facilities and equipment, which are used by all reportable segments, are in good operating condition and suitable for conducting its business.

We own approximately 5 acres of land in India, classified as "Asset Held for Sale" as on March 31, 2025. Please refer, Note 6 – "Property, Plant and Equipment", for more information on Part II, Item 8.

ITEM 3. 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 March 31, 2025, the following material litigation is pending:

Engineering and Consulting Group SAS et al. v IGC Pharma Inc., case file no. 110016000050202247710 (Prosecutor's Office 393 Sectional Economic Crimes Unit, Bogota, Colombia). The Company and the ECG corporation are in a contractual dispute. The Company filed a complaint against four (4) individuals with the Prosecutor's Office 393 Sectional Economic Crimes Unit, Bogota, Colombia, under file no. 110016000050202247710 for charges of fraud, falsification of a private document, and conspiracy to commit a crime. The complaint was filed in 2022. In December 2023, the case was reviewed by the investigator and scheduled and accepted for a hearing by the prosecutor in calendar 2024. During the fiscal year ended 2025, the Company met with the prosecutors and pressed the urgency of moving the case through the legal system.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS, AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common stock is listed on the NYSE American under "IGC" symbol with CUSIP number 45408X308. The common stock of the Company is also quoted on the Frankfurt, Berlin, and Stuttgart (XETRA2) stock exchanges in Germany (ticker symbol: IGS1). We also have 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 & Trust, to separate their units into common stock.

Further information on the securities can be referred to in Note 13, "Securities" of Part II, Item 8.

Securities authorized for issuance under equity compensation plans

The following table shows, as of March 31, 2025, information regarding outstanding awards available under our compensation plans (including individual compensation arrangements) under which our equity securities may be delivered.

Plan category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights (in thousands)	(b) Weighted-average exercise price of outstanding options, warrants and rights	(c) Number of securities available for future issuance (excluding shares in column (a) (in thousands)
Equity compensation plans approved by security holders:			
2018 Omnibus Incentive Plan (1)	2,106	$ 0.34	1,821
Special Grant (2)	9,203	$ 0.51	4,224

(1) Consists of our 2018 Omnibus Incentive Plans, as approved by our stockholders on November 8, 2017. See Note 14, "Stock-Based Compensation" of the Notes to the Consolidated Financial Statements included in this report.

(2) Consists of 2 million shares as a special grant of common stock, as approved by our stockholders on January 7, 2020, 2.5 million shares as a special grant of common stock, as approved by our stockholders on January 11, 2021, 3.5 million shares as a special grant of common stock, as approved by our stockholders on October 15, 2021, 3 million shares as a special grant of common stock, as approved by stockholders on September 9, 2022, 3 million shares as special grant of common stock, as approved by stockholders on August 18, 2023 and 5 million shares as special grant of common stock, as approved by stockholders on August 23, 2024.

Holders of Record

As of June 20, 2025, we had approximately 46 registered shareholders of record of our common stock and 2 registered unit holders. The number of record holders does not include persons who held our common stock in nominee or "street name" accounts through brokers. Continental Stock Transfer& Trust Company is the transfer agent and registrar for our common stock.

Dividend policy

We have not declared or paid any dividends on our common stock. We currently anticipate that we will retain future earnings, if any, for the development, operation, and expansion of our business and do not anticipate declaring or paying any dividends in the foreseeable future. Any future determinations related to the dividend policy will be made at the discretion of our Board of Directors.

Unregistered sales of equity securities

In the first quarter of Fiscal 2026, the Company entered into a Share Purchase Agreement (the 2025 SPA) with multiple investors, relating to the sale and issuance by our company to investors of an aggregate of 2,803,333 shares of our common stock, for a total purchase price of $841,000, or $0.30 per share, subject to the terms and conditions set forth in the 2025 SPA. The investment is subject to customary closing conditions, including NYSE approval. As per the 2025 SPA, the investor received piggyback registration rights subject to certain restrictions. Shares are intended to be exempt from registration under the Securities Act, by virtue of the provisions of Section 4(a)(2) of Securities Act.

Purchases of equity securities by the issuer and affiliated purchasers

None.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion and analysis of the consolidated statement of operations, liquidity, and capital resources, and a summary of cash flows, which apply to Fiscal 2025, ending on March 31, 2025, and Fiscal 2024, ending on March 31, 2024. These statements should be read in conjunction with our consolidated financial statements and the related notes that appear elsewhere in this Annual Report on Form 10-K.

In addition to historical information, this report contains forward-looking statements that involve risks and uncertainties that may cause our actual results to differ materially from the plans and results discussed in forward-looking statements. We encourage you to review the risks and uncertainties discussed in the sections entitled Item 1A. "Risk Factors" and "Forward-Looking Statements" are included at the beginning of this Annual Report on Form 10-K.

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. 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 specifically 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 set forth in the forward-looking statements.

Overview

IGC Pharma, a clinical-stage pharmaceutical company developing treatments for Alzheimer's disease (AD) and related neurodegenerative conditions, is committed to transforming patient care by seeking to offer faster-acting and more effective solutions. The Company's research and development efforts are centered on addressing some of the most challenging and underserved symptoms of Alzheimer's, with the lead investigational candidate, IGC-AD1, positioned at the forefront of this strategy. It is designed to treat agitation in Alzheimer's dementia, a common and difficult-to-manage neuropsychiatric symptom that significantly impacts millions of patients' well-being and caregiver burden.

The Global Economic Environment

In addition to the industry-specific factors, such as regulations around cannabinoid research, we are exposed to economic cycles. Factors in the global economic environment that may impact our operations include, among other things, currency fluctuations, capital and exchange controls, global economic conditions including inflation, restrictive government actions, changes in intellectual property, legal protections and remedies, trade regulations, tax laws and regulations and procedures and actions affecting approval, production, pricing, and marketing of our products, as well as impacts of political or civil unrest or military action, terrorist activity, unstable governments, and legal systems, inter-governmental disputes, public health outbreaks, epidemics, pandemics, natural disasters or disruptions related to climate change.

Clinical Trial Operational Excellence

As part of our commitment to operational discipline and patient-centric innovation, we continue to focus not only on the scientific rigor of our clinical trials but also on their cost-effectiveness. For our Phase 2 trial of IGC-AD1, we have successfully optimized trial operations to bring the cost per patient enrolled to approximately $70 thousand.

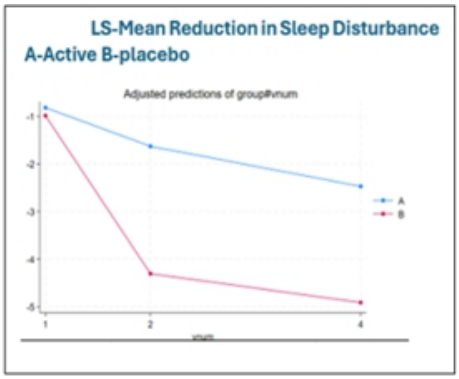
This represents a significant improvement over industry norms for Alzheimer's trials, where average per-patient costs can exceed $100 thousand to $150 thousand, according to multiple industry benchmarks for mid-stage neurodegenerative clinical trials. These efficiencies reflect our strategic use of:

- In-house site selection, training of clinical sites, monitoring, audit, scientific, and clinical trial operations
- In house regulatory and marketing to potential patients for each of the clinical trial sites
- Technology-enabled patient recruitment and monitoring

By keeping trial costs below market averages while maintaining robust clinical standards, we believe we are well-positioned to deliver high-quality data and extend our cash runway, both critical to de-risking our development timeline and enhancing shareholder value, although there can be no assurance thereof.

Clinical Trial Updates

- On March 26, 2025, the Company announced additional positive interim results from its ongoing Phase 2 clinical trial on IGC-AD1, an investigational treatment for agitation in dementia due to AD. The results suggest that IGC-AD1 may decrease the frequency and/or severity of sleep disturbances and nighttime behaviors. Based on the interim analysis at week 2, sleep disturbance was reduced by about 71% (p=.012) and at week 6, about 78% (p=.02) for those on the active medication. These values indicate a clinical and statistically significant reduction in sleep disturbances among Alzheimer's patients receiving the active medication compared to placebo, as measured by the Neuropsychiatric Inventory (NPI-12) Sleep Subscale.



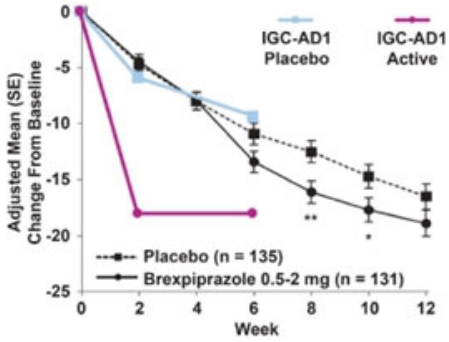
- During fiscal 2025, the Company expanded the CALMA Phase 2 trial by adding 13 prestigious research sites, including Miami Jewish Health and Butler Hospital's Memory and Aging Program, to accelerate patient enrollment and diversify the study population.

- Based on the interim results, the secondary endpoint showed a clinically significant reduction, approaching statistical significance, in agitation in Alzheimer's at week two compared to placebo. CMAI LS mean difference at week 2, assessing early response, was -12.19 with an ES of 0.79 (p= .071)**.**

Table 2:- Interim CMAI Results for Week 2 and Week 6

Week 2				Week 6 (EOT)		
Scale	**LS Mean Change (95% CI)**	**p value**	**Cohen's d**	**LS Mean Change (95% CI)**	**p value**	**Cohen's d**
CMAI	-12.19 (-25.52, 1.14)	.071	0.79	-10.46 (-20.53, -0.4)	.042	0.79

Interim data from our Phase 2 trial of IGC-AD1 for agitation in Alzheimer's disease show a statistically significant improvement in symptoms compared to placebo over six weeks, as measured by the Cohen-Mansfield Agitation Inventory (CMAI). IGC-AD1 demonstrated a large effect size (Cohen's d = 0.79) and showed improvement as early as Week 2. For context, Brexpiprazole (Rexulti), the currently approved therapy showed separation from placebo only by Week 6, based on published trial data.



In addition to efficacy, IGC-AD1 has shown a favorable safety profile to date. As of the 6-week interim analysis:

- No serious adverse events (SAEs) were reported
- No adverse events (AEs) led to treatment discontinuation
- No deaths occurred in the treatment or placebo arms

While cross-trial comparisons must be interpreted with caution due to differences in trial design and patient populations, these findings suggest that IGC-AD1 may offer faster symptom relief with a potentially improved safety profile compared to the currently approved therapy.

The Phase 2 trial remains ongoing to complete 146 patients.

Business Updates

- On January 21, 2025, the Company appointed Terry McAuliffe, the 72nd Governor of Virginia, as a strategic advisor. Governor McAuliffe's extensive leadership experience across public and private sectors will play a pivotal role in advancing IGC Pharma's mission to redefine Alzheimer's care and position for growth in the biotechnology and pharmaceutical industries.

- Through Fiscal 2025 the Company raised over $4.64 million through different private equity placement SPAs and the ATM. Please refer to Note 13 – "Securities" for more information.

Results of Operations

Fiscal 2025 compared to Fiscal 2024

The following table presents an overview of our results of operations for Fiscal 2025 and Fiscal 2024:

Statement of Operations (in thousands, audited)

	Fiscal			
	2025 ($)	**2024 ($)**	**Change ($)**	**Percent Change**
Revenue	1,271	1,345	(74)	(6)%
Cost of revenue	(652)	(612)	(40)	7%
Gross profit	**619**	**733**	**(114)**	**(16)%**
Selling, general, and administrative expenses	(4,410)	(6,758)	2,348	(35)%
Research and development expenses	(3,655)	(3,773)	118	(3)%
Operating loss	**(7,446)**	**(9,798)**	**2,351**	**(24)%**
Impairment Loss on PPE	-	(3,345)	3,345	(100)%
Other income, net	325	143	182	127%
Loss before income taxes	**(7,121)**	**(13,000)**	**5,878**	**(45)%**
Income tax expense/benefit	-	-	-	-
Net loss attributable to common stockholders	**(7,121)**	**(13,000)**	**5,878**	**(45)%**

Revenue – During Fiscal 2025, the Company's revenue decreased by $74 thousand from $1.3 million in Fiscal 2024 to $1.2 million in Fiscal 2025. The primary source of revenue in both years was from the Life Sciences segment, encompassing the sale of our formulations as white-labeled manufactured products, among others. Fiscal 2024, the Company also generated $164 thousand in revenue from the Infrastructure business. However, in Fiscal 2025, revenue from Infrastructure was nil due to the completion of all infrastructure projects. Excluding Infrastructure, revenue from the Life Sciences segment increased from $1181 thousand in Fiscal 2024 to $1271 thousand in Fiscal 2025. Our core focus is on advancing IGC-AD1, the completion of the Phase 2 trial, and development of MINT-AD for early diagnosis of Alzheimer's. In the future, our revenue from white label may not increase as we allocate more resources to expanding our core pharma focused programs.

Cost of revenue – The cost of revenue amounted to approximately $652 thousand for Fiscal 2025, compared to $612 thousand utin Fiscal 2024, this represents a gross margin of 49% and 54%, respectively. The cost of revenue is primarily attributable to the cost of raw materials, labor, and other direct overheads required to produce our products and services in both segments. The slight decrease in gross margin is attributed to the Company's strategic efforts to develop new formulations using a broader range of active ingredients, which, while affecting margins in the short term, are expected to open new commercial avenues in the long term.

Selling, general, and administrative (SG&A) expenses –SG&A expenses primarily encompass various costs such as employee-related expenses, sales commissions, professional fees, legal fees, marketing expenses, other corporate expenses, allocated general overhead, provisions, depreciation, and write-offs related to doubtful accounts and advances. For Fiscal 2025, the Company reported SG&A expenses of approximately $4.4 million, representing a decrease of approximately $2.3 million, or 35%, compared to the $6.7 million recorded in Fiscal 2024. This significant decline in SG&A expenses is attributable to the Company's focused efforts to optimize corporate-level operational efficiency by lowering employee–related costs due to headcount alignment and compensation restructuring, implementing better inventory management systems, and reducing spending on legal and professional services through more efficient vendor management. In a demonstration of cost and cash discipline, management elected to convert approximately $750 thousand in accrued bonuses into performance-based compensation, payable only upon the achievement of defined business milestones, which also align with shareholder interest. These optimizations allowed the Company to preserve capital and extend its operational runway while maintaining the infrastructure necessary to support clinical development and strategic initiatives.

Research and Development (R&D) expenses – R&D expenses were primarily associated with the Life Sciences segment, reflecting the Company's investment in R&D activities. In Fiscal 2025, the Company reported R&D expenses of approximately $3.7 million, representing a decrease of $118 thousand or 3% compared to approximately $3.8 million in Fiscal 2024. The R&D expenses is primarily attributed to the progression of Phase 2 trials on IGC-AD1 and pre-clinical studies on TGR-63, indicating the Company's dedication to advancing its product pipeline. As the development of TGR-63 and the Phase 2 trial on Alzheimer's gains momentum, the Company anticipates increase in R&D expenses.

Impairment loss on Property, Plant, and Equipment (PPE) – During Fiscal 2025, there was no impairment loss on PPE. During Fiscal 2024, as the Company focused on liquidating all non-operating assets to reduce the cost and generate cash, the Company impaired the land situated in Nagpur, India, by approximately $3.3 million to $720 thousand from $4.1 million.

Other Income, net – During Fiscal 2025, the Company reported approximately $325 thousand in other income, which represents an increase of approximately $182 thousand as compared to the $143 thousand recorded in Fiscal 2024. The increase in other income is attributable to the tax credit of $194 thousand.

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", Note 11, "Loans and Other Liabilities," and Note 9, "Leases" in Item 1 of this report for further information on the Company's commitments and contractual obligations.

Pursuant to the Master Loan and Security Agreement (the Credit Agreement) with O-Bank, Co., Ltd., the Company successfully obtained a working capital credit facility totaling $12 million and, in addition, raised approximately $4.64 million in exchange for approximately 14.2 million shares. The equity and the credit facility serve to minimize ongoing liquidity requirements 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 that such financing efforts will be successful or as to any private placement or the terms of such offering. Any equity issuances would be dilutive to shareholders. Please refer to Note 13 – "Securities", for more information.

On July 29, 2024, the Company entered into an amendment to extend the Credit Agreement, effective July 8, 2024. The amendment extends the term of the Credit Agreement, which was set to expire, under the same terms and conditions as previously disclosed on the Company's Current Report on Form 8-K filed with the Securities Exchange Commission on July 7, 2023, with the exception of a reduction in the facility fees from $120,000 to $84,000. All other material terms of the Loan Agreement remain unchanged.

As disclosed in Subsequent Events, on June 24, 2025, IGC Pharma, Inc. ("IGC" or the "Company") entered into an amendment to extend its existing Master Loan and Security Agreement along with the General Banking Facility Letter (collectively called the "Loan Agreement") with O-Bank, CO., LTD., a banking corporation incorporated under the laws of Taiwan, as administrative agent and lender (the "Lender'), effective June 24, 2024. The amendment extends the term of the Loan Agreement, which was set to expire, under the same terms and conditions as previously disclosed on the Company's Current Report on Form 8-K filed with the Securities Exchange Commission on August 2, 2024, with the exception of i) a reduction in the facility fees from $84,000 to $48,000 and ii) interest, calculated according to the interest rate mentioned in the Certificate of Deposit, as the case may be, plus an applicable margin of 1.2%, instead of 1% . All other material terms of the Loan Agreement remain unchanged.

On October 27, 2023, the Company entered into a Sales Agreement (the Sales Agreement) with A.G.P./Alliance Global Partners (the Agent) pursuant to which the Company may offer and sell, from time to time, through the Agent, as sales agent and/or principal, shares of its common stock having an aggregate offering price of up to $60 million , subject to certain limitations on the amount of Common Stock that may be offered and sold by the Company set forth in the Sales Agreement (the Offering). As of March 31, 2025 the Company has sold approximately $2.1 million, under the Sales Agreement.

On March 22, 2024, the Company entered into a Share Purchase Agreement (the March 2024 SPA) with Bradbury Strategic Investment Fund A, resulting in approximately $3 million in gross proceeds. During the quarter ended June 30, 2024, the Company issued approximately 8.8 million shares of unregistered common stock at a price of $0.34 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 Securities Act and Regulation D and/or Regulation S adopted thereunder. During fiscal 2024, the Company had received $500 thousand of the total $3 million due under the March 2024 SPA, while the remaining $2.5 million was received in, the Company has sold approximately $2.1 million April 2024. Please refer to Note 13 – "Securities", for more information.

On September 25, 2024, the Company entered into the 2024 Share Purchase Agreement (the "September 2024 SPA") with Moran Global Strategies, Inc., a Virginia corporation ("MGS"), which is owned by James Moran, a director of IGC, relating to the sale and issuance by our company to the investors of an aggregate of 588,235 shares of our common stock, for a total purchase price of $200,000, or $0.34 per share, subject to the terms and conditions set forth in the September 2024 SPA. The investment is subject to customary closing conditions, including NYSE approval. As per the September 2024 SPA, the investor received piggyback registration rights subject to certain restrictions. Shares are intended to be exempt from registration under the Securities Act by virtue of the provisions of Section 4(a)(2) of Securities Act.

In the first quarter of Fiscal 2026, the Company entered into the 2025 Share Purchase Agreement with multiple investors, relating to the sale and issuance by our company to the investors of an aggregate of 2,803,333 shares of our common stock, for a total purchase price of $841,000, or $0.30 per share, subject to the terms and conditions set forth in the 2025 SPA. The investment is subject to customary closing conditions, including NYSE approval. As per the 2025 SPA, the investor received piggyback registration rights subject to certain restrictions.

The Company expects to raise capital for its trials 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 statement on Form S-3 to raise capital through at-the-market offerings or otherwise.

Please refer to Item 1A. "Risk Factors" for further information on the risks related to the Company.

(in thousands, audited)

	As of March 31, 2025 ($)	**As of March 31, 2024 ($)**	**Change ($)**	**Percent Change**
Cash, cash equivalents	405	1,198	(793)	(66)%
Working capital	639	1,365	(726)	(53)%

Cash and cash equivalents

Cash and cash equivalents decreased by approximately $793 thousand to $405 thousand in Fiscal 2025 from $1.2 million in Fiscal 2024, a decrease of approximately 66%. This is discussed in the summary of cash flows, as follows:

(in thousands, audited)

	Fiscal			
	2025 ($)	**2024 ($)**	**Change ($)**	**Percent Change**
Cash used in operating activities	(4,794)	(5,199)	405	(8)%
Cash used in investing activities	(442)	(317)	(126)	40%
Cash provided by financing activities	4,451	3,524	927	26%
Effects of exchange rate changes on cash and cash equivalents	(7)	(6)	(1)	14%
Net decrease in cash and cash equivalents	**(792)**	**(1,998)**	**1,206**	**(60)%**
Cash and cash equivalents at the beginning of the period	1,198	3,196	(1,998)	(63)%
Cash and cash equivalents at the end of the period	**405**	**1,198**	**(792)**	**(66)%**

Operating Activities

Net cash used in operating activities for Fiscal 2025 was approximately $4.8 million. It consists of a net loss of approximately $7.1 million, a positive impact on cash due to non-cash expenses of approximately $2.3 million, and changes in operating assets and liabilities of approximately $70 thousand. Non-cash expenses consist of an amortization and depreciation charge of approximately $618 thousand, stock-based expenses of approximately $1.6 million, impairment loss of approximately $152 thousand and an approximately $12 thousand decrease in other non-cash items. In addition, changes in operating assets and liabilities had a positive impact of approximately $70 thousand on cash, of which approximately $180 thousand is due to an adjustment in inventory, approximately $107 thousand increase in accounts payable, approximately $187 decrease in deposit and advances, approximately $195 thousand decrease in accrued and other current liabilities, approximately $100 thousand increase in operating lease assets, and approximately $75 thousand increase in other net current assets.

Net cash used in operating activities for Fiscal 2024 was approximately $5.2 million. It consists of a net loss of approximately $13 million, a positive impact on cash due to non-cash expenses of approximately $5.9 million, and changes in operating assets and liabilities of approximately $1.9 million. Non-cash expenses consist of an amortization and depreciation charge of approximately $637 thousand, stock-based expenses of approximately $1.7 million, impairment loss of approximately $3.4 million, and an approximately $49 thousand decrease in other non-cash items. In addition, changes in operating assets and liabilities had a positive impact of approximately $1.9 million on cash, of which approximately $1 million is due to an adjustment in inventory, approximately $243 thousand increase in accounts payable, approximately $315 thousand increase in claims and advances and approximately $328 thousand increase in other net current assets.

Investing Activities

Net cash used in investing activities for Fiscal 2025, was approximately $442 thousand, which comprises approximately $370 thousand for the acquisition and development of intangible assets, and approximately $72 thousand from the net purchase of property, plant, and equipment.

Net cash used in investing activities for Fiscal 2024, was approximately $317 thousand, which comprises approximately $377 thousand for the acquisition and development of intangible assets, approximately $94 thousand from the net purchase of property, plant, and equipment, and approximately $154 thousand from a short-term investment.

Financing Activities

Net cash provided by financing activities was approximately $4.4 million for Fiscal 2025, which comprises net proceeds from the issuance of equity stock of approximately $4.4 million and re-payment of a long-term loan of approximately $3 thousand.

Net cash provided by financing activities was approximately $3.5 million for Fiscal 2024, which comprises net proceeds from the issuance of equity stock of approximately $3.5 million and re-payment of a long-term loan of approximately $3 thousand.

Critical Accounting Policies and Estimates

The preparation of financial statements and related disclosures in conformity with U.S. GAAP and the Company's discussion and analysis of its financial condition and operating results require the Company's management to make judgments, assumptions, and estimates that affect the amounts reported in its consolidated financial statements and accompanying notes. We base our estimates on historical experience, as appropriate, and on various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ from these estimates, and such differences may be material. For further information on significant accounting policies, see discussion in Note 2 to the consolidated financial statements included in Item 8 of this Annual Report on Form 10-K.

Management believes that the following accounting policies are the most critical to understanding and evaluating our consolidated financial condition and results of operations.

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 Life Sciences segment.

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 white label services is recognized when the performance obligation has been completed and output material has been transferred to the customer.

Net sales disaggregated by significant products and services for Fiscal 2025 and 2024 are as follows:

	(in thousands) *Year ended March 31,*	
	2025 ($)	**2024 ($)**
Wellness and lifestyle [(1)]	113	228
White labeling services [(2)]	1,158	953
Other[(3)]	-	164
Total	**1,271**	**1,345**

(1) Revenue from wellness and lifestyle consists of the sale of products such as gummies, hand sanitizers, bath bombs, lotions, beverages, hemp crude extract, hemp isolate, and hemp distillate.
(2) Revenue from white label services consists of rebranding our formulations or the customer's products as per the customer's requirement.
(3) Other consists of income from the rental of heavy construction equipment and the execution of contracts directly or through subcontractors.

Property, plant, and equipment

Property, plant, and equipment are recorded at cost, net of accumulated depreciation. Depreciation is recorded using the straight-line method over the estimated useful lives of the assets. Please refer to Note 2, "Significant accounting policies" and Note 6, "Property, plant, and equipment" of Item 8 in this document, for more information. Property, plant, and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. If property, plant, and equipment are considered to be impaired, an impairment loss is recognized.

During Fiscal 2025, there was no impairment loss on PPE. During Fiscal 2024, as the Company focused on liquidating all non-operating assets to reduce costs and generate cash, the Company impaired the land situated in Nagpur, India, by approximately $3.3 million to $720 thousand from $4.1 million. The Company believes it can sell the above-said non-operating land as it is without any improvement. Selling this land will give immediate cash, which the company can use in its operating segments.

Software Development Costs

The Company is developing two proprietary software platforms intended to be commercialized:

1. A **clinical data management platform** designed for the collection, analysis, and real-time monitoring of clinical trial data; and;

2. A **MINT- AD - AI-driven diagnostic and treatment personalization platform** aimed at assisting in the early detection of Alzheimer's disease and providing data-informed therapeutic suggestions.

In accordance with **ASC 985-20**, *Software to Be Sold, Leased, or Marketed*, the Company capitalizes development costs incurred after technological feasibility has been established and before the software is available for general release. Costs incurred during the research, planning, or preliminary design phase are expensed as incurred.

Capitalized costs include direct labor, third-party development services, cloud computing infrastructure directly related to model development and deployment, and associated overhead. These costs are amortized on a straight-line basis over their estimated useful lives, typically **five to ten years**, beginning when the software is ready for its intended commercial use.

During Fiscal 2024, the Company began working on overlaying machine learning technologies and Artificial Intelligence (AI) into the internal clinical trial software framework for trial management with the expectation that this can lead to improved decision-making, contextual data entry, computational models, trial design (Phase 3), and data analysis, the company believes it is probable that the project will be completed and the software will be used to perform the function intended. As of Fiscal year ended 2025, the Company capitalized approximately $863 thousand in software development costs. Please refer to Note 5, "Intangible Assets," for more information.

Foreign currency translation

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

The accompanying financial statements are reported in USD. The INR, and COP are the functional currencies for certain subsidiaries of the Company. The translation of the functional currencies into U.S. dollars 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 income/(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. The exchange rates used for translation purposes are as follows:

Period		Period End Average Rate (P&L rate)				Period End Rate (Balance sheet rate)		
Year ended March 31, 2025	INR	84.54	Per	USD	INR	85.45	Per	USD
	COP	4,140.74	Per	USD	COP	4,200	Per	USD
Year ended March 31, 2024	INR	82.79	Per	USD	INR	83.38	Per	USD
	COP	4,114	Per	USD	COP	3,862	Per	USD

Cybersecurity

We have a cybersecurity policy in place and have implemented tighter cybersecurity measures to safeguard against hackers. Complying with these security measures and compliances is expected to incur further expenses. In Fiscal 2025 and Fiscal 2024, there were no known or detected material breaches in cybersecurity.

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.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Item 7A does not apply to us because we are a smaller reporting company.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Index to Consolidated Financial Statements

	Page
Report of Independent Registered Public Accounting Firms (PCAOB ID 5341)	52
Consolidated Balance Sheets	53
Consolidated Statements of Operations and Comprehensive Loss	54
Consolidated Statements of Stockholders' Equity	55
Consolidated Statements of Cash Flows	56
Notes to Consolidated Financial Statements	57

Report of Independent Registered Public Accounting Firm

To the shareholders and the board of directors of IGC Pharma, Inc.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of IGC Pharma, Inc. and its subsidiaries (the "Company") as of March 31, 2025 and 2024, the related consolidated statements of operations and comprehensive loss, stockholders' equity and cash flows, for each of the two years in the period ended March 31, 2025, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of March 31, 2025, and 2024, and the consolidated results of its operations and its cash flows for each of the two years in the period ended March 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matters

Critical audit matters are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

Manohar Chowdhry & Associates
Chartered Accountants

We have served as the Company's auditor since 2018.

Chennai, India
June 27, 2025
UDIN: 2523783OBMNTMJ2350

IGC Pharma, Inc.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	March 31, 2025 ($)	March 31, 2024 ($)
ASSETS		
Current assets:		
Cash and cash equivalents	405	1,198
Accounts receivable, net	34	39
Inventory	1,360	1,540
Asset held for sale	702	720
Deposits and advances	395	208
Total current assets	**2,896**	**3,705**
Non-current assets:		
Intangible assets, net	1,852	1,616
Property, plant and equipment, net	3,220	3,695
Claims and advances	681	688
Operating lease asset	98	198
Total non-current assets	**5,851**	**6,197**
Total assets	**8,747**	**9,902**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	883	773
Accrued liabilities and others	1,374	1,567
Total current liabilities	**2,257**	**2,340**
Non-current liabilities:		
Long-term loans	134	137
Other liabilities	16	20
Operating lease liability	10	84
Total non-current liabilities	**160**	**241**
Total liabilities	**2,417**	**2,581**
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 March 31, 2025, or March 31, 2024.		
Common stock and additional paid-in capital, $0.0001 par value: 150,000,000 shares authorized; 80,878,058 and 66,691,195 shares issued and outstanding as of March 31, 2025, and March 31, 2024, respectively.	130,570	124,409
Accumulated other comprehensive loss	(3,496)	(3,423)
Accumulated deficit	(120,744)	(113,665)
Total stockholders' equity	**6,330**	**7,321**
Total liabilities and stockholders' equity	**8,747**	**9,902**

The accompanying notes should be read in connection with these consolidated financial statements

IGC Pharma, Inc.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except loss per share and share data)

	Years Ended March 31,	
	2025 ($)	**2024 ($)**
Revenue	1,271	1,345
Cost of revenue	(652)	(612)
Gross profit	**619**	**733**
Selling, general and administrative expenses	(4,410)	(6,758)
Research and development expenses	(3,655)	(3,773)
Operating loss	**(7,446)**	**(9,798)**
Impairment loss on PPE	-	(3,345)
Other income, net	325	143
Loss before income taxes	**(7,121)**	**(13,000)**
Income tax expense/benefit	-	-
Net loss attributable to common stockholders	**(7,121)**	**(13,000)**
Foreign currency translation adjustments	(30)	(34)
Comprehensive loss	**(7,151)**	**(13,034)**
Net loss per share attributable to common stockholders:		
Basic and diluted	$ (0.09)	$ (0.22)
Weighted-average number of shares used in computing loss per share amounts:	76,517,175	58,839,868

The accompanying notes should be read in connection with these consolidated financial statements.

IGC Pharma, Inc.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(in thousands)

	Number of Common Shares	Common Stock and Additional Paid in Capital ($)	Accumulated Deficit ($)	Accumulated Other Comprehensive Loss ($)	Total Stockholders' Equity ($)
Balances as of April 1, 2023	**53,077**	**118,965**	**(100,665)**	**(3,389)**	**14,911**
Common stock-based compensation & expenses, net	3,534	1,917	-	-	1,917
Issuance of common stock through offering (net of expenses)	10,580	3,027	-	-	3,027
Share money received but not allotted	-	-	-	-	-
Cancellation/forfeiture of shares	(500)	-	-	-	-
Common stock subscribed	-	500	-	-	500
Other adjustments	-	-	-	-	-
Net loss	-	-	(13,000)	-	(13,000)
Foreign currency translation adjustments	-	-	-	(34)	(34)
Balances as of March 31, 2024	**66,691**	**124,409**	**(113,665)**	**(3,423)**	**7,321**
Balances as of April 1, 2024	**66,691**	**124,409**	**(113,665)**	**(3,423)**	**7,321**
Common stock-based compensation & expenses, net	-	1,709	-	-	1,709
Issuance of common stock through offering (net of expenses)	14,187	4,252	-	-	4,252
Share money received but not allotted	-	200	-	-	200
Cancellation/forfeiture of shares	-	-	-	-	-
Common stock subscribed	-	-	-	-	-
Other adjustments	-	-	43	(43)	-
Net loss	-	-	(7,122)	-	(7,122)
Foreign currency translation adjustments	-	-	-	(30)	(30)
Balances as of March 31, 2025	**80,878**	**130,570**	**(120,744)**	**(3,496)**	**6,330**

The accompanying notes should be read in connection with these consolidated financial statements.

IGC Pharma, Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Years Ended March 31,	
	2025 ($)	2024 ($)
Cash flows from operating activities:		
Net loss	**(7,121)**	**(13,000)**
Adjustment to reconcile net loss to net cash:		
Depreciation and amortization	618	637
Provision for bad debt	13	93
Impairment of assets	152	3,448
Common stock-based compensation and expenses, net	1,640	1,773
Profit/Loss on sale of fixed assets, net	(25)	(44)
Changes in:		
Accounts receivables, net	(8)	(25)
Inventory	180	1,008
Deposits and advances	(187)	150
Claims and advances	7	315
Accounts payable	106	243
Accrued and other liabilities	(196)	197
Operating lease asset	100	129
Operating lease liability	(74)	(123)
Net cash used in operating activities	**(4,795)**	**(5,199)**
Cash flow from investing activities:		
Purchase of property, plant, and equipment	(112)	(138)
Sale of property, plant, and equipment	40	44
Proceeds from short-term investments	-	154
Acquisition and development of intangible assets	(370)	(377)
Net cash used in investing activities	**(442)**	**(317)**
Cash flows from financing activities:		
Net proceeds from the issuance of common stock	4,454	3,027
Proceeds from common stock subscribed	-	500
Repayment of long-term loan	(3)	(3)
Net cash provided by financing activities	**4,451**	**3,524**
Effects of exchange rate changes on cash and cash equivalents	(7)	(6)
Net decrease in cash and cash equivalents	**(793)**	**(1,998)**
Cash and cash equivalents at the beginning of the period	1,198	3,196
Cash and cash equivalents at the end of the period	**405**	**1,198**
Supplementary information:		
Non-cash items:		
Common stock issued/granted for stock-based compensation, including patent acquisition	1,640	1,773

The accompanying notes should be read in connection with these consolidated financial statements.

IGC Pharma, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For Fiscal Years Ended March 31, 2025, and 2024

Unless the context requires otherwise, all references in this report to "IGC," "we," "our" and "us" refer to IGC Pharma, Inc., together with our subsidiaries.

NOTE 1 – NATURE OF OPERATIONS

IGC Pharma is on a mission to transform Alzheimer's treatment. We are building a robust pipeline of drug candidates, each targeting different aspects of the disease. Our product candidate pipeline and anticipated milestones include the following: -

Asset	Target Indication	Mechanism of Action	Development Stage	Key Milestones
IGC- AD1	Agitation in Alzheimer's dementia	CB1 receptor partial agonist; reduces neuroinflammation and restores neurotransmitter balance	Phase 2 clinical trial (CALMA study)	Interim Phase 2 data analysis suggests cognitive improvements in the active treatment group versus the placebo group,
TGR-63	Early to moderate Alzheimer's disease	Disrupts amyloid-beta (Aβ) plaque formation; crosses blood-brain barrier	Preclinical	Demonstrated favorable safety profile; advancing towards clinical trials
LMP	Alzheimer's disease	Targets neuroinflammation, neurotransmitter imbalance, and inflammasome-3	Preclinical	Bioequivalence to IGC-AD1 anticipated in 2025
IGC-M3	Early-stage Alzheimer's disease	Inhibits Aβ plaque aggregation	Preclinical	Toxicology studies planned for mid-2025
IGC-1C	Alzheimer's disease and metabolic disorders	Targets tau protein phase separation; potential GLP-1 receptor agonist	Preclinical	Exhibits strong binding affinity to tau protein; potential for weight loss applications
IGC-1A	Metabolic disorders (e.g., type 2 diabetes, obesity)	Potential GLP-1 and GIP receptor agonist; CB1 receptor inverse agonist	Preclinical	Identified through AI modeling; toxicology and dosing studies underway

This pipeline reflects IGC Pharma's strategic focus on addressing neurodegenerative diseases, particularly Alzheimer's, through innovative mechanisms targeting key pathological features like amyloid plaques and tau protein aggregation. Additionally, their expansion into metabolic disorders showcases the versatility of their drug discovery platform, leveraging artificial intelligence to identify promising therapeutic candidates.

As of March 31, 2025, the Company had the following operating subsidiaries: Techni Bharathi Private Limited (TBL), HH Processors, LLC, IGCare LLC, Sunday Seltzer LLC, IGC Pharma IP, LLC, IGC Pharma, LLC, SAN Holdings, LLC, Hamsa Biopharma India Pvt. Ltd. And Colombia-based beneficially-owned subsidiary IGC Pharma SAS. The Company's fiscal year is the 52- or 53-week period that ends on March 31. The Company' principal office is in Maryland established in 2005. Additionally, the Company has offices in Washington state, Colombia, South America, and India. The Company's filings are available on www.sec.gov.

During fiscal 2025, the Company reassessed its reportable segment structure in connection with its strategic realignment toward Life Sciences. As a result, management determined that the Company operates as a **single reportable segment**, focused on the vision to make the world free from Alzheimer's. Historically, the Company reported two operating segments: Life Sciences and Infrastructure. While the Infrastructure segment generated revenues in fiscal 2024, it did not generate any revenues in fiscal 2025 and is no longer actively managed or evaluated as a discrete operating segment by the Company's Chief Operating Decision Maker. For more information, please refer to "Note 18 – Segment Information".

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

a) Principles of consolidation

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

b) Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. (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 consolidated financial statements.

c) 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 contractual 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. Refer to Note 17 – "Revenue Recognition."

d) Cost of Revenue

Our cost of revenue includes costs associated with in-house and outsourced distribution, labor expenses, components, manufacturing overhead, and outbound freight for our products division. In our products division, the cost of revenue also includes the cost of refurbishing or repackaging, if required, on products returned by customers that will be offered for resale.

e) Loss per Share

The computation of basic loss per share for Fiscal 2025 excludes potentially dilutive securities of approximately 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.

The weighted average number of shares outstanding for Fiscal 2025 and 2024, used for the computation of basic earnings per share (EPS) is 76,517,175 and 58,839,868, respectively. Due to the loss incurred during Fiscal 2025 and 2024, all the potential equity shares are anti-dilutive, and accordingly, the fully diluted EPS is equal to the basic EPS.

f) Going Concern:

The Company assesses and determines its ability to continue as a going concern in accordance with 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 that raise substantial doubt about its ability to continue as a going concern.

The Company is currently in a clinical trial stage and, thus, has not yet achieved profitability. The Company expects to continue to incur significant operating and net losses and negative cash flows from operations in the near future.

For the years ended March 31, 2025, and March 31, 2024, the Company incurred net losses of $7.1 million and $13 million, respectively. During fiscal 2025, the Company renewed the facility with O-bank. In addition, the Company raised approximately $4.64 million through private placements and an at-the-market offering program. The at-the-market program and the credit facility serve to minimize ongoing liquidity requirements and ensure the Company's ability to sustain its operations. The Company has taken several steps to extend its operational runway, including narrowing its strategic focus to Life Sciences, limiting investment in non-core infrastructure operations, and managing expenses related to clinical development with a disciplined approach. While management believes these actions improve the Company's financial position, there can be no assurance that additional financing will be available on acceptable terms, or at all.

In first quarter of Fiscal 2026, the Company entered into the 2025 Share Purchase Agreement with multiple investors, relating to the sale and issuance by our company to the investors of an aggregate of 2,803,333 shares of our common stock, for a total purchase price of $841,000, or $0.30 per share, subject to the terms and conditions set forth in the 2025 SPA. The investment is subject to customary closing conditions, including NYSE approval. As per the 2025 SPA, the investor received piggyback registration rights subject to certain restrictions.

The Company estimates that its current cash and cash equivalents balance, with the working capital and investments, and with an available overdraft facility of $12 million from O-Bank, is sufficient to support operations beyond the twelve months following the date these consolidated financial statements and footnotes were issued. These estimates are based on assumptions that may prove to be wrong, and the Company could use its available capital resources sooner than it currently expects.

g) Income taxes

The Company accounts for income taxes under the asset and liability method, in accordance with ASC 740, Income Taxes, which requires an entity to recognize deferred tax liabilities and assets. Deferred tax assets and liabilities are recognized for the future tax consequence attributable to the differences between the financial statement carrying amounts of existing assets and liabilities and their tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the enacted tax rate expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is established and recorded when management determines that some or all of the deferred tax assets are not likely to be realized and, therefore, it is necessary to reduce deferred tax assets to the amount expected to be realized.

In evaluating a tax position for recognition, management evaluates whether it is more-likely-than-not that a position will be sustained upon examination, including the resolution of related appeals or litigation processes, based on the technical merits of the position. If the tax position meets the more-likely-than-not recognition threshold, the tax position is measured and recognized in the Company's financial statements as the largest amount of tax benefit that, in management's judgment, is greater than 50% likely to be realized upon settlement. As of March 31, 2025, and 2024, there was no significant liability for income tax associated with unrecognized tax benefits.

In the last quarter of fiscal 2025, the Company received a tax credit of approximately $194 thousand, which has been recorded as other income in the accompanying consolidated statements of operations. The credit relates to qualifying expenditures under applicable federal tax incentive programs. The Company has submitted additional claims and expects to receive approximately $600 thousand in tax credits during fiscal 2026. However, there can be no assurance as to the timing or certainty of receipt, as the claims are subject to review and approval by the Internal Revenue Service (IRS). The Company will recognize any additional credits as income when collection is deemed probable in accordance with applicable accounting standards.

h) 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 the financial condition of a customer deteriorates, additional allowances may be required. We had $34 thousand of accounts receivable, net of provision for doubtful debt of $12 thousand as of March 31, 2025, as compared to $39 thousand of accounts receivable, net of provision for doubtful debt of $24 thousand as of March 31, 2024.

i) Cash and cash equivalents

For financial statement purposes, the Company considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents. The Company maintains its cash in bank accounts in the U.S., India, and Colombia, which at times may exceed applicable insurance limits. The cash and cash equivalents of the Company on March 31, 2025, and 2024 were approximately $405 thousand and $1.2 million, respectively. The company's cash balance also includes approximately $8 thousand in restricted cash.

j) Short-term and long-term investments

Our policy for short-term and long-term investments is 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 corporate, various government agencies, and municipal debt securities, as well as certificates of deposit that have maturity dates that are greater than 90 days. Certificates of deposit and commercial paper are carried at a cost that 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% 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 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.*"

As of March 31, 2025, had no marketable investments.

k) Property, plant, and equipment (PP&E)

PP&E are recorded at cost net of accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which are reviewed periodically to ensure consistency with expected economic benefits. Depreciation begins when the asset is available for use and continues until the asset is retired or fully depreciated.

Upon retirement or disposition, cost and related accumulated depreciation of the PP&E are de-recognized, and any gain or loss is reflected in the results of the operation. The cost of additions and substantial improvements to property and equipment are capitalized. The cost of maintenance and repairs of the property and equipment are charged to operating expenses as incurred. Please refer “Note 6 – Property, Plant, and Equipment” for more information.

l) 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.

The carrying amounts of the Company’s financial instruments include cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities, approximately their fair values due to the nature of the items. Please refer to Note 15, “Fair value of financial instruments,” for further information.

m) Concentration of credit risk and significant customers

Financial instruments, which potentially expose the Company to concentrations of credit risk, are primarily comprised of cash and cash equivalents, investments, accounts receivable, and unbilled accounts receivable, if any. The Company places its cash investments in highly rated financial institutions. The Company adheres to a formal investment policy with the primary objective of preservation of principal, which contains credit rating minimums and diversification requirements. Management believes its credit policies reflect normal industry terms and business risk. The Company does not anticipate non-performance by the counterparties and, accordingly, does not require collateral. During Fiscal 2025, sales were spread across customers in Asia and U.S., and the credit concentration risk is low.

n) Stock – Based Compensation

The Company accounts for stock-based compensation to employees and non-employees in conformity with the provisions of ASC Topic 718, “*Stock-Based Compensation.*” The Company expenses stock-based compensation to employees over the requisite vesting period based on the estimated grant-date fair value of the awards. 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, the 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, stock-based compensation expense is recognized over the expected performance achievement period of individual performance milestones when the achievement of each individual performance milestone becomes probable. 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 Monte Carlo simulations.

The Company estimates the fair value of stock option grants using the Black-Scholes option-pricing model. The assumptions used 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.

o) Commitments and contingencies

Liabilities for loss contingencies arising from claims, assessments, litigations, fines and penalties, and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated. We record associated legal fees as incurred. Information regarding our commitments and contingencies is incorporated by reference in Note 12, "Commitments and contingencies" of this Annual Report on Form 10-K.

p) Impairment of long – lived assets

The Company reviews its long-lived assets, with finite lives, for impairment whenever events or changes in business circumstances indicate that the carrying amount of assets may not be fully recoverable. Such circumstances include, though are not limited to, significant or sustained declines in revenues or earnings, future anticipated cash flows, business plans, and material adverse changes in the economic climate, such as changes in the operating environment, competitive information, 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 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 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.

q) 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. The Company has analyzed a variety of factors on its business to determine if a circumstance could trigger an impairment loss, and, at this time and based on the information presently known, does not believe 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.

r) Software Development Costs

The Company is developing two proprietary software platforms intended to be commercialized:-

1. A **clinical data management platform** designed for the collection, analysis, and real-time monitoring of clinical trial data; and
2. An **MINT- AD - AI-driven diagnostic and treatment personalization platform** aimed at assisting in the early detection of Alzheimer's disease and providing data-informed therapeutic suggestions.

In accordance with **ASC 985-20**, *Software to Be Sold, Leased, or Marketed*, the Company capitalizes development costs incurred after technological feasibility has been established and before the software is available for general release. Costs incurred during the research, planning, or preliminary design phase are expensed as incurred.

Capitalized costs include direct labor, third-party development services, cloud computing infrastructure directly related to model development and deployment, and associated overhead. These costs are amortized on a straight-line basis over their estimated useful lives, typically **five to ten years**, beginning when the software is ready for its intended commercial use.

During Fiscal 2024, the Company began working on overlaying machine learning technologies and AI into the internal clinical trial software framework for trial management with the expectation that this can lead to improved decision-making, contextual data entry, computational models, trial design (Phase 3), and data analysis, the company believes it is probable that the project will be completed and the software will be used to perform the function intended. As of Fiscal 2025, the Company capitalized approximately $863 thousand in software development costs. For more information, please refer to Note 5, "Intangible Assets".

s) Inventory

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

Inventory consists of finished goods related to wellness products, hand sanitizers, finished hemp-based products, beverages. Work-and in-progress consist of products in the manufacturing process as on reporting date, including but not limited to primary cost. 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.

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 March 31, 2025, and 2024, our consolidated balance sheet reported approximately $392 thousand of clinical trial-related inventory, respectively.

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

Please refer to Note 3, "Inventory," for further information.

t) Cybersecurity Costs

The Company maintains information technology systems and security protocols designed to protect sensitive clinical, corporate, and financial data. Costs incurred in connection with the ongoing maintenance, enhancement, and monitoring of cybersecurity infrastructure are expensed as incurred and classified within general and administrative expenses.

The Company reviews cybersecurity risks on an ongoing basis and implements technical and administrative controls in line with applicable data protection standards. As of March 31, 2025, the Company had not capitalized any cybersecurity-related development costs, and no material cybersecurity incidents have been identified.

u) Research and Development Expenses

Research and development (R&D) expenses include costs incurred to develop the Company's clinical-stage drug candidates, including IGC-AD1 and other investigational therapies. These costs consist primarily of:

- Clinical trial site payments
- Contract research organization (CRO) fees
- Employee compensation for R&D personnel
- Regulatory and medical affairs consulting
- Laboratory supplies and materials
- Preclinical studies and formulation development

R&D expenses are expensed as incurred in accordance with ASC 730. Non-refundable advance payments for goods or services that will be used in future R&D activities are deferred and recognized as the related goods or services are received. During Fiscal 2025 and 2024, the Company recorded research and development expenses of approximately $3.7 million and $3.8 million, respectively.

v) Leases

Lessor Accounting

Under the current ASU guidance, contract consideration will be allocated to its lease components 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 to not 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 the majority 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 nonaccrual 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 a ROU asset and lease liability on the balance sheet for all leases with a term longer than 12 months. Leases will be classified as 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 March 31, 2025.

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.

w) Recently issued and adopted accounting pronouncements

Changes to U.S. GAAP are established by the Financial Accounting Standards Board (FASB) in the form of accounting standards updates (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" in our Consolidated Financial Statements contained herein in Part II, Item 8.

NOTE 3 – INVENTORY

	(in thousands)	
	As of March 31, 2025 ($)	**As of March 31, 2024 ($)**
Raw materials	1,104	1,099
Finished goods	256	441
Total	**1,360**	**1,540**

During Fiscal 2025, and Fiscal 2024, the Company wrote off approximately $217 thousand and $1 million of inventory due to abnormal loss, NRV adjustment, product expiration, 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 March 31, 2025, and March 31, 2024, our consolidated balance sheet reported approximately $392 thousand of clinical trial-related inventory, respectively.

NOTE 4 – DEPOSITS AND ADVANCES

	(in thousands)	
	As of March 31, 2025 ($)	**As of March 31, 2024 ($)**
Advances to suppliers and consultants	10	41
Other receivables and deposits	43	52
Prepaid expense and other current assets	342	115
Total	**395**	**208**

The Advances to suppliers and consultants primarily relate to advances to vendors. Prepaid expense and other current assets include approximately $49 thousand and approximately $39 thousand in statutory advances for Fiscal 2025 and Fiscal 2024, respectively.

NOTE 5 – INTANGIBLE ASSETS

Amortized intangible assets	*(in thousands)*	
	As of March 31, 2025 ($)	**As of March 31, 2024 ($)**
Patents	530	836
Other intangibles	34	34
Accumulated amortization	(205)	(181)
Total amortized intangible assets	**359**	**689**
Unamortized intangible assets		
Patents	630	521
Software development cost	863	406
Total unamortized intangible assets	**1,493**	**927**
Total intangible assets	**1,852**	**1,616**

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

The amortization of patent and patent rights with finite life is up to 20 years, commencing from the date of grant or acquisition. The note reflects the abandonment and expiration of certain non-core patent applications that management determined no longer aligned with the Company's strategic focus or had limited commercial potential. The related assets were fully impaired and removed from the balance sheet. The expense was recognized in the consolidated statements of operations as part of general and administrative expenses. The Company continues to evaluate its intellectual property portfolio to ensure alignment with its long-term development and commercialization strategy.

Estimated amortization expense	**(in thousands) ($)**
For the year ended 2026	55
For the year ended 2027	60
For the year ended 2028	66
For the year ended 2029	73
For the year ended 2030	80

NOTE 6 – PROPERTY, PLANT, AND EQUIPMENT

	(in thousands, except useful life)		
	Useful Life (years)	**As of March 31, 2025 ($)**	**As of March 31, 2024 ($)**
Buildings and facilities	25	2,341	2,303
Plant and machinery	5-20	3,087	3,334
Computer equipment's	3	187	166
Office equipment's	3-5	144	140
Furniture and fixtures	5	96	93
Vehicles	5	58	101
Total gross value		**5,913**	**6,137**
Less: Accumulated depreciation		(2,693)	(2,442)
Total property, plant, and equipment, net		**3,220**	**3,695**

The depreciation expense in Fiscal 2025 and 2024 amounted to approximately $567 thousand and $563 thousand, respectively. During Fiscal 2025, the Company focused on liquidating all non-operating assets to reduce costs and generate cash. For more information, please refer to Note 18, "Segment Information," for the non-current assets other than financial instruments held in the country of domicile and foreign countries.

Asset Held For Sale

During Fiscal 2024, the Company focused on liquidating all non-operating assets to reduce costs and generate cash. As a result, the Company impaired the land situated in Nagpur, India, by approximately $3.3 million to $720 thousand from $4.1 million to bring it closer to the fair market value. The Company believes it can sell the above-said non-operating land as it is without any improvement. Selling this land will give immediate cash, which the Company can use in its operating segments.

During Fiscal 2025, the Company entered into an agreement with the buyer to sell the said land for a net realizable value of approximately $702 thousand. The agreement is subject to the final registration and execution. The Company received a net of approximately $580 thousand as a deposit. The Company holds the ownership and possession of the said land. For further information, please refer to Note 19- "Subsequent Events".

NOTE 7 – LEFT BLANK INTENTIONALLY

NOTE 8 – CLAIMS AND ADVANCES

	(in thousands)	
	As of March 31, 2025 ($)	**As of March 31, 2024 ($)**
Claims receivable (1)	680	686
Non-current deposits	1	2
Total	**681**	**688**

(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.

NOTE 9 – LEASES

The Company has short-term leases primarily consisting of space with the remaining lease term being less than or equal to 12 months. The Company has one short-term lease as of March 31, 2025. The total short-term lease expense and cash paid for Fiscal 2025 and 2024 are approximately $39 thousand and $100 thousand, respectively.

The Company has operating leases primarily consisting of spaces with the lease term being more than or equal to 12 months. The Company has two operating leases as of March 31, 2025. The total operating leases expense and cash paid for Fiscal 2025 and 2024 are approximately $135 thousand and $141 thousand, respectively.

	(in thousands) Year Ended March 31, 2025 ($)	*(in thousands) Year Ended March 31, 2024 ($)*
Operating lease costs	135	141
Short term lease costs	39	100
Total lease costs	**174**	**241**

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

	(in thousands) Year Ended March 31, 2025 ($)	**(in thousands) Year Ended March 31, 2024 ($)**
Assets		
Operating lease asset	98	198
Total lease assets	**98**	**198**
Liabilities		
Current liabilities:		
Accrued liabilities and others (current portion – operating lease liability)	93	124
Noncurrent liabilities:		
Operating lease liability (non-current portion – operating lease liability)	10	84
Total lease liability	**103**	**208**

Supplemental cash flow and non-cash information related to leases is as follows:	*(in thousands) Year Ended March 31, 2025 ($)*	*(in thousands) Year Ended March 31, 2024 ($)*
Cash paid for amounts included in the measurement of lease liabilities		
–Operating cash flows from operating leases	129	140
Right-of-use assets obtained in exchange for operating lease obligations	98	198

As of March 31, 2025, the following table summarizes the maturity of our lease liabilities:

Mar-26	96
Mar-27	10
Mar-28	-
Mar-29	-
Less: Present value discount	3
Total Lease liabilities	**103**

NOTE 10 – ACCRUED LIABILITIES AND OTHERS

	(in thousands)	
	As of March 31, 2025 ($)	As of March 31, 2024 ($)
Compensation and other contributions	160	816
Provision for expenses	117	208
Short-term lease liability	94	124
Other current liability	1,003	419
Total	**1,374**	**1,567**

Compensation and other contribution-related liabilities consist of accrued salaries to employees. In addition, provision for expenses includes provision for legal, professional, and marketing expenses. Other current liability also includes statutory payables of approximately $19 thousand and $25 thousand as of March 31, 2025, and March 31, 2024, respectively, and approximately $3 thousand of short-term loans as of March 31, 2025, and March 31, 2024, respectively. In addition, Other current liabilities for Fiscal 2025 consist of approximately $580 thousand and $46 thousand related to asset held for sale and provision for a statutory liability, respectively. Please refer to Note 6 – "Property, plant and, equipment", for more information.

NOTE 11 – LOANS AND OTHER LIABILITIES

Loan as of March 31, 2025:

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. The SBA will apply each installment payment first to pay interest accrued to the day SBA receives the payment and will then apply any remaining balance to reduce the principal. All remaining principal and accrued interest are due and payable 30 years from the date of the loan. For Fiscal 2025, the interest expense and principal payment for the EIDL were approximately $5 thousand and $3 thousand, respectively. As of March 31, 2025, approximately $134 thousand of the loan is classified as Long-term loans and approximately $3 thousand as Short-term loans.

Other Liability:

	(in thousands) As of March 31,	
	2025 ($)	2024 ($)
Statutory reserve	16	20
Total	**16**	**20**

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. There are no such matters that are deemed material to the consolidated financial statements as of March 31, 2025, except as disclosed in Item 3 – Legal Proceedings and Note 19 – Subsequent Events.

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 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 as required by the law. The contribution is made to the Foreign Government's funds.

NOTE 13 – SECURITIES

As of March 31, 2025, the Company was authorized to issue up to 150,000,000 shares of common stock, par value of $0.0001 per share, and 80,878,058 shares of common stock were issued and outstanding. The Company is also authorized to issue up to 1,000,000 shares of preferred stock, par value of $0.0001 per share, and no preferred shares were issued and outstanding as of March 31, 2025. We have one security listed on the NYSE American: common stock, $0.0001 par value (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 & Trust, to separate their units into common stock.

On March 22, 2024, the Company entered into a Share Purchase Agreement (the March 2024 SPA) with Bradbury Strategic Investment Fund A, 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 approximately 8.8 million shares of unregistered common stock at a price of $0.34 per share. In addition, the Company issued 2 million shares of unregistered common stock for consulting services related to raising capital, including the March 2024 capital raised. 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.

On September 25, 2024, the Company entered into the Share Purchase Agreement (the September 2024 SPA) with Moran Global Strategies, Inc., a Virginia corporation (MGS), which is owned by James Moran, a director of IGC, relating to the sale and issuance by our company to the investors of an aggregate of 588,235 shares of our common stock, for a total purchase price of $200,000 or $0.34 per share, subject to the terms and conditions set forth in the September 2024 SPA. The investment is subject to customary closing conditions, including NYSE approval. As per the September 2024 SPA, the investor received piggyback registration rights subject to certain restrictions. During the fiscal year ended March 31, 2025, the Company received the purchase price, and the issuance of common stock is in process.

On October 27, 2023, the Company entered into a Sales Agreement (the Sales Agreement) with A.G.P./Alliance Global Partners (the Agent) pursuant to which the Company may offer and sell, from time to time, through the Agent, as sales agent and/or principal, shares of its common stock, having an aggregate offering price of up to $60 million, subject to certain limitations on the amount of common stock that may be offered and sold by the Company set forth in the Sales Agreement. During Fiscal 2025, the company raised approximately $1.8 million against 5,363,334 shares.

In the first quarter of Fiscal 2026, the Company entered into Share Purchase Agreements with multiple investors (the 2025 Share Purchase Agreements), relating to the sale and issuance by our company to the investors of an aggregate of 2,803,333 shares of our common stock, for a total purchase price of $841,000, or $0.30 per share, subject to the terms and conditions set forth in the 2025 Share Purchase Agreements. The investment is subject to customary closing conditions, including NYSE approval. As per the 2025 Share Purchase Agreements, the investor received piggyback registration rights subject to certain restrictions.

NOTE 14 – STOCK-BASED COMPENSATION

As of March 31, 2025, under both the Company's previous 2008 and current 2018 Omnibus Incentive Plans, approximately 9.1 million shares of common stock have been issued to employees, non-employees, and advisors. In addition, 7.3 million restricted share units (RSUs) fair valued at $4.3 million with a weighted average value of $0.59 per share, have been granted but not yet issued from different Incentive Plans and Grants. This includes 4.7 million RSUs granted to employees and directors, which consists of a vesting schedule based entirely on the attainment of either operational milestones (performance conditions) or market conditions, assuming continued employment either as an employee, or director with the Company. The performance-based RSUs are accounted for upon certification by the management, confirming the probability of achievement of milestones. As of March 31, 2025, the management confirmed that five milestones had been achieved, and the rest were probable to be achieved by March 31, 2028.

Additionally, options held by advisors and directors to purchase 4 million shares of common stock fair valued at $1 million with a weighted average of $0.26 per share, which have been granted but are to be issued over a vesting period between Fiscal 2022 and Fiscal 2027. Options granted and issued before the vesting period are expensed when issued.

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

	Granted in Fiscal 2025	Granted in Fiscal 2024
Expected life of options	5 years	5 years
Vested options	100%	100%
Risk free interest rate	3.93%	5.24%
Expected volatility	171%	175%
Expected dividend yield	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, general, and administrative expenses (including research and development). For Fiscal 2025, the Company's share-based expense and option-based expense, shown in Selling, general, and administrative expenses (including research and development), were $1 million and $590 thousand, respectively.

For Fiscal 2024, the Company's share-based expenses and option-based expenses shown in Selling, general, and administrative expenses (including research and development) were $1.7 million and $59 thousand, respectively.

Non-vested shares	**Shares (in thousands) (#)**	**Weighted average grant date fair value ($)**
Non-vested shares as of March 31, 2024	7,452	0.61
Granted	-	-
Vested	(1,443)	0.34
Cancelled/Forfeited	(212)	0.33
Non-vested shares as of March 31, 2025	**5,796**	**0.64**

Options	**Shares (in thousands) (#)**	**Weighted average grant date fair value ($)**	**Weighted average exercise price ($)**
Options outstanding as of March 31, 2024	**3,710**	0.25	0.39
Granted	250	0.34	0.34
Vested	(628)	0.25	0.25
Cancelled/forfeited	(150)	1.39	0.39
Options outstanding as of March 31, 2025	**3,182**	**0.30**	**0.34**

There was a combined unrecognized expense of $1.7 million related to non-vested shares and share options that the Company expects to be recognized over a life of up to 4 (four) years.

NOTE 15 – FAIR VALUE OF FINANCIAL INSTRUMENTS

As of March 31, 2025, the Company's marketable securities consist of liquid funds, 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 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. For further information refer Note 7, "Investments in Non-Marketable Securities."

The following table presents information about the Company's assets that are measured at fair value on a recurring basis as of March 31, 2025, and 2024, and indicates the fair value hierarchy of the valuation techniques the Company used to determine such fair value:

(in thousands)

As of March 31, 2025

Particular	Adjusted Cost ($)	Gain ($)	Loss ($)	Fair Value ($)	Cash & Cash Equivalents ($)	Short Term Investments ($)
Level 1						
Cash	368	-	-	368	368	-
Money Market Fund	-	-	-	-	-	-
Debt Funds	-	-	-	-	-	-
Mutual Fund	-	-	-	-	-	-
Level 2						
Certificates of Deposit	37	-	-	37	37	-
Level 3	-	-	-	-	-	-
TOTAL	405	-	-	405	405	-

As of March 31, 2024

Particular	Adjusted Cost ($)	Gain ($)	Loss ($)	Fair Value ($)	Cash & Cash Equivalents ($)	Short Term Investments ($)
Level 1						
Cash	912	-	-	912	912	-
Money Market Fund	-	-	-	-	-	-
Debt Funds	13	-	-	13	13	-
Mutual Fund	123	-	-	123	123	-
Level 2						
Certificates of Deposit	150	-	-	150	150	-
Level 3	-	-	-	-	-	-
TOTAL	**1,198**	-	-	**1,198**	**1,198**	-

NOTE 16 – INCOME TAXES

The Company calculates its provision for foreign and U.S. federal income taxes based on the current tax law. As the Company maintains a full valuation allowance against its deferred tax assets, there is no income tax expense recorded related to this change other than the Federal AMT credit which are refundable due to the passage of tax reform.

Due to the Company's history of losses and uncertainty of future taxable income, a valuation allowance sufficient to fully offset net operating losses and other deferred tax assets has been established. The valuation allowance will be maintained until sufficient positive evidence exists to support a conclusion that a valuation allowance is not necessary.

Income tax expense/(benefit) for each of the years ended March 31 consists of the following:

Income Tax Expense	**Year Ended March 31, (in thousands)**	
	2025 ($)	**2024 ($)**
Net income loss before tax	(7,121)	(13,000)
Tax rate	21%	21%
Expected income tax recovery	(1,495)	(2,730)
Impact of tax rate differences in foreign jurisdictions	(72)	(151)
Tax rate changes and other adjustments	(2,305)	1,475
Permanent differences	-	-
Change in valuation allowance	3,872	1,406
	-	-

The significant components of deferred income tax expense/(benefit) from operations before non-controlling interest for each of the years ended March 31 are approximated as follows:

Deferred income taxes	***Year Ended March 31, (in thousands)***	
	2025 ($)	**2024 ($)**
Net operating loss carry-forwards foreign	332	287
Non-capital loss carry-forwards – U.S.	18,365	14,272
Temporary differences	427	418
Net deferred tax asset	19,124	14,977
Valuation allowance	(19,124)	(14,977)
	-	-

The table below sets forth the details of expiration of the non-financial carried forward losses of the Company as of March 31, 2025, as under:

Year	Amount (in thousands) ($)
2029	16
2030	37
2031	3,081
2032	4,141
2033	627
2034	1,269
2035	1,735
2036	1,176
2037	819
No expiry	1,256
No expiry	4,132
No expiry	7,932
No expiry	8,841
No expiry	14,966
No expiry	8,552
No expiry	6,884
No expiry	22,006
Total	**87,469**

Realization of deferred tax assets, including those related to net operating loss carryforwards, are dependent upon future earnings, if any, of which the timing and amount are uncertain. Accordingly, the net deferred tax assets have been fully offset by a valuation allowance. Based upon the Company's current operating results management cannot conclude that it is more likely than not that such assets will be realized. The Company files income tax returns in India, Colombia, and the U.S. The Company has a carry-forward R&D tax credit of approximately $4,542 thousand.

NOTE 17 – REVENUE RECOGNITION

Revenue in 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. 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 white labelling services is recognized when the performance obligation has been completed, and output material has been transferred to the customer.

Net sales disaggregated by significant products and services for Fiscal 2025 and 2024 are as follows:

	(in thousands) Year ended March 31,	
	2025 ($)	**2024 ($)**
Wellness and lifestyle [(1)]	113	228
White labeling services [(2)]	1,158	953
Other[(3)]	-	164
Total	**1,271**	**1,345**

(1) Revenue from wellness and lifestyle consists of the sale of products such as gummies, hand sanitizers, bath bombs, lotions, beverages, hemp crude extract, hemp isolate, and hemp distillate.
(2) Revenue from white labelling services consists of rebranding our formulations or the customer's products as per the customer's requirement.
(3) Other consists of income from the rental of heavy construction equipment and the execution of contracts directly or through subcontractors.

NOTE 18 – 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 and is evaluated regularly by the chief operating decision maker, or decision-making group (CODM), in deciding how to allocate resources and in assessing performance. The CODM evaluates revenues and gross profits based on product lines and routes to market. The Company's CODM is the Company's Chief Executive Officer (CEO). The CEO reviews financial information presented on an operating segment basis for the purposes of making operating decisions and assessing financial performance.

During fiscal 2025, the Company reassessed its reportable segment structure in connection with its strategic realignment toward Life Sciences. As a result, management determined that the Company operates as a **single reportable segment**. Historically, the Company reported two operating segments: Life Sciences and Infrastructure. While the Infrastructure segment generated revenues in fiscal 2024, it did not generate any revenues in fiscal 2025 and is no longer actively managed or evaluated as a discrete operating segment by the Company's Chief Operating Decision Maker.

Management has not made a formal decision to dispose of or exit the Infrastructure business, and therefore, the Infrastructure operations have not been classified as discontinued operations. The results of the Infrastructure activities have been aggregated into the single reportable segment presentation for all periods presented in this Annual Report on Form 10-K. This change in segment reporting has no impact on the Company's previously reported consolidated financial position, results of operations, or cash flows.

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

1) The table below shows revenue reported by segments:

Product & Service

Segments	**(in thousands) Fiscal 2025 ($)**	**Fiscal 2024 ($)**
Life Sciences segment	1,271	1,345
Total	1,271	1345

In Fiscal 2024, $164 thousand belongs to the previously reported Infrastructure Segment.

For information on revenue by product and service, refer to Note 17, “Revenue Recognition.”

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

		(in thousands)	
Segments	**Country**	**Fiscal 2025 ($)**	**Percentage of Total Revenue (%)**
Asia	India	-	-%
America	U.S.	1,269	99.8%
	Colombia	2	0.2%
Total		**1,271**	**100%**

		(in thousands)	
Segments	**Country**	**Fiscal 2024 ($)**	**Percentage of Total Revenue (%)**
Asia	India	164	12%
America	U.S.	1,179	87%
	Colombia	2	1%
Total		1,345	100%

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

		(in thousands)	
Nature of Assets	**U.S. (Country of Domicile) ($)**	**Foreign Countries (India and Colombia) ($)**	**Total as of March 31, 2025 ($)**
Intangible assets, net	1,852	-	1,852
Property, plant, and equipment, net	3,171	49	3,220
Claims and advances	410	271	681
Operating lease asset	80	18	98
Total non-current assets	**5,513**	**338**	**5,851**

Nature of Assets	U.S. (Country of Domicile) ($)	(in thousands) Foreign Countries (India and Colombia) ($)	Total as of March 31, 2024 ($)
Intangible assets, net	1,616	-	1,616
Property, plant, and equipment, net	3,620	75	3,695
Claims and advances	410	278	688
Operating lease asset	193	5	198
Total non-current assets	**5,839**	**358**	**6,197**

NOTE 19 – SUBSEQUENT EVENTS

- In the first quarter of Fiscal 2026, the Company entered into a Share Purchase Agreement (the "2025 SPA") with multiple investors, relating to the sale and issuance by our company to investors of an aggregate of 2,803,333 shares of our common stock, for a total purchase price of $841,000, or $0.30 per share, subject to the terms and conditions set forth in the 2025 SPA. The investment is subject to customary closing conditions, including NYSE approval. As per the 2025 SPA, the investor received piggyback registration rights subject to certain restrictions. Shares are intended to be exempt from registration under the Securities Act, by virtue of the provisions of Section 4(a)(2) of Securities Act.

- In April 2025, IGC Pharma expanded its CALMA Phase 2 trial for agitation in Alzheimer's dementia to two renowned research sites: Butler Hospital's Memory and Aging Program (a nationally recognized research center affiliated with the Warren Alpert Medical School of Brown University) in Rhode Island and the MIND Institute at Miami Jewish Health in Florida.

- The Asset held for sale has been sold for a value of approximately $701 thousand, and the ownership of the land has been wholly transferred to the respective purchasers.

- On June 24, 2025, IGC Pharma, Inc. ("IGC" or the "Company") entered into an amendment to extend its existing Master Loan and Security Agreement along with the General Banking Facility Letter (collectively called the "Loan Agreement") with O-Bank, CO., LTD., a banking corporation incorporated under the laws of Taiwan, as administrative agent and lender (the "Lender'), effective June 24, 2024. The amendment extends the term of the Loan Agreement, which was set to expire, under the same terms and conditions as previously disclosed on the Company's Current Report on Form 8-K filed with the Securities Exchange Commission on August 2, 2024, with the exception of i) a reduction in the facility fees from $84,000 to $48,000 and ii) interest, calculated according to the interest rate mentioned in the Certificate of Deposit, as the case may be, plus an applicable margin of 1.2%, instead of 1% . All other material terms of the Loan Agreement remain unchanged.

ITEM 9 – CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There were no changes in and disagreements with accountants on accounting and financial disclosures.

Item 9A. Controls and Procedures

(a) Evaluation of disclosure controls and procedures

Our 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, including our Chief Executive Officer (our principal executive officer) and Principal Financial Officer, as appropriate, to allow for timely decisions regarding required disclosure.

Our Management 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, including our Chief Executive Officer and Principal Financial Officer, as appropriate to allow for timely decisions regarding required disclosure.

(b) Management's annual report on internal control over financial reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Under the supervision and with the participation of our management, including our Principal Executive Officer and Principal Financial Officer, we conducted an evaluation of the effectiveness, as of March 31, 2025, of our internal control over financial reporting based on the framework in 2013 Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation under this framework, our management concluded that our internal control over financial reporting was effective as of March 31, 2025.

(c) Changes in internal control over financial reporting

Our 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 Fiscal 2025 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 Fiscal 2025 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

Item 9B. Other Information

None.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not Applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE

Information about our executive officers and directors

The names, ages, and positions of our executive officers and directors as of March 31, 2025, were as follows:

Name	Class	Age	Position	Director Since	Term will Expire
Ram Mukunda	C	66	President, Chief Executive Officer, and Director	2005	2025
Richard Prins	B	68	Chairman of the Board of Directors	2007	2027
James Moran	C	80	Independent Director	2022	2025
Terry L. Lierman	B	77	Independent Director	2024	2027
Claudia Grimaldi	A	54	Vice President, Principal Financial Officer, Chief Compliance Officer, and Director	2022	2026

The principal occupations for the past five years (and, in some instances, for prior years) of each of our executive officers and directors are as follows:

Ram Mukunda has served as Founder, Director, CEO, and President since inception. He is responsible for general management and, over the past 11 years, has been largely responsible for the Company's strategy and positioning in the pharmaceutical industry. He has been the chief inventor and architect of most of the Company's patent filings and the thrust into R&D and medical trials, which support the Company's desire to bring low-cost medications that address diseases and ailments that affect humankind. Prior to IGC, from January 1990 to May 2004, Mr. Mukunda served as Founder and CEO of Startec Global Communications, which he took public in 1997 on NASDAQ. Prior to Startec, he served as a Strategic Planning Advisor at Intelsat, a communications satellite services provider and prior to that worked in the bond market for a boutique firm on Wall Street. Mr. Mukunda serves as an Emeritus member on the Board of Visitors at the University of Maryland, School of Engineering. From 2001 to 2003, he was a Council Member at Harvard's Kennedy School of Government, Belfer Center of Science and International Affairs. Mr. Mukunda is the recipient of several awards including, among others, the 2013 University of Maryland's International Alumnus of the year award, the 2001 Distinguished Engineering Alumnus Award, the 1998 Ernst & Young, LLP's Entrepreneur of the Year Award. He holds a B.S. degree in Electrical Engineering, a B.S. degree in Mathematics, and a M.S. in Engineering from the University of Maryland. Mr. Mukunda has traveled extensively and managed companies in Europe and Asia. He has over 25 years of experience managing public companies and has acquired and integrated over 20 companies. His in-depth business experience in the pharmaceutical and OTC industries, his knowledge of U.S. capital markets, capital structuring, international joint ventures, and broad science and engineering background make him qualified to serve as a director of our Company.

Richard Prins has been our Chairman, Audit Committee, and Compensation Committee Chairman since 2012 and has served as an Independent Director since May 2007. Mr. Prins has extensive experience in private equity investing and investment banking. From March 1996 to 2008, he was the Director of Investment Banking at Ferris, Baker Watts, Incorporated ("FBW"). Mr. Prins served in a consulting role for RBC until January 2009. Since February 2003, he has been on the board of Amphastar Pharmaceuticals, Inc. Mr. Prins holds a B.A. degree from Colgate University and an M.B.A. from Oral Roberts University. Mr. Prins has substantial knowledge and experience with U.S. capital markets, has served on and chaired audit and compensation committees of boards, and has extensive experience in finance, accounting, and internal controls over financial reporting. His knowledge of the pharmaceutical industry and experience with U.S. capital markets make him qualified to serve as a director of our Company.

James Moran (Congressman Moran) has served on the Board as an Independent Director since January 2022. He served on Virginia's 8th Congressional District for 24 years, where he was known as a "Problem Solver." Throughout his tenure, he demonstrated bipartisan leadership and worked across the aisle to find common ground to resolve complex issues. He served on the Appropriation, Banking and Finance, and Budget committees. He played a leadership role in the areas of defense, health, and the environment. During his 24 years in Congress, Congressman Moran was recognized as a champion of innovative research and development in areas including healthcare and national security, environmental protection and sustainability, and international trade and fiscal responsibility. He rose to senior leadership on the Appropriations Committee enabling him to bring billions of dollars into his Northern Virginia communities of Alexandria, Arlington, and Fairfax County. Having retired after 35 years in elected office, Congressman Moran is now with a major law firm and represents international and domestic clients in the defense, technology, entertainment, and international diplomacy sectors. He also serves in leadership roles for several non-profit foundations and is also a member of the Government Blockchain Association. Congressman Moran received a Master's Degree in Public Administration from the University of Pittsburgh Graduate School of Public and International Affairs and a Bachelors in Economics from the College of the Holy Cross.

Congressman Moran introduced the AUTISM Educators Act in 2012, which funded partnerships between public schools and higher education and non-profit organizations to promote teaching skills for educators working with high functioning autism students. He understands that treatment and education for conditions such as Autism and Alzheimer's disease have the potential to positively impact millions of lives. With his extensive experience in Congress and as a policy advisor on topics including health, technology, and education, we are confident Congressman Moran will be a great asset to IGC, especially at a time when we pursue Phase 2/3 human trials on IGC- AD1 on individuals that have Alzheimer's disease. Congressman Moran's extensive experience makes him qualified to serve as a director of our Company.

On December 27, 2022, the Board of Directors appointed Mr. James Moran as a member of both the Company's Audit and Compensation Committee, effective immediately.

Terry L. Lierman has served on the Board as an Independent Director since March 2024. Mr. Lierman is currently Co-Chair of the Board of Advisors at the Institute of Human Virology ("IHV"), a center in the U.S. focused on accelerating the discovery of diagnostics and therapeutics for deadly viral and immune disorders, and a member of the Board of Visitors at the La Follette School of Public Affairs at the University of Wisconsin, his alma mater. Mr. Lierman founded the Children's Research Institute, one of America's top children's research programs, the Pancreatic Cancer Action Network ("PanCAN"), and the National Organization on Fetal Alcohol Syndrome ("NOFAS"). In addition, from 1987 to 1999, he served as a director/trustee of the NY Life-Mainstay Funds. His distinguished career includes serving at the National Institutes of Health ("NIH"), as the chief administrator for drug research and development at the National Cancer Institute ("NCI"), and as the Staff Director for the Committee on Appropriations at the U.S. Senate and the Chief of Staff and White House liaison to the U.S. House of Representative's Majority Leader. Mr. Lierman's vast healthcare expertise will undoubtedly play a pivotal role in driving our mission to develop innovative therapeutics for crucial unmet needs. His extensive experience uniquely qualifies him to serve as a director of our company.

Claudia Grimaldi, Vice-president, PFO, Chief Compliance Officer, and Director, is responsible for managing the accounting and finance teams in various countries and is responsible for ensuring timely and accurate statutory and regulatory compliance (SEC, FINRA, NYSE, IRS, XETRA 2, among others). In addition, she is responsible for building and managing an international team of doctors, scientists, and advisors that conduct and manage pre-clinical and FDA registered trials focused on Alzheimer's disease. She is also responsible for relationships with partners that provide, among others, animal studies, cannabinoids, and software for AI. She has more than thirteen (13) years of experience with SEC filings, regulatory compliance, and disclosures, having held increasing responsibilities first as Manager of financial reporting and compliance from May 2011 to 2013 and then as General Manager of financial reporting and compliance from 2013 to May 2018. She also serves as a Director/Manager for some of our subsidiaries. Ms. Grimaldi graduated summa cum laude from Javeriana University, a top five university in Colombia, with a Bachelor of Arts in Psychology. She holds an MBA in General Management, graduating with Highest Honors, from Meredith College, in North Carolina. She is a member of Delta Mu Delta International Honor Society. She has also completed Executive Education courses on SEC compliance, finance from UVA, and corporate governance from the Columbia Business School. In addition, she has attended the Darden School of Business Financial Management Executives program at the University of Virginia, and SEC reporting and compliance seminars. She also completed her certification program of the National Association of Corporate Directors (NACD). She is also fluent in both English and Spanish.

On August 18, 2023, the Board of Directors of the Company elected Ms. Claudia Grimaldi to serve on the Board as a non-independent director Class A until the Company's 2026 annual meeting of stockholders upon the election and qualification of successor directors, her earlier death, resignation, or removal. Ms. Grimaldi brings a wealth of experience and qualifications that make her an excellent fit for the board. Ms. Grimaldi's experience with SEC filing procedures is invaluable in ensuring regulatory compliance and transparency within our public company. Additionally, her in-depth understanding of Colombia, and South America where our company has invested in human capital, provides valuable insights into the market dynamics, cultural nuances, and business opportunities within the region. Her SEC filing experience, understanding of Colombia, qualifications in business administration, and general business acumen make her qualified to serve as a director of our Company.

Executive officers are appointed by our Board of Directors. Each executive officer holds his or her office until he or she resigns or is removed by the Board or his or her successor is elected and qualified. All directors hold office until the annual meeting of the stockholders in the year set forth above in the table and until their successors have been duly elected or qualified. There are no family relationships between any of our executive officers or directors. For information on legal proceedings against the Company, please refer to Item 3. Legal Proceedings. There are currently no legal proceedings against the Company's directors or officers.

Terry McAuliffe, served as an Advisor since December 2024. He was sworn in as governor of Virginia on January 11, 2014. He is a businessman, entrepreneur and who lived in Fairfax County, Virginia, for more than 20 years. In politics and business, McAuliffe has worked with people from all walks of life and different political backgrounds.

Amb. (Ret.) Howard Gutman, serves as a strategic advisor to IGC Pharma Inc., bringing extensive experience in international law, diplomacy, and public policy. He served as the U.S. Ambassador to Belgium from 2009 to 2013 and has had a distinguished career in both government and private sector advisory roles. Ambassador Gutman contributes to IGC's corporate strategy and global partnership initiatives, leveraging his expertise in regulatory, political, and international affairs.

Prof. Chuanhai Cao, Ph.D., is a scientific advisor to IGC Pharma Inc., with deep expertise in neuroimmunology and Alzheimer's disease research. He is an Associate Professor at the University of South Florida's Morsani College of Medicine and College of Pharmacy. His work focuses on the therapeutic potential of cannabinoids and immune modulation in neurodegenerative conditions. Prof. Cao's research contributions align closely with IGC's mission to develop innovative treatments for Alzheimer's disease.

Prof. James A. Saunders, Ph.D., is a scientific advisor to IGC Pharma Inc., bringing decades of academic and research experience in biotechnology and plant sciences. He has held faculty and leadership roles at respected academic institutions and has contributed to numerous peer-reviewed publications. Prof. Saunders provides guidance on natural compounds and their therapeutic potential, supporting IGC's research in cannabinoid-based treatments for Alzheimer's disease.

Prof. Elliot L. Hong, M.D., is a scientific advisor to IGC Pharma Inc., offering expertise in translational neuroscience and psychiatric research. He is a professor of psychiatry at the University of Maryland School of Medicine and a leading investigator in the fields of brain imaging, schizophrenia, and neurodevelopment. Prof. Hong's insights support IGC's efforts to develop therapeutics for neuropsychiatric symptoms associated with Alzheimer's disease.

Prof. Jeffrey L. Cummings, M.D., Sc.D., serves as a scientific advisor to IGC Pharma Inc. He is a world-renowned neurologist and expert in Alzheimer's disease research, drug development, and clinical trials. Dr. Cummings is the founding director of the Cleveland Clinic Lou Ruvo Center for Brain Health and a Research Professor at the University of Nevada, Las Vegas. His contributions support IGC's mission to advance innovative therapies for neurodegenerative diseases through expert guidance in clinical strategy and trial design.

Prof. Pablo Arbeláez is a scientific advisor to IGC Pharma, contributing expertise in biomedical image analysis and artificial intelligence. He is a professor at Universidad de los Andes in Colombia and a former researcher at École Normale Supérieure in Paris. Prof. Arbeláez's research focuses on deep learning in medical imaging and its application to neurodegenerative diseases, aligning with IGC's mission to develop innovative therapies for Alzheimer's disease.

Board of directors and independence

Our Board of Directors is divided into three classes (Class A, Class B, and Class C) with only one class of directors being elected each year and each class serving a three-year term. The term of office of the Class A director, consisting of Claudia Grimaldi, will expire at the 2026 annual meeting of stockholders. The term of office of the Class B director, currently consisting of Richard Prins and Terry L. Lierman, will expire at the 2027 annual meeting of stockholders. The term of office of the Class C director, currently consisting of Ram Mukunda and James Moran, will expire at the 2025 annual meeting of stockholders. These individuals have played a key role in identifying and evaluating prospective acquisition candidates, selecting the target businesses, and structuring, negotiating, and consummating acquisitions.

The NYSE American, upon which our shares are listed, requires the majority of our Board, or in the case of a smaller reporting Company, at least 50% of our Board, to be "independent." The NYSE American listing standards define an "independent director" generally as a person, other than an officer or an employee of the Company, who does not have a relationship with the Company that would interfere with the director's exercise of independent judgment. Consistent with these standards, the Board of Directors has determined that Messrs. Prins, Moran, and Lierman are independent directors.

Board leadership structure

The Board believes its current leadership structure best serves the objectives of the Board's oversight of management, the Board's ability to carry out its roles and responsibilities on behalf of IGC's shareholders, and IGC's overall corporate governance. The Board also believes that the separation of the Chairman and CEO roles allows the CEO to focus his time and energy on operating and managing IGC, while leveraging the Chairman's experience and perspectives. The Board periodically reviews its leadership structure to determine whether it continues to best serve IGC and its shareholders.

Board oversight of risk management

The Board is responsible for overseeing the major risks facing the Company, while management is responsible for assessing and mitigating the Company's risks on a day-to-day basis. The Board has designated the Audit Committee with the responsibility for overseeing enterprise risk management. The Audit Committee discusses the steps management has taken to monitor and mitigate these risks, if any. In establishing and reviewing IGC's executive compensation, the Compensation Committee considers whether the compensation program is focused on long-term shareholder value creation and whether it encourages short-term risk taking at the expense of long-term results. The Compensation Committee has also reviewed IGC's compensation program and has concluded that these programs do not create risks that are reasonably likely to have a material adverse effect on IGC. Other Board committees also consider risks within their areas of responsibility and apprise the Board of significant risks and management's response to those risks.

Audit committee

Our Board of Directors has established an Audit Committee, currently composed of two independent directors who report to the Board of Directors. Messrs. Prins and Moran, each of whom is an independent director under the NYSE American listing standards, serve as members of our Audit Committee. Mr. Prins is the Chairman of our Audit Committee. In addition, we have determined that Messrs. Prins and Moran are "audit committee financial experts," as that term is defined under Item 407 of Regulation S-K. The Audit Committee is responsible for meeting with our independent accountants regarding, among other issues, audits and the adequacy of our accounting and control systems. The audit committee charter is followed by the committee.

Compensation committee

Our Board of Directors has established a Compensation Committee composed of two independent directors, Messrs. Moran and Prins. Mr. Prins is the current Chairman of our Compensation Committee. The Compensation Committee's purpose is to review and approve the compensation paid to our officers and directors and to administer our 2018 Omnibus Incentive Plan. As per the compensation committee charter, candidate experience, knowledge, and performance are used to evaluate the candidate. The compensation is accordingly decided for the candidate as per the industry standards.

Compensation committee interlocks and insider participation

Our Compensation Committee is comprised of two independent members of the Board of Directors, Richard Prins and James Moran. No executive officer of the Company served as a director or member of the Compensation Committee of any other entity. The Compensation Committee was responsible for determining executive compensation and the award of stock and stock options to employees, advisors, and directors during Fiscal 2025. No consultants were used by the Compensation Committee during this fiscal year.

Nominating and corporate governance committee

In the future, we intend to establish a nominating and corporate governance committee. The primary purpose of the nominating and corporate governance committee will be to identify individuals qualified to become directors, recommend to the Board of Directors the candidates for election by stockholders or appointment by the Board of Directors to fill a vacancy, recommend to the Board of Directors the composition and chairs of Board of Directors committees, develop and recommend to the Board of Directors guidelines for effective corporate governance, and lead an annual review of the performance of the Board of Directors and each of its committees. We do not have any formal process for stockholders to nominate a director for election to our Board of Directors. Currently, nominations are selected or recommended by a majority of the independent directors as stated in Section 804(a) of the NYSE American Company Guide. Since the Company is a small reporting company with limited officers and directors, the committee currently does not have a nomination committee charter. The Board of Director nominations occur by either selection or recommendation of a majority of the independent directors.

Disclosure Committee

The CEO and the PFO supervise and oversee the Disclosure Committee. The Board has appointed Mr. Richard Prins as the Chairperson of the Disclosure Committee. The Disclosure Committee's responsibilities are to design, implement, and regularly evaluate the Company's internal controls and procedures, to ensure that the company provides the stakeholders, including the Securities and Exchange Commission (SEC), security holders, and the investment community, disclosures that comply with regulations and other compliance obligations. The Disclosure Committee will review all required material and relevant reports related to disclosure statements, including annual reports on Form 10-K, quarterly reports on Form 10-Q, press releases, and social media containing financial information and other related public documents. The Disclosure Committee meets not less than once per quarter and reviews and reassesses the adequacy of the Disclosure Committee's Charter at least annually.

Audit Committee Financial Expert

The Audit Committee will at all times be composed exclusively of "independent directors" who are "financially literate," as defined under the NYSE American listing standards, who understand the audit committee functions. The NYSE American's listing standards define "financially literate" as being able to read and understand fundamental financial statements, including a company's balance sheet, income statement, and cash flow statement. In addition, we must certify to the NYSE American that the Audit Committee has, and will continue to have, at least one member who has past employment experience in finance, accounting, or auditing, requisite professional certification in accounting, or other comparable experience or background that results in the individual's financial sophistication, along with an understanding of internal control over financial reporting. The Board of Directors has determined that Messrs. Prins and Moran satisfy the NYSE American's definition of financial sophistication and qualify as "audit committee financial experts," as defined under the rules and regulations of the SEC.

Board and committee meetings

During Fiscal 2025, there were six (6) Board meetings, five (5) meetings of the Audit Committee, and two (2) Compensation Committee meetings, all of which were attended, either in person or telephonically, by all our directors of the Board and all of the members of the committees, respectively.

Communications with the Board

Any matter intended for the Board or any individual member of the Board should be directed to Investor Relations at the Company's principal executive office, with a request to forward the communication to the intended recipient. In general, any shareholder communication delivered to the Company for forwarding to Board members will be forwarded in accordance with the shareholder's instructions. However, the Company reserves the right not to forward to Board members any abusive, threatening, or otherwise inappropriate materials.

Indemnification agreements

We are party to indemnification agreements with each of the executive officers and directors. Such indemnification agreements require us to indemnify these individuals to the fullest extent permitted by law. Under the terms of the indemnification agreements, we intend to agree to indemnify our officers and directors against expenses, judgments, fines, penalties, or other amounts actually and reasonably incurred by the independent director in connection with any proceeding if the officer or director acted in good faith and did not derive an improper personal benefit from the transaction or occurrence that is the basis of the proceeding.

Annual meeting attendance

All directors, either in person or telephonically, attended the 2024 annual shareholder's meeting. We have a formal policy requiring the members of our Board of Directors to attend annual stockholder meetings in person or by telephone or video conference.

Corporate governance, code of conduct, and ethics

A code of business conduct and ethics is a written standard designed to deter wrongdoing and to promote (a) honest and ethical conduct, (b) full, fair, accurate, timely, and understandable disclosure in regulatory filings and public statements, (c) compliance with applicable laws, rules, and regulations, (d) the prompt reporting violation of the code and (e) accountability for adherence to the code. The Company has adopted a written code of ethics (the "Code of Ethics") that applies to the Company's Chief Executive Officer and senior financial officers, including the Company's Principal Accounting Officer, Controller, and persons performing similar functions (collectively, the "Senior Financial Officers"), in accordance with applicable federal securities laws and the rules of the NYSE American, and to all employees. Investors or any other person may view our Code of Ethics free of charge on the corporate governance subsection of the investor relations portion of our website at www.igcinc.us. The Company has established separate audit and compensation committees that are described elsewhere in this report. The Company does not have a separate nominating committee. Accordingly, Board of Director nominations occur by either selection or recommendation of a majority of the independent directors.

All our data, except accounting data, is stored in the cloud on multiple servers, which helps us mitigate the overall risk of losing data. As part of corporate governance, we also have a cybersecurity policy that employees are required to comply with to safeguard their systems from cyber-attacks.

Insider Trading Policy

We have an insider trading policy governing the purchase, sale, and other dispositions of our securities (the "Insider Trading Policy") that applies to all of our directors, officers, employees, and other covered persons identified within the Insider Trading Policy. We believe that the Insider Trading Policy is reasonably designed to promote compliance with applicable U.S. federal securities laws, rules, and regulations, as well as applicable listing standards relating to insider trading. In addition, with regard to our trading in our own securities, it is our policy to comply with applicable federal securities laws and applicable listing requirements. The Insider Trading Policy is filed as Exhibit 19.1 to this Annual Report on Form 10-K.

Delinquent Section 16(a) reports

Section 16(a) of the Securities and Exchange Act of 1934, as amended, requires our officers, directors, and beneficial owners of more than 10% of our equity securities to timely file certain reports regarding ownership of and transactions in our securities with the Securities and Exchange Commission. Copies of the required filings must also be furnished to us. Section 16(a) compliance was required during Fiscal 2025. Based solely on a review of Forms 3, 4, and 5 and amendments thereto furnished to us pursuant to Rule 16a-3(e) under the Exchange Act, we believe that Fiscal 2025's filing requirements under Section 16(a) of the Exchange Act have been satisfied, except for (1) a Form 5 for Claudia Grimaldi reporting the vesting of RSUs on March 31, 2025; (2) a Form 5 for James Moran reporting the vesting of RSUs on March 31, 2025, (3) a Form 5 for Ram Mukunda reporting the vesting of RSUs on March 31, 2025 and (4) a Form 5 for Richard Prins reporting the vesting of RSUs on March 31, 2025.

ITEM 11. EXECUTIVE COMPENSATION

Compensation for executive officers of the Company

The following table sets forth information concerning all cash and non-cash compensation awarded to, earned by, or paid to (i) all individuals serving as the smaller reporting company's principal executive officer or acting in a similar capacity during the last completed fiscal year (PEO), regardless of compensation level; (ii) the smaller reporting company's two most highly compensated executive officers other than the PEO who was serving as executive officers at the end of the last completed fiscal year and whose compensation exceeded $100,000.

Summary Compensation Table
(in thousands)

Name and Principal Position	Year	Salary ($)	Bonus ($)(1)	Stock Awards (2) ($)	Other compensation (3) ($)	Total Compensation ($)
Ram Mukunda	2025	396	92	-	80	568
President and CEO	2024	360	320	1,066	75	1,821
Claudia Grimaldi	2025	226	-	-	33	259
Vice President, CCO, and PFO	2024	198	112	370	37	717

(1) During fiscal 2025, the outstanding bonus of Ram Mukunda of approximately $423 thousand and of Claudia Grimaldi of approximately $327 thousand has been converted into performance-based bonuses and will be paid upon achieving the following milestones. Completion of CALMA Phase 2 Clinical Trial; 2. Successful fundraising of at least $5 million via equity, debt, partnerships, or non-dilutive grants.

(2) The Stock Awards represent the fair value of stock awards to the named executive officer as computed using the closing price at the day of grant or using an appropriate pricing model depending on the terms of the award. The Stock Awards include vested and unvested grants of stock awards as reflected in the table titled "Stock Awards at Fiscal Year End." This also includes two categories of Stock Awards that are set out in the tables titled "Performance-Based Stock Awards" and "Market Price-Based Stock Awards," which account for approximately $689 thousand in fiscal 2024 and Nil in fiscal 2025.

(3) Includes life insurance, 401 (k) contribution, health insurance(s), and other applicable compensation.

Compensation to Directors
(in thousands)

In fiscal 2025, no compensation was awarded to, earned by, or paid to non-employee directors who served on the Board during the fiscal year.

Stock Awards at Fiscal Year End
(in thousands)

Name	Number of unvested Stock Awards (#)	Value of unvested Stock Awards ($)	Value of vested Stock Awards in Fiscal Year ($)	Total Value of Stock Awards ($)
Ram Mukunda	5,527	3,200	274	3,474
Claudia Grimaldi	1,230	371	81	452
Richard Prins	936	540	78	618
James Moran	294	75	55	130
Terry L. Lierman	50	16	16	32

The Stock Awards reflect the grant date fair value, in accordance with Accounting Standards Codification (ASC) Topic 718, Compensation — Stock Compensation (formerly Statement of Financial Accounting Standards (SFAS) No. 123R) for awards pursuant to the Company's equity incentive program.

Included in the tables above are two categories of Stock Awards: (i) performance-based stock awards that are based on achieving milestones in the area of drug development; and (ii) market price-based awards, based on advancing the IGC stock price.

Employment contracts

Ram Mukunda has served as President and Chief Executive Officer of our Company since its inception. On November 18, 2021, the Company, and Mr. Mukunda entered into the 2021 CEO Employment Agreement that expires on November 17, 2026. Pursuant to the 2021 CEO Employment Agreement, we pay Mr. Mukunda a base salary of $360,000 per year. The Employment Agreement provides that the Board of Directors of our Company may review and update the targets and amounts for the net revenue and salary and contract bonuses on an annual basis. Mr. Mukunda is entitled to benefits, including insurance, participation in company-wide 401(k), reimbursement of business expenses, 20 days of annual paid vacation, sick leave, domestic help, driver, cook, and a car (subject to partial reimbursement by Mr. Mukunda of rental payments for the car and reimbursement of business expenses). In the event of termination without cause, including a change of control, we would be required to pay Mr. Mukunda 1.5 times the average of the total compensation as disclosed in the previous two 10-K filings prior to termination. In addition, all unvested shares would be subject to immediate vesting.

Claudia Grimaldi has served as Vice President, Principal Financial Officer, Chief Compliance Officer, and Director of our subsidiaries since May 9, 2018. On May 5, 2023, the Company and Ms. Grimaldi entered into an Employment Agreement that expires on May 8, 2028 (the 2023 Employment Agreement). Pursuant to the Employment Agreement, we pay Ms. Grimaldi a base salary of $200,000 per year. The Employment Agreement provides that the Company may review and update performance targets and contract bonuses on an annual basis. Ms. Grimaldi is entitled to benefits, including insurance, participation in company-wide 401(k), reimbursement of business expenses, 20 days of annual paid vacation, sick leave, and a car (subject to partial reimbursement by Ms. Grimaldi for personal use of the car). In the event of termination without cause, including a change of control, we would be required to pay Ms. Grimaldi 1.5 times her compensation. In addition, unvested shares that would otherwise vest in a 12-month period would be subject to immediate vesting.

For non-employee directors, the Company has a standard compensation arrangement such as fees for committee service, service as chairman of the board, or a committee, and meeting attendance.

Compensation risk assessment

In setting compensation, the Compensation Committee considers the risks to our stockholders and to the achievement of our goals that may be inherent in our compensation programs. The Compensation Committee reviewed and discussed its assessment with management and concluded that our compensation programs are within industry standards and are designed with the appropriate balance of risk and reward to align employees' interests with those of our Company and do not incent employees to take unnecessary or excessive risks. Although a portion of our executives' and employees' compensation is performance-based and "at risk," we believe our compensation plans are appropriately structured and are not reasonably likely to result in a material adverse effect on our Company.

Policies and practices related to the grant of equity awards close in time to the release of material nonpublic information

Neither the Board nor the Compensation Committee takes material nonpublic information into account when determining the timing or terms of equity awards, including with respect to options, nor do we time the disclosure of material nonpublic information for the purpose of affecting the value of executive compensation. Although we do not have a formal policy with respect to the timing of our equity award grants we have generally granted such awards once a year to directors and executive officers and equity awards may be granted at other times during the year to newly hired or promoted employees, and in other special circumstances. In fiscal 2025, we did not grant any stock options, stock appreciation rights, or similar option-like instruments.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth information regarding the beneficial ownership of our common stock as of June 20, 2025, by each person known by us to be the beneficial owner of more than 5% of our outstanding shares of common stock, each of our executive officers and directors, and all our officers and directors as a group.

Beneficial ownership is determined in accordance with the rules of the SEC and does not necessarily indicate beneficial ownership for any other purpose. Under these rules, beneficial ownership includes those shares of common stock over which the stockholder has sole or shared voting or investment power. It also includes shares of common stock that the stockholder has a right to acquire within 60 days through the exercise of any option or other right. The percentage ownership of the outstanding common stock, which is based upon shares of common stock outstanding as of June 20, 2025, is based on the assumption, expressly required by the rules of the SEC, that only the person or entity whose ownership is being reported has exercised options to purchase shares of our common stock.

Unless otherwise indicated, we believe that all persons named in the table have sole voting and investment power with respect to all shares of common stock beneficially owned by them. Unless otherwise noted, the nature of the ownership set forth in the table below is the common stock of the Company. The table below sets forth as of June 20, 2025, except as noted in the footnotes to the table, certain information with respect to the beneficial ownership of the Company's common stock by (i) all persons or groups, according to the most recent Schedule 13D or Schedule 13G filed with the SEC or otherwise known to us, to be the beneficial owners of more than 5% of the outstanding common stock of the Company, (ii) each director of the Company, (iii) the executive officers named in the Summary Compensation Table, and (iv) all such executive officers and directors of the Company as a group.

	Shares Owned (in thousands)	
Name and Address of Beneficial Owners/Named Executive Officers and Directors: (1)	**Number of Shares Beneficially Owned**	**Percentage of Class***
Ram Mukunda (2)	4,092,678	4.88%
Claudia Grimaldi	1,184,252	1.41%
Richard Prins	1,271,251	1.52%
James Moran	1,105,735	1.32%
Terry L. Lierman	29,411	0.04%
Bradbury Strategic Fund (3)	17,623,529	21.01%
All Executive Officers and Directors as a group (5 persons)	**25,306,856**	**30.17%**

*Basedon 83,891,586 shares of common stock outstanding as of June 20, 2025.

(1) Unless otherwise indicated, the address of each of the individuals listed in the table is c/o IGC Pharma, Inc., 10224 Falls Road, Potomac, MD 20854.
(2) The beneficial ownership table does not include 810,752 shares of common stock that are owned by Mr. Mukunda's spouse for which Mr. Mukunda has no voting or financial rights.
(3) The individual who holds voting and investment power in the investment manager is Mr. Loo See Yuen, the Director of Bradbury Asset Management. The address of the entity is Unit 5106-7, 51st Floor, The Center, 99 Queen's Road Central, Central, Hong Kong.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Other than as described below, during the last two fiscal years, we have not entered into any material transactions or series of transactions that would be considered material in which any officer, director, or beneficial owner of 5% or more of any class of our capital stock, or any immediate family member of any of the preceding persons, had direct or indirect material interest, nor are there any such transactions presently proposed, other than the agreements with the affiliates of our CEO as described under "Executive Compensation – Compensation for Executive Officers of the Company."

Review, approval, or ratification of related party transactions

We have a written policy for the review and approval of transactions with related persons. It is our policy for the disinterested members of our Board to review all related party transactions on a case-by-case basis. To receive approval, a related-party transaction must have a business purpose for us and be on terms that are fair and reasonable to us and as favorable to us as would be available from non-related entities in comparable transactions.

Transaction with Related Parties

On March 22, 2024, the Company entered into the SPA with Bradbury Strategic Investment Fund A, 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 approximately 8.8 million shares of unregistered common stock at a price of $0.34 per share.

There were no related party transactions in Fiscal 2025 and through the date of this Form 10-K.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Manohar Chowdhry & Associates (MCA) is our Principal Independent Registered Public Accounting Firm engaged to examine our financial statements for Fiscal 2025. During the Company's two most recent fiscal years ended March 31, 2025, and 2024, and through July 6, 2023, the Company did not consult with MCA on (i) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that may be rendered on the Company's financial statements, and MCA has not provided either a written report or oral advice to the Company that was an important factor considered by the Company in reaching a decision as to any accounting, auditing, or financial reporting issue; or (ii) the subject of any disagreement, as defined in Item 304(a)(1)(iv) of Regulation S-K and the related instructions, or a reportable event within the meaning set forth in Item 304(a)(1)(v) of Regulation S-K.

Audit related and other fees

The table below shows the fees that we paid or accrued for the audit and other services provided by Manohar Chowdhry & Associates for Fiscal 2025 and Fiscal 2024.

Audit fees

This category includes the audit of our annual financial statements, review of financial statements included in our annual and quarterly reports and services that are normally provided by the independent registered public accounting firms in connection with engagements for those fiscal years. This category also includes advice on audit and accounting matters that arose during, or as a result of, the audit or the review of interim financial statements.

Internal control audit fees

This category includes the audit of the Company's internal control over financial reporting based on criteria established in Internal Control—Integrated Framework: (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Audit-related fees

This category consists of assurance and related services by the independent registered public accounting firms that are reasonably related to the performance of the audit or review of our financial statements and are not reported above under "Audit Fees." The services for the fees disclosed under this category include services relating to our registration statement and consultation regarding our correspondence with the SEC.

Tax fees

This category consists of professional services rendered for tax compliance, tax planning, and tax advice. These services include tax return preparation and advice on state and local tax issues.

All other fees

This category consists of fees for other miscellaneous items.

	(in thousands) March 31,	
	2025	**2024**
Audit fees - Manohar Chowdhry & Associates	$ 69	$ 69
Audit-related fees - Manohar Chowdhry & Associates	-	-
Tax fees	-	9
All other fees	-	-
Total	**$ 69**	**$ 78**

Policy on pre-approval of audit and permissible non-audit services of independent auditors

Consistent with SEC policies regarding auditor independence, the audit committee of our Board of Directors has responsibility for appointing, setting compensation, and overseeing the work of the independent auditor. In recognition of this responsibility, our Board of Directors has established a policy to pre-approve all audit and permissible non-audit services provided by the independent auditor. Prior to the engagement of the independent auditor for the next year's audit, management may submit, if necessary, an aggregate of services expected to be rendered during that year for each of the following four categories of services to our Board of Directors for approval.

1. *Audit* services include audit work performed in the preparation of financial statements and audit of internal controls, as well as work that generally only the independent auditor can reasonably be expected to provide, including comfort letters, statutory audits, and attest services and consultation regarding financial accounting and/or reporting standards.

2. *Audit-Related* services are for assurance and related services that are traditionally performed by the independent auditor, including due diligence related to mergers and acquisitions, employee benefit plan audits, and special procedures required to meet certain regulatory requirements.

3. *Tax* services include all services performed by the independent auditor's tax personnel except those services specifically related to the audit of the financial statements and includes fees in the areas of tax compliance, tax planning, and tax advice.

4. *Other* Fees are those associated with services not captured in the other categories.

Prior to engagement, our Board of Directors pre-approves these services by category of service. The fees are budgeted, and our Board of Directors requires the independent auditor and management to report actual fees versus the budget periodically throughout the year by category of service. During the year, circumstances may arise when it may become necessary to engage the independent auditor for additional services not contemplated in the original pre-approval. In those instances, our Board of Directors requires specific pre-approval before engaging the independent auditor.

Our audit committee may delegate pre-approval authority to one or more of its members. The member to whom such authority is delegated must report, for informational purposes only, any pre-approval decisions to our Board of Directors at its next scheduled meeting.

Pre-approved services

The Audit Committee's charter provides for pre-approval of audit, audit-related and tax services to be performed by the independent auditors. The Audit Committee approved the audit, audit-related and tax services to be performed by independent auditors and tax professionals in Fiscal 2025. The charter also authorizes the Audit Committee to delegate to one or more of its members pre-approval authority with respect to permitted services. The decisions of any Audit Committee member to whom pre-approval authority is delegated must be presented to the full Audit Committee at its next scheduled meeting. The Audit Committee has not delegated such authority to its members.

Audit committee report

The Audit Committee of the Board is composed of two directors, each of whom meets the current NYSE American test for independence. The Committee acts under a written charter adopted by the Board. The Audit Committee has prepared the following report on its activities with respect to the Company's audited financial statements for Fiscal 2025 (the Audited Financial Statements):

- The Audit Committee reviewed and discussed the Company's Audited Financial Statements with management;
- The Audit Committee discussed with Manohar Chowdhry & Associates, the Company's independent auditors for Fiscal 2025, the matters required to be discussed by AS 1300, as adopted by the Public Company Accounting Oversight Board;
- The Audit Committee received from the independent auditors the written disclosures regarding auditor independence and the letter required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees), discussed with Manohar Chowdhry & Associates, its independence from the Company and its management, and considered whether Manohar Chowdhry & Associates' provision of non-audit services to the Company was compatible with the auditor's independence; and
- Based on the review and discussion referred to above, and in reliance thereon, the Audit Committee recommended to the Board that the Audited Financial Statements be included in the Company's Annual Report on Form 10-K for Fiscal 2025, for filing with the U.S. Securities and Exchange Commission.

All members of the Audit Committee concur in this report.

AUDIT COMMITTEE:

Richard Prins
James Moran

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

The exhibits listed in the accompanying index to exhibits are filed, furnished, or incorporated by reference as part of this Annual Report on Form 10-K.

(a) All Financial Statements

Index to Consolidated Financial Statements	Page
Report of Independent Registered Public Accounting Firms	52
Consolidated Balance Sheets	53
Consolidated Statements of Operations and Comprehensive Loss	54
Consolidated Statements of Stockholders' Equity	55
Consolidated Statements of Cash Flows	56
Notes to Consolidated Financial Statements	57

(b) Exhibits required by Item 601 of Regulation S-K

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	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).
3.3	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).
3.4	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).
3.5	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).
4.1	Description of Common Stock (incorporated by reference to a prospectus supplement filed on March 22, 2024, to Prospectus effective January 8, 2024)
10.01**	2018 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Definitive Proxy Statement on Form DEF 14A dated October 10, 2017).
10.02**	Employment Agreement, effective as of November 18, 2021, by and between India Globalization Capital Inc. and Mr. Ram Mukunda (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on November 19, 2021).
10.03**	Restricted Stock Unit Agreement with CEO Mr. Ram Mukunda (incorporated by reference to Exhibit 10.1 to the Company's Registration Statement on Form S-8 filed on December 23, 2021).
10.04**	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).
10.05	The definitive license agreement with the University of South Florida making IGC the exclusive licensee of the U.S. patent filing entitled "THC as a Potential Therapeutic Agent for Alzheimer's Disease" (incorporated by reference to Exhibit 99.1 to the Company's Current Report on Form 8-K dated June 12, 2017).
10.06	Sales Agreement dated March 19, 2024, by and between IGC Pharma, Inc. and A.G.P./Alliance Global Partners (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 21, 2024).
10.07	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).
10.08	Extension of Master Loan Agreement 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 August 2, 2024).
10.09	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).
10.10	Share Purchase Agreement, dated March 22, 2024, between IGC Pharma, Inc. and Bradbury Asset Management (Hong Kong) Limited ("Bradbury") (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K on March 28, 2024). †
10.11	IGC Form of Board of Directors Agreement (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 13, 2024).

10.12	Share Purchase Agreement, dated September 25, 2024, between IGC Pharma, Inc. and Moran Global Strategies, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on September 27, 2024).
19.1*	Insider Trading Policy
21.1*	Subsidiaries of India Globalization Capital, Inc.
23.1*	Consent of Manohar Chowdhry & Associates.
31.1*	Certificate pursuant to 17 CFR 240.13a-14(a).
31.2*	Certificate pursuant to 17 CFR 240.13a-14(a).
32.1*	Certificate pursuant to 18 USC. § 1350.
32.2*	Certificate pursuant to 18 USC. § 1350.
97.1	Dodd-Frank Clawback Policy (incorporated by reference to Exhibit 97.1 to the Company's Annual Report on Form 10-K filed on June 24, 2024)
99.1	Clinical Study Presentation, dated June 17, 2025 (incorporated by reference to Exhibit 99.1 to the Company's Registration Statement on Form 8-K filed on June 17, 2025).
101.INS***	Inline XBRL Instance Document.
101.SCH***	Inline XBRL Taxonomy Extension Schema Document.
101.CAL***	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF***	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB***	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE***	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101).

* Filed herewith.
** Indicates management contract or compensatory plan or arrangement.
*** Furnished herewith
† Certain schedules or similar attachments to this exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K.

ITEM 16. FORM 10 - K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

IGC PHARMA, INC.

Date: June 27, 2025

By: /s/ Ram Mukunda
Ram Mukunda
President and Chief Executive Officer
(Principal Executive Officer)

Date: June 27, 2025

By: /s/ Claudia Grimaldi
Claudia Grimaldi
Vice-president & Chief Compliance Officer
(Principal Financial Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Date: June 27, 2025

/s/ Ram Mukunda
Ram Mukunda
President, Chief Executive Officer, and Director
(Principal Executive Officer)

Date: June 27, 2025

/s/ Claudia Grimaldi
Claudia Grimaldi
Vice-president & Chief Compliance Officer, and Director
(Principal Financial Officer)

Date: June 27, 2025

/s/ Rohit Goel
Rohit Goel
Principal Accounting Officer

Date: June 27, 2025

/s/ Richard Prins
Richard Prins
Chairman of the Board of Directors

Date: June 27, 2025

/s/ James Moran
James Moran
Director

Date: June 27, 2025

/s/ Terry L. Lierman
Terry L. Lierman
Director

Exhibit 19.1

INSIDER TRADING AND REPORTING POLICY

IGC PHARMA, INC.
(formerly known as India Globalization Capital, Inc.)

(NYSE: IGC) Adopted 2005

Amended _____, 2025

IGC Pharma, Inc. and its subsidiaries and related corporations and partnerships (collectively, "IGC" or the "Corporation") are always firmly committed to the principles of fair and open markets for publicly traded securities. This policy specifically addresses employee trading in publicly traded securities and the reporting of such trades by the employee when applicable.

The securities law of the United States prohibits trading in the securities of a company based on "inside" information. Anyone violating these laws is subject to personal liability and could face criminal penalties. IGC takes seriously its obligation, and that of its employees, to prevent insider trading violations. Accordingly, IGC has established this Insider Trading and Reporting Policy to assist all Employees in complying with their obligations. This policy does not replace the individual responsibility to understand and comply with the legal prohibitions on insider trading.

This policy applies equally to all Employees of IGC regardless of their position, level, or function. For purposes of this policy, the term "Employees" includes employees, officers, and directors, including officers and directors of subsidiaries of IGC. It applies to all transactions in IGC securities, including common stock, options for common stock, any other securities IGC may issue from time to time, and derivative securities relating to IGC securities, whether issued by IGC. It also applies to the securities of other companies under the circumstances described below. It applies not only to securities owned by an Employee (legally or beneficially) but also to securities over which an Employee exercises control or direction.

Please note that the laws of the United States regarding insider trading and reporting apply to persons living outside the United States, regardless of nationality, when the securities are traded in a United States market such as NYSE AMERICAN.

Warning: The responsibility for complying with the insider trading policy and related reporting requirements rest with the individual insider. Securities laws vary from one jurisdiction to another and may change over time. The consequences of non-compliance can be serious. If uncertain about the legal obligations, one should seek advice from legal counsel independent of IGC and practicing in the area of securities law.

1. Disclosure of Material Non-public Information

Maintaining the confidentiality of IGC's information is essential for competitive, security, and other business reasons, as well as complying with securities laws. Employees must treat all the information they learn about the Corporation or its business plans in connection with their employment as confidential and proprietary to the Corporation. Inadvertent disclosure of confidential information or nonpublic information may expose IGC and its Employees to significant risk of investigation and litigation.

Accordingly, Employees should be discreet with confidential information and not discuss it in public places where it can be overheard, such as elevators, restaurants, dinner parties, taxis, and airplanes. Further, discussion of confidential information should be discouraged on cellular phones or other wireless devices. To avoid even the appearance of impropriety, Employees should refrain from always providing advice or making recommendations regarding the purchase or sale of IGC securities.

The timing and nature of the Corporation's disclosure of material information to outsiders is subject to legal rules, the breach of which could result in substantial liability to IGC and its Employees. Responses to inquiries about the Corporation by the press, investment analysts, or others in the financial community must be made on the Corporation's behalf only through authorized individuals.

2. Material Non-public Information

"Material Non-public Information" is defined as information that a reasonable investor would consider important in making an investment decision regarding the purchase or sale of the securities in question and that has not been previously disclosed to the general public or is otherwise not readily available to the general public. Material Non-public Information, once it becomes generally known, may reasonably be expected to affect the market price of the securities in question. Either positive or negative information may be material.

While it is not possible to define all categories of material information, examples of information that, as a general rule, should be considered material are as follows: Financial results, changes in dividend policy, news of a pending or proposed merger, new equity or debt offerings, news of a pending or proposed significant acquisition or disposition, significant acquisitions or divestitures, impending bankruptcy or financial liquidity problems, significant exposure due to actual or threatened litigation, gain of a significant client, changes in senior management, etc.

Information is not public merely because it is reflected by rumors or unofficial statements in the marketplace. Generally, information regarding relatively simple matters, such as earnings results, will be considered to have been adequately disseminated and absorbed by the marketplace two full trading days after the issuance of a press release by IGC. When more complex matters, such as a prospective major acquisition or disposition, are announced, it may be necessary to allow additional time for the information to be processed by investors. IGC may circulate a notice, if and when appropriate, advising as to the amount of additional time required for the information relating to more complex matters to be disseminated and absorbed by the marketplace and before trading in securities of the Corporation may commence.

3. Insider Trading

The term "insider trading" generally refers to buying or selling a security while in possession of Material Non-public information about the security. Insider trading violations may also include "tipping" such information, securities trading by the person "tipped", and securities trading by those who misappropriate such information.

No Employee who is aware of Material Non-public Information regarding IGC may, directly or indirectly (including through a Related Person), (a) purchase or sell the Corporation's securities, (b) gift the Corporation's securities, (c) engage in any other action to take advantage of that information or (d) provide that information to others outside the Corporation, including family and friends. For purposes of this policy, a "Related Person" includes a spouse, minor children, and anyone else living in an Employee's household; partnerships in which Employees are a general partner; trusts of which Employees are a trustee; and estates of which Employees are an executor.

In addition, this rule applies to trading in the publicly traded securities of other companies. If Employees obtain Material Non-public Information concerning a customer, a supplier, a potential customer or supplier or other company doing or contemplating doing business with IGC, the law considers that individual to be an insider of that company for securities trading purposes and, therefore, he/she may not purchase or sell such company's securities or make trading recommendations to others until the information becomes public or is no longer material. Employees must also always remember that information that may not be material to IGC may be material to a supplier or other company.

If Employees are aware of Material Non-public Information, they must forego a transaction in the relevant securities, even though: (i) the transaction was planned before learning of the Material Non-public Information; (ii) money or a potential profit may be lost by not completing the transaction; or
(iii) the transaction may be necessary or seem justifiable for independent reasons (including a need to raise money for a personal financial reason).

This rule does not apply to the purchase of stock under the IGC Employee Stock Plan. However, stock that has been acquired through the IGC Employee Stock Plan is subject to this policy and may not be sold by an Employee who is in possession of Material Non-public Information.

This policy continues to apply to an Employee's transactions in IGC securities even after such Employee has terminated employment or other services to IGC. If the individual is aware of Material Non-public Information when the employment or service relationship with IGC terminates, he/she may not trade in the relevant securities until that information has become public or is no longer material.

An individual Employee resident in the United States may be able to engage in trading while in possession of Material Non-public Information if, prior to the receipt of such information, he or she has already implemented a trading plan under SEC Rule 10b5-1. Such a trading plan involves the automatic trading of securities in such a way that the individual does not have discretion over whether the securities are purchased or sold. It must be entered into in good faith and at a time when the individual is not in possession of any Material Non-public Information. If you wish to implement a Rule 10b5-1 trading plan, you must contact IGC's General Counsel for review of the plan and approval prior to doing so.

4. Restrictions on Options Trading and Short Sales

Employees may not trade in unexercised IGC stock options, Restricted Stock Units, or Performance Stock Units issued pursuant to IGC's Long Term Incentive Plan, or derivatives of the same.

Employees may not trade in put, call, or other financial market options involving IGC securities without prior authorization from IGC's General Counsel. Approval of such transactions will generally only be granted for estate planning transactions.

Employees shall refrain from all short sales of IGC securities.

5. Blackout Policy (applicable to Restricted Persons)

Restricted Persons are those most likely to have knowledge of undisclosed material facts or material changes with respect to the Corporation.

Accordingly, they are subject to a more restrictive trading policy. Restricted Persons include: (i) the members of the Corporation's Board of Directors; (ii) those persons designated as "executive officers" of the Corporation by the Board of Directors from time to time, as well as their spouses and immediate family members sharing the same household; (iii) entities controlled by any such person; and (iv) any other person (and their spouses and immediate family members sharing the same household and entities controlled by any such person) designated by IGC's Chief Executive Officer, General Counsel or Chief Financial Officer, including, in some cases, persons designated as such for specific limited time periods.

In addition to the rules on trading outlined above, IGC has adopted the following policy to regulate the trading of securities of the Corporation by Restricted Persons:

(a) Restricted Persons may not engage in transactions involving the securities of the Corporation during the period commencing and ending on each of the following dates in any given year ("Quarterly Blackout Periods"):

Start Date	End Date
March 31	4 hours following disclosure by IGC of its annual financial results for the preceding year on Form 10-K.
June 30	4 hours following disclosure by IGC of its financial results for the first quarter on Form 10-Q.
September 30	4 hours following disclosure by IGC of its financial results for the second quarter on Form 10-Q.
December 31	4 hours following disclosure by IGC of its financial results for the third quarter on Form 10-Q.

(b) Restricted Persons shall refrain from purchasing or selling securities of the Corporation frequently so as to appear to be speculating in securities of the Corporation. Certain Restricted Persons may become liable pursuant to Section 16(b) of the Exchange Act to pay over to the Corporation any "short swing" profits realized by them from the purchase and sale of IGC securities, where such purchase and sale take place within a period of less than six months; and

(c) Restricted Persons shall inform the General Counsel or, failing him, the Chief Financial Officer of the Corporation, not less than one trading day immediately prior to buying or selling securities of the Corporation to allow for responsible monitoring of trades by insiders, officers and senior Employees to ensure that no material information exists or material event has transpired that could cause a breach of this policy in the event of a purchase or sale by that Restricted Person of securities of the Corporation.

From time to time, the Corporation may circulate notices to Restricted Persons, alerting them to material events and information and specifying blackout periods during which securities of the Corporation should not be bought or sold by Restricted Persons. It should be noted that these unscheduled trading blackout periods are in addition to the prohibition on trading at any time when an individual has knowledge of Material Non-public Information.

6. Insider Reporting Obligations

IGC is subject to the securities laws of the United States.

IGC's Legal Department will assist insiders with the completion and filing of the necessary forms. Nevertheless, responsibility for complying with insider reporting obligations rests with the individual Employee, and IGC assumes no responsibility for any errors or omissions that may occur in providing such assistance to Employees.

Warning: The responsibility for complying with the insider reporting requirement rests with the individual insider. Securities laws vary from one jurisdiction to another and may change over time. The consequences of non-compliance can be serious. If uncertain about the legal obligations, one should seek advice from legal counsel independent of IGC and practicing in the area of securities law. The following summary descriptions of the applicable law and reporting procedure is offered for information purposes only, and is not a substitute for legal advice regarding individual circumstances.

U.S. Federal Law

The federal securities laws, rules, and regulations which impose insider trading and reporting restrictions include:

- Section 16 of the Securities Exchange Act of 1934 (the "Exchange Act").
- Section 10(b), Rule 10b-5 and related rules, all adopted under the Exchange Act.
- Rule 144, adopted under the Securities Act of 1933 (the "Securities Act").
- Regulation 13D-G, adopted under the Exchange Act.

Section 16 Reporting and Shortswing Profit Liability

Section 16(a) of the Exchange Act requires directors, officers, and 10% or greater shareholders ("Section 16 insiders") to file reports which disclose the insider's beneficial ownership of, and transactions in, the company's equity securities. These reports, called Forms 3, 4, and 5, must be filed within specific time frames with the SEC, the applicable stock exchange, and the company itself.

Section 16(a) of the Exchange Act requires insiders to file an initial report on Form 3 within ten days after the date the person acquires insider status. Subsequently, most transactions involving the Corporation's securities, including the purchase and sale of shares, must be reported on Form 4 before the end of the second business day following the day on which a reportable transaction has been executed. There is also a requirement to file an annual report on Form 5 within 45 days after the end of the Corporation's fiscal year (March 31), if the insider has had any transactions in IGC securities during the fiscal year that were not previously reported.

Section 16(b) of the Exchange Act presumes that every director, officer and 10% or greater shareholder has the benefit of material nonpublic information concerning the company and imposes an arbitrary limit on trading in the company's securities: The profits of any purchase and sale, or any sale and purchase, of securities made by a Section 16 insider within any six-month period are recoverable by the company, either in a suit by the company or by a shareholder on behalf of the company.

Section 16(c) of the Exchange Act prohibits Section 16 insiders from selling short (selling securities which they do not own) and from selling against the box (selling securities which they own, but which would not be delivered within 20 days of the sale, or which would not be deposited in the mail within five days of the sale). Section 16(c) prevents Section 16 insiders from engaging in such transactions because such transactions allow them to either reap a profit or avoid a loss based on material nonpublic information, to which they presumably have access.

Insider Trading Prohibitions

Section 10(b) of the Exchange Act and **Rule 10b-5** make it unlawful for any person to engage in fraudulent activity in connection with the purchase or sale of any security. Section 10(b) and Rule 10b-5 apply to insider transactions regardless of whether the issuer is private or public. Although there is not a well-recognized definition of insider trading, insider trading typically assumes one of two forms.

Rule 10b-5 insiders are prohibited from:

- trading either for themselves or on behalf of others on the basis of material, nonpublic information, and
- disclosing or "tipping" material, nonpublic information to others such as family members or friends. If the recipient of the material nonpublic information, the "tippee," trades on the basis of such information and has reason to know that the insider, or "tipper," unlawfully disclosed such information, then both the tippee and the tipper are subject to liability, even if the insider who discloses the information receives no pecuniary benefit from the transaction.

Restrictions on Resales of Securities — Rule 144

Under the Securities Act, it is unlawful for any person to sell or offer to sell securities unless the transaction either has been registered under the Securities Act or is exempt from registration. Rule 144 under the Securities Act provides a "safe harbor" from the Securities Act's registration requirements for public sales of restricted securities (securities originally issued in a transaction other than a public offering) and securities owned by "affiliates" such as directors, officers, principal shareholders and others in a control relationship with the company. Although Rule 144 is not the exclusive means for shareholders to make unregistered sales of their shares, compliance with Rule 144 is the simplest and most certain way to ensure that sales of restricted securities and securities owned by affiliates comply with the registration requirements of the Securities Act.

Reporting Obligation of 5% Shareholders — Regulation 13D-G

Regulation 13D-G under the Exchange Act requires that persons or groups of persons who acquire or beneficially own more than 5% of a public company's equity securities ("5% holders") disclose their ownership and transactions in such securities either on Schedule 13G or Schedule 13D. Like Section 16(a) reports, these forms must be filed within specific time frames with the SEC, the applicable stock exchange, and the company.

Regulation 13D-G refers to beneficial (as opposed to record) ownership of securities. Unlike the definition for purposes of Section 16 described above, a beneficial owner of a security includes any person who, directly or indirectly, has or shares voting power and/or investment power. A person is also treated as the beneficial owner of a security if he or she has the right to acquire beneficial ownership of the security at any time within 60 days, such as through the exercise of options or conversion of other securities.

7. Consequences of Violation of this Policy

Failure to follow this policy may lead to disciplinary action, as well as civil and criminal liability.

The following are some of the potential consequences:

- Liability for Insider Trading: Employees may be subject to disgorgement of profits (or losses avoided), trebled in some cases, monetary penalties, and time in prison for engaging in transactions in securities made on the basis of Material Non-public Information regarding the issuer of the securities.
- Liability for Tipping. An Employee may also be liable for improper transactions by any tippee who receives Material Non-public Information from that Employee. The SEC has imposed large penalties even when the disclosing person did not profit from the trading. The SEC, stock exchanges, and the National Association of Securities Dealers, Inc. use sophisticated electronic surveillance techniques to uncover insider trading.
- Possible Disciplinary Actions. Employees who violate this Policy shall also be subject to disciplinary action by the Corporation, which may include immediate termination of employment.

Exhibit 21.1

The table below lists our subsidiaries.

Subsidiaries	Ultimate holding company	Jurisdiction of Incorporation	Percentage of holding as of March 31, 2025	Percentage of holding as of March 31, 2024
IGCare, LLC	IGC	Maryland, USA	100	100
IGC Pharma, LLC	IGC	Colorado, USA	100	100
HH Processors, LLC (formerly Holi Hemp, LLC)	IGC	Maryland, USA	100	100
Sunday Seltzer, LLC	IGC	Maryland, USA	100	100
SAN Holdings, LLC	IGC	Maryland, USA	100	100
IGC Pharma SAS (1)	IGC	Colombia	100	100
Techni Bharathi Private Limited (TBL)	IGC	India	100	100
India Mining and Trading Private Limited (IGC-IMT) (2)	IGC	India	100	100
IGC Materials Private Limited (IGC-MPL) (2)	IGC	India	100	100
IGC Enterprises Limited (IGC-ENT)	IGC	Hong Kong	100	100
Hamsa Biopharma India Pvt. Ltd.	IGC	India	100	100
IGC Pharma IP, LLC	IGC	Maryland, USA	100	100

(1) Beneficially owned by IGC

(2) IGC-IMT and IGC-MPL are non-operating subsidiaries. These subsidiaries did not have a material impact on the balance sheet or statement of operations.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors
IGC Pharma, Inc.

We hereby consent to the incorporation by reference to the Registration Statement No. 333-274853, 333-261861, No. 333-226960, and No. 333-236615 on Form S-8 pertaining to the IGC Pharma, Inc. 2018 Omnibus Incentive Plan and Special Grants, and (ii) Registration Statement No. 333-274802, No. 333-276330, and No. 333-278775 on Form S-3, of our report dated June 27, 2025, with respect to the consolidated financial statements of IGC Pharma Inc. included in this Annual Report (Form 10-K) for the fiscal year ended March 31, 2025.

/s/ Manohar Chowdhry & Associates
Manohar Chowdhry & Associates
Chennai, India

June 27, 2025

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 annual report on Form 10-K of 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: June 27, 2025

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 annual report on Form 10-K of 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: June 27, 2025

By: /s/ Claudia Grimaldi
Claudia Grimaldi
Vice-president & Chief Compliance Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 USC. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report on Form 10-K of IGC Pharma, Inc. (the "Company") for the year ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ram Mukunda, Chief Executive Officer, and President of the Company, certify, pursuant to 18 USC. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 27, 2025

By: /s/ Ram Mukunda
Ram Mukunda
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 USC. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report on Form 10-K of IGC Pharma, Inc. (the "Company") for the year ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Claudia Grimaldi, Vice President, Principal Financial Officer of the Company, certify, pursuant to 18 USC. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 27, 2025

By: /s/ Claudia Grimaldi
Claudia Grimaldi
Vice-president & Chief Compliance Officer
(Principal Financial Officer)