

Directors' Report

To the Members,

Your Directors are pleased to present their report on business and operations of your Company for the year ended March 31, 2024.

Financial Results

	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Sales	143164.3	110430.7	196563.4	162699.8
Other operating income	3500.7	2157.6	3544.8	3716.8
Other Income	1067.3	912.6	1201.7	733.6
Profit before interest, depreciation and tax	35657.9	11739.2	39306.9	18714.8
Less: Finance costs	563.5	984.4	3116.1	2743.0
Less: Depreciation, amortisation and impairment expenses	7247.5	5483.4	11968.1	8806.9
Profit before tax	27846.9	5271.4	24222.7	7164.9
Less: Provision for taxation (including deferred tax)	4586.0	1019.3	4867.0	2688.0
Profit after tax	23260.9	4252.1	19355.7	4476.9
Share of Profit attributable to non-controlling Interest	-	-	210.9	176.1
Net Profit attributable to Owners of the Company	23260.9	4252.1	19144.8	4300.8

Performance Review

Consolidated Revenue from Operations was ₹ 200108.2 million, higher by 20.2% over FY 2022-23. International business contributed 64.6%. Consolidated profit before tax was ₹ 24222.7 million. Profit after tax was ₹ 19144.8 million as against ₹ 4300.8 million in FY 2022-23. Earnings per share (Basic) stood at ₹ 42.05 as against ₹ 9.46 in FY 2022-23.

Dividend

Your Directors are pleased to recommend dividend of 400% (₹ 8/- per equity share). The total dividend amount is ₹ 3646 million.

In compliance with Regulation 43A(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Dividend Distribution Policy has been hosted on the website of the Company www.lupin.com, web link for which is <https://www.lupin.com/wp-content/uploads/2021/04/dividend-distribution-policy.pdf>.

Share Capital

During the year, the paid-up share capital of the Company increased by ₹ 1.4 million, consequent to the allotment of 697573 equity shares of ₹ 2 /- each, to eligible employees of the Company and its subsidiaries upon exercising vested options under various stock option plans. The paid-up equity share capital as on March 31, 2024 was ₹ 911.4 million.

Credit Rating

ICRA Limited ('ICRA') re-affirmed the rating 'A1+' (pronounced 'ICRA A one plus') for the Company's bank credit facilities of ₹ 30000 million, which indicates very strong degree of safety regarding timely payment of financial obligations.

Subsidiary Companies/Joint Venture

As on March 31, 2024, the Company had 31 subsidiaries and a joint venture.

As part of restructuring, Bellwether Pharma Pty Ltd., Australia, was liquidated, effective June 11, 2023.

As part of business expansion, 'Lupin Atharv Ability Limited' and 'Lupin Manufacturing Solutions Limited', were incorporated as wholly owned subsidiaries of the Company, on July 17, 2023 and July 24, 2023, respectively.

Lupin Manufacturing Solutions Limited, was incorporated to undertake business of manufacture, sale, export and import of all types of Active Pharmaceutical Ingredients ('APIs')/intermediates, fermentation and undertaking contract development and manufacturing activities. Vide Business Transfer Agreement, the Company carved-out two of its API manufacturing sites situate at Dabhasa and Visakhapatnam and select R&D operations, including fermentation, at Lupin Research Park, Pune, to Lupin Manufacturing Solutions Limited.

It was decided to carve-out the generics business in India along with rights, titles, interests, liabilities and obligations into a separate entity as a going concern on slump sale basis, by way of Business Transfer Agreement. Accordingly, the name of 'Lupin Atharv Ability Limited' was changed to 'Lupin Life Sciences Limited'.

In September 2023, the Company acquired Medisol S.A.S., France and Lymed S.A.S., France, which specialize in generics injectables and are engaged in developing and commercializing its products, in pharmacies and hospitals in France.

In terms of the first proviso to Section 129(3) of the Companies Act, 2013 ('Act') and Rules 5 and 8(1) of the Companies (Accounts) Rules, 2014, salient features of the financial statements, performance and financial position of each subsidiary and joint venture are given in Form No. AOC - 1 as

Annexure 'A' to this Report. As stipulated under Section 136 of the Act, financial statements of subsidiaries and joint venture are available for inspection by Members at the registered office of the Company during business hours. The Company shall provide free of cost a copy of the financial statements of its subsidiaries and joint venture to Members upon their request. The said financial statements are also available on the Company's website www.lupin.com.

In compliance with Regulation 46(2)(h) of the Listing Regulations, policy for determining material subsidiaries has been hosted on the Company's website www.lupin.com, web link for which is <https://www.lupin.com/wp-content/uploads/2021/04/policy-for-determining-material-subsidiaries.pdf>. Nanomi B.V., the Netherlands ('Nanomi'), Lupin Atlantis Holdings SA, Switzerland ('LAHSA') and Lupin Pharmaceuticals, Inc., USA ('LPI'), are wholly owned material subsidiaries of the Company. Pursuant to Regulation 24(1) of the Listing Regulations, Mr. Mark D. McDade, Independent Director, is on the Board of Nanomi and Mr. Jean-Luc Belingard, Independent Director, is on the Boards of LAHSA and LPI.

Integrated Report

Integrated report is an effective tool to explore value creation by focusing on Company's strategy, performance and governance based on six forms of capital i.e. financial capital, human capital, manufacturing capital, social capital, intellectual capital and natural capital. It provides the stakeholders financial and non-financial information of the Company and helps them to get a better understanding of the current position and long-term perspective of the Company and take well-informed decisions. The Integrated Report focuses on driving authentic, comprehensive and meaningful information covering all aspects of the Company's performance.

Management Discussion and Analysis

As stipulated by Regulation 34(3) read with Schedule V(B) of the Listing Regulations, Management Discussion and Analysis forms part of the Integrated Report.

Corporate Governance Report

Your Directors reaffirm their continued commitment to adhere to the best standards of corporate governance and ethical practices. In compliance with Regulation 34(3) read with Schedule V(C) of the Listing Regulations, a report on Corporate Governance forms part of the Integrated Report. As stipulated by Schedule V(E) of the Listing Regulations, Auditors' certificate confirming

compliance with the conditions of corporate governance is annexed to the Corporate Governance Report.

Business Responsibility and Sustainability Report

In terms of Regulation 34(2)(f) of the Listing Regulations, Business Responsibility and Sustainability Report ('BRSR') forms part of the Integrated Report. An assurance of BRSR Core by DNV Business Assurance India Private Limited is annexed to the Integrated Report.

Corporate Social Responsibility

The Company channels its Corporate Social Responsibility ('CSR') efforts through Lupin Human Welfare and Research Foundation ('LHWRF'), its dedicated social responsibility arm. Founded by Dr. Desh Bandhu Gupta, the Company's founder Chairman, LHWRF aims to assist the underprivileged, particularly in the most marginalized regions of India with its 'Livelihoods' and 'Lives' programs. Over the past 35 years, LHWRF has reached out to over 1.57 million beneficiaries in more than 4771 villages across eight states in India, bringing about positive changes in the lives and livelihoods of communities.

A detailed write-up on Company's initiatives towards CSR forms part of the Integrated Report.

The CSR Policy, approved by the Board of Directors, has been hosted on the Company's website www.lupin.com. Details of CSR activities undertaken by the Company are given in **Annexure 'B'** to this Report.

Directors' Responsibility Statement

In compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Act, your Directors confirm that, to the best of their knowledge and belief: -

- i) in the preparation of the annual financial statements for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- ii) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year March 31, 2024 and of the profit of your Company for the year;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual financial statements have been prepared on a going concern basis;
- v) they had laid down proper internal financial controls and that the same are adequate and were operating effectively; and

- vi) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Directors

In accordance with the provisions of Section 152 of the Act, Mr. Nilesh D. Gupta (DIN: 01734642), Managing Director, retires by rotation at the ensuing Annual General Meeting ('AGM') and is eligible for re-appointment.

Mr. Nilesh D. Gupta, is a Chemical Engineer from the University Department of Chemical Technology (UDCT), Mumbai and a graduate with honors from the Wharton School, University of Pennsylvania, USA, where he specialised in healthcare, strategic management and finance. Mr. Gupta has been instrumental in formulating and executing the core strategy that has helped the Company emerge as a global specialty and complex generics pharmaceutical powerhouse. Mr. Gupta is a Member of the Audit Committee, Stakeholders' Relationship Committee, CSR Committee, Risk Management Committee and Strategy Committee of the Company.

In compliance with Regulation 17(1A) of Listing Regulations, at the 41st AGM held on August 3, 2023, the Members, vide Special Resolution, approved the continuation of directorship of Mr. Jean-Luc Belingard, Independent Director of the Company, who attained the age of 75 years on October 28, 2023.

The Board at its meeting held on May 6, 2024, appointed Mr. Jeffrey Kindler (DIN: 10592395) and Mr. Alfonso Zulueta (DIN: 10597962) as Additional Directors in the category of Non-executive, Independent Directors of the Company. Approval of Members for their appointments will be sought by way of Special Resolutions at the ensuing AGM.

Mr. Jeffrey Kindler has completed a Bachelor of Arts degree (Summa cum Laude) from Tufts University, USA and a Juris Doctor degree (Magna cum Laude) from Harvard Law School, USA. He served as a law clerk to Justice William J. Brennan, Jr. of the United States Supreme Court. Mr. Kindler is an experienced healthcare executive, investor and advisor. He brings over four decades of business experience and has held leadership positions at some of the world's most recognized companies including Pfizer, where he served as Chairman & Chief Executive Officer, as well as McDonald's Corporation and General Electric Company. Before that, Mr. Kindler was a partner at the law firm of Williams & Connolly. He is currently CEO of Centrexion Therapeutics, a privately held biotechnology company and a Senior Advisor to Blackstone. Mr. Kindler has a deep understanding of multinational corporate matters including regulations, litigations, compliance, crisis management, brand, franchise management, executive leadership and mergers & acquisitions.

Mr. Alfonso Zulueta completed an Economics undergraduate degree from De LA Salle University,

Manila, where he was conferred the 2023 Outstanding Alumnus Award. He received MBA degree in Marketing/Finance from University of Virginia, USA. Mr. Zulueta spent over three decades in various roles of increasing responsibility with Eli Lilly and Company, a global pharmaceutical company, including as Vice President of Global Marketing, President of Global Oncology and Critical Care Products and most recently, as President of International responsible for all geographies outside the United States and Canada. He also served as a corporate officer and member of Eli Lilly and Company's Executive Committee. Mr. Zulueta previously served as member of the board of the European Federation of Pharmaceutical Industries and Associations and the U.S.-Japan Business Council.

In terms of the provisions of Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations, all Independent Directors have submitted declarations that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that there has been no change in the circumstances affecting their status as Independent Directors of the Company.

In the opinion of the Board, Mr. Kindler and Mr. Zulueta possess integrity, expertise and experience which shall benefit the Company. By virtue of their extensive experience and exposure in the global pharma industry, Mr. Kindler and Mr. Zulueta were exempted from appearing for the online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs.

During the year, seven Board meetings were held on May 9, 2023, August 3, 2023, September 11, 2023, November 8, 2023, December 7, 2023, February 7, 2024 and March 22, 2024. Particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report which forms part of the Integrated Report.

Board Evaluation

An annual performance evaluation of the Board, its committees and of individual directors was carried out by the Board after seeking inputs from all Directors, in terms of provisions of Section 134(3)(p) of the Act read with Rule 8(4) of the Companies (Accounts) Rules, 2014. In compliance with Regulation 17(10) of the Listing Regulations, the Board carried out performance evaluation of Independent Directors without the participation of the Director being evaluated. In a separate meeting of the Independent Directors, performance of Non-Independent Directors, the Board as a whole and Chairman of the Company was evaluated. Performance of Directors was evaluated based on monitoring corporate governance practices and introducing internationally accepted best practices to address business risks. Weightage was given to active involvement in long-term strategic planning and participation in Board/Committee

meetings. The evaluation process focused on board dynamics, softer aspects, flow of information to the Board/Committees and effectiveness of Board Committees.

Performance of Committees was evaluated after considering various aspects such as composition of Committees, effectiveness of Committee meetings, frequency and adequacy of time allocated for discussions at meetings, attendance and participation, fulfillment of functions assigned to the Committees, etc. Performance of individual Directors was reviewed on the basis of criteria viz. qualifications, responsibilities shouldered, leadership qualities, analytical skills, knowledge, meaningful contributions at meetings, attendance, preparedness on the issues discussed. Parameters such as initiative, understanding the business environment/strategic issues, independent judgement were also taken into account.

Audit Committee

The Audit Committee comprises Dr. Punita Kumar-Sinha (Chairperson), Mr. K. B. S. Anand, Independent Directors and Mr. Nilesh D. Gupta, Managing Director. Mr. R. V. Satam, Company Secretary, acts as the Secretary of the Committee. The functions performed by the Committee, particulars of meetings held and attendance thereat of the Members at the said meetings are mentioned in the Corporate Governance Report, which forms part of the Integrated Report. All recommendations made by the Audit Committee were accepted by the Board.

Nomination and Remuneration Policy

In Compliance with Section 178(3) of the Act and Regulation 19(4) of the Listing Regulations and as recommended by the Nomination and Remuneration Committee ('NRC'), the Board formulated a Nomination and Remuneration Policy. The policy covers remuneration of directors, key managerial personnel and senior management and lays down philosophy, guiding principles and basis for recommending payment of their remuneration. It includes criteria for determining qualifications, positive attributes and independence of directors. In terms of the policy, the NRC evaluates balance of skills, knowledge and experience of independent directors and recommends them to the Board for appointment. The functions of the NRC are mentioned in the Corporate Governance Report, which forms part of the Integrated Report. In terms of proviso to Section 178(4) of the Act, the policy has been hosted on the Company's website www.lupin.com, web link for which is <https://www.lupin.com/wp-content/uploads/2023/04/nomination-and-remuneration-policy-LL-2023.pdf>.

Related Party Transactions

No related party transactions entered into by the Company conflicted with the interest of the Company. All related party transactions entered by the Company during the financial year were in the ordinary course of business and on an arm's length basis in accordance with the Act and Rules made

thereunder and the Listing Regulations. Material related party transactions were entered into by the Company only with its wholly owned subsidiaries. In compliance with the Act and Listing Regulations, the Audit Committee periodically reviews and approves related party transactions. As stipulated by Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, disclosure of particulars of contracts/arrangements entered into by the Company with related parties are given in Form No. AOC - 2, as **Annexure 'C'** to this Report. Apart from payment of sitting fees and commission, there is no pecuniary transaction with any Director, which had potential conflict of interest with the Company. As mandated by Regulation 46(2)(g) of the Listing Regulations, the policy on 'Related party transactions and materiality of related party transactions', as approved by the Board is hosted on the Company's website www.lupin.com and web link for the same is <https://www.lupin.com/wp-content/uploads/2022/03/rpt-policy-03-02-2022.pdf>.

Risk Management

In compliance with Regulation 21 of the Listing Regulations, Risk Management Committee comprises of Ms. Vinita Gupta, Chief Executive Officer, Mr. Nilesh D. Gupta, Managing Director, Mr. Ramesh Swaminathan, Executive Director, Global CFO & CRO and Head - Corporate Affairs, and Mr. Mark D. McDade and Mr. Jeffrey Kindler, Independent Directors. Roles, responsibilities and functions of the Committee have been defined by the Board. Terms of reference of the Committee, details of meetings held and attendance thereat are mentioned in the Corporate Governance Report, which forms part of the Integrated Report. Mr. Ramesh Swaminathan is appointed as Chief Risk Officer who brings to the table a more nuanced understanding and blend of both ESG and business as also drives the ESG integration and adoption across the Company.

The Risk Management framework of the Company essentially comprises of two elements i.e. risk enabled performance management process adopting the value-based driver tree approach and risk management structure. The Company has established robust and structured mechanism for identifying, classifying, prioritising, reporting and mitigation of risks. It is applicable to all business units, functions, geographies and departments within the Company. The Risk Management framework compliments and does not replace other existing programs, such as those relating to emission, quality and compliance matters.

Particulars of loans/guarantees/investments/ securities

Pursuant to the provisions of Section 134(3)(g) of the Act, particulars of investments made, loans and guarantees given and securities provided under Section 186 of the Act are disclosed in the notes to the financial statements forming part of the Integrated Report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

In compliance with Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, information as regards conservation of energy, technology absorption and foreign exchange earnings and outgo is given in **Annexure 'D'** to this Report.

Human Resources

Employees being the most valuable assets, it is responsibility of the Company to provide support and care to all its employees. All policies, systems, technologies and business functions of the Company are aligned with the best industry standards. The Company's people-first approach providing best-in-class work environment and advanced learning initiatives were the key drivers to provide a transparent, diverse and professional work environment to all its employees.

The Prevention of Sexual Harassment Policy provides a safe working environment and prohibits any form of sexual harassment against any employee. The policy goes beyond the legal ambit of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and covers all genders. It also addresses the requirements of prevention, prohibition and redressal of sexual harassment of women at the workplace as mandated by law.

The Company has constituted an Internal Complaints Committee, as stipulated by the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Employees are regularly sensitized about matters pertaining to prevention of sexual harassment.

Employees Stock Options

As stipulated by Regulation 14(B) of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 details of stock options as on March 31, 2024, are given in **Annexure 'E'** to this Report.

Vigil mechanism/Whistleblower policy

Over the years, your Company has strictly abided to well-accepted norms of ethical, lawful and moral conduct and has established a reputation for doing business with integrity. It has zero tolerance for any form of unethical behaviour. Pursuant to Sections 177(9) and (10) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the Listing Regulations, the Company has in place a robust Vigil mechanism/Whistleblower policy for directors and employees to report concerns, details of which are covered in the Corporate Governance Report which forms part of the Integrated Report. As mandated by Regulation 18(3) read with Schedule II Part C(18) of the Listing Regulations, the Audit Committee reviews the functioning of the Vigil mechanism/Whistleblower policy. No person has been denied access to the Chairperson of the Audit Committee. Directors and employees are at liberty to report unethical

practices and raise their concerns to the office of the Ombudsperson without any fear of retaliation or retribution. During the year, the Ombudsperson received 37 complaints, mostly of minor nature, which were investigated/examined by teams of strategic business unit heads/officers appointed by the Ombudsperson and are swiftly redressed. No complaints were pending at the end of year. The office of the Ombudsperson has official authority to receive, respond and investigate all offences within the scope of this policy.

The Vigil mechanism/Whistleblower policy is hosted on the Company's website www.lupin.com and web link for the same is <https://www.lupin.com/wp-content/uploads/2022/02/Whistleblower-Policy-Website.pdf>.

Particulars of employees remuneration

In compliance with the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of remuneration of employees required to be disclosed, are given in **Annexure 'F'** to this Report. Statement containing particulars of remuneration of employees, for the year ended March 31, 2024, required to be furnished in terms of Rules 5(2) and 5(3) of the said Rules, forms part of this Report. The same shall be provided to Members upon written request pursuant to second proviso of Rule 5. As stipulated by Section 136(2) of the Act, particulars of remuneration of employees are available for inspection by Members at the Registered office of the Company during business hours on all working days up to the date of the ensuing AGM.

Auditors

The Company continues to have unqualified audit reports.

Members re-appointed B S R & Co. LLP, Chartered Accountants (Firm Reg. No. 101248W/W-100022), as auditors of the Company, at the 39th AGM held on August 11, 2021, for a second successive term of five years from the conclusion of the 39th AGM till the conclusion of the 44th AGM.

In terms of provisions of Section 141 of the Act, the Company has received a certificate from B S R & Co. LLP, certifying that their appointment is in compliance with the conditions prescribed by the said Section.

Internal Audit

Internal audit of the Company's operations is carried out by in-house corporate internal audit team. The strength of the in-house corporate internal audit team is adequate to undertake audit function. Internal audit findings are discussed at the Audit Committee meetings and corrective actions taken. Local chartered accountant firms regularly conduct audits of Carrying & Forwarding Agents and Central Warehouses of the Company in India. Services of external auditors/specialist firms are availed for undertaking special audit assignments, as required.

Cost Audit

Pursuant to the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014 and as recommended by the Audit Committee, the Board of Directors, at its meeting held on May 9, 2023, appointed Mr. S. D. Shenoy, practising cost accountant (FCMA No. 8318), as Cost Auditor, to conduct cost audit for the year ended March 31, 2024. Mr. Shenoy is a Cost Accountant as defined under Section 2(1)(b) of the Cost and Works Accountant Act, 1959 and holds a valid certificate of practice. Mr. Shenoy confirmed that he is free from the disqualifications specified in Section 141 read with Sections 139 and 148 of the Act and that his appointment meets the requirements prescribed in Sections 141(3)(g) and 148 of the Act. Mr. Shenoy also confirmed that he was independent, maintained an arm's length relationship with the Company and that no orders or proceedings were pending against him relating to matters of professional conduct before the Institute of Cost Accountants of India or any competent court/authority.

In compliance with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, remuneration payable to Mr. Shenoy, for conducting cost audit for the year ended March 31, 2024, was ratified by Members, by passing an ordinary resolution at the 41st AGM held on August 3, 2023.

The Company has maintained cost records as specified by the Central Government under Section 148(1) of the Act.

In terms of Section 148(6) of the Act read with Rule 6(6) of the Companies (Cost Records and Audit) Rules, 2014, the cost audit report, in Form No. CRA-4 (in XBRL mode), for the year ended March 31, 2023, was filed with the Ministry of Corporate Affairs, on October 19, 2023, well within the prescribed time. The Company continues to have unqualified cost audit reports.

Secretarial Audit and Annual Secretarial Compliance Reports

The Board of Directors, at its meeting held on May 9, 2023, appointed Ms. Neena Bhatia, practising company secretary (FCS No. 9492 CP. No. 2661), to undertake Secretarial Audit and issue Annual

Secretarial Compliance Report for the year ended March 31, 2024.

As stipulated by Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board, at its meeting held on May 6, 2024, took on record, the Secretarial Audit Report (Form No. MR.3), for the year ended March 31, 2024, which is enclosed as **Annexures 'G' and 'G-1'** to this Report. The Company continues to have an unqualified Secretarial Audit Report.

Pursuant to Regulation 24A(2) of the Listing Regulations, the Board, at its meeting held on May 6, 2024, took on record the Annual Secretarial Compliance Report for the year ended March 31, 2024. The Report is in the format suggested by The Institute of Company Secretaries of India ('ICSI'). It confirms that the Company has maintained proper records as mandated by various Rules and Regulations and that, no action has been taken against the Company or its material subsidiaries or promoters/directors by SEBI/BSE/NSE. The Company shall disseminate the Report on the websites of BSE and NSE within the prescribed time.

Compliance with Secretarial Standards

The Company continues to comply with Secretarial Standards on Board Meetings (SS-1) and General Meetings (SS-2), issued by the ICSI.

Annual Return

Pursuant to the provisions of Sections 92(3) and 134(3)(a) of the Act, the Annual Return of the Company for the financial year ended March 31, 2024, has been hosted on the Company's website www.lupin.com and web link for the same is <https://www.lupin.com/investors/reports-filings/>.

Acknowledgements

Your directors convey a sense of high appreciation to all employees of the Company for their commitment, hard work, continued dedication and significant contributions. They acknowledge the whole-hearted support and co-operation received from various departments of the Central/State governments, banks, financial institutions, business associates, local bodies/associations, analysts, stakeholders, suppliers, distributors, medical professionals and customers.

For and on behalf of the Board of Directors

Manju D. Gupta

Chairman

(DIN: 00209461)

Mumbai, May 6, 2024

ANNEXURE 'A' TO
THE DIRECTORS' REPORT

FORM NO. AOC - 1

[Pursuant to the first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part 'A' : Subsidiaries

Name of the subsidiary	Date since when subsidiary was acquired/incorporated	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments (Other than in subsidiaries)	Turnover	Profit/(Loss) before taxation	Provision for taxation	Profit/(Loss) after taxation	Proposed dividend	% of share holding
Lupin Pharmaceuticals, Inc., USA	30.06.2003	N.A.	US \$ and Exchange Rate INR 83.41 for 1 US \$	[Refer Note Nos. 1 and 8]	9,531.8	63,569.6	54,037.8	Nil	66,206.5	542.9	580.7	(37.8)	Nil	100%
Pharma Dynamics (Proprietary) Limited, South Africa	01.03.2008	N.A.	ZAR and Exchange Rate INR 4.41 for ZAR 1	0.5	4,634.4	5,843.6	1,208.7	42.6	6,385.7	647.5	173.7	473.8	Nil	100%
Hormosan Pharma GmbH, Germany	25.07.2008	N.A.	Euro and Exchange Rate INR 89.7 for 1 Euro	8.1	2,563.7	4,118.6	1,546.8	Nil	3,933.8	650.6	209.5	441.1	Nil	100%
Multicare Pharmaceuticals Philippines, Inc., Philippines	26.03.2009	N.A.	PHP and Exchange Rate INR 1.48 for PHP 1	26.9	1,686.8	3,804.8	2,091.1	Nil	3,482.1	615.9	173.9	442.0	Nil	51%
Generic Health Pty Limited, Australia	27.09.2010	N.A.	AU \$ and Exchange Rate is INR 54.12 for 1 AU \$	1,344.3	2,201.1	4,628.9	1,083.5	Nil	3,968.6	808.8	181.5	627.3	Nil	100%
Lupin Atlantis Holdings SA, Switzerland	05.06.2007	N.A.	US \$ and Exchange Rate INR 83.41 for 1 US \$	115.9	41,434.4	45,144.7	3,594.4	Nil	5,728.4	20.1	80.8	(60.7)	Nil	100%
Lupin Healthcare (UK) Limited, UK	05.06.2009	N.A.	GBP and Exchange Rate INR 105.21 for 1 GBP	279.7	(1,069.3)	2,149.8	2,939.4	Nil	2,561.9	42.0	8.6	33.4	Nil	100%
Lupin Australia Pty Limited, Australia	01.12.2004	N.A.	AU \$ and Exchange Rate is INR 54.12 for 1 AU \$	33.3	(29.5)	14.6	10.8	Nil	Nil	(0.4)	0.0	(0.4)	Nil	100%
Lupin Pharma Canada Limited, Canada	18.06.2009	N.A.	CAD and Exchange Rate INR 61.551 for 1 CAD	155.5	167.7	3,090.8	2,767.6	Nil	2,956.9	(58.3)	(15.9)	(42.4)	Nil	100%
Lupin Mexico S.A. de C.V., Mexico	23.08.2010	N.A.	MXN \$ and Exchange Rate INR 5.02 for MXN \$ 1	52.2	(431)	9.2	0.1	Nil	Nil	0.6	Nil	0.6	Nil	100%
Bellwether Pharma Pty Limited, Australia	27.09.2010	N.A.	AU \$ and Exchange Rate is INR 54.12 for 1 AU \$	[Refer Note No. 4]	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	100%
Lupin Philippines Inc., Philippines	20.12.2010	N.A.	PHP and Exchange Rate INR 1.48 for PHP 1	59.9	(71.7)	1,161.5	1,173.3	Nil	1,173.6	(135.6)	(29.1)	(106.5)	Nil	100%
Lupin Diagnostics Limited, India	17.03.2011	N.A.	INR	526.2	(1,531.0)	1,404.9	2,409.7	Nil	666.9	(978.5)	9.1	(987.6)	Nil	100%
Generic Health SDN. BHD., Malaysia	18.05.2011	N.A.	RM and Exchange Rate INR 17.62 for RM 1	10.5	(9.7)	0.9	0.1	Nil	Nil	(0.7)	Nil	(0.7)	Nil	100%
Lupin Inc., USA	27.06.2013	N.A.	US \$ and Exchange Rate INR 83.41 for 1 US \$	67,938.9	(90,428.5)	27,293.8	49,783.4	Nil	39,320.8	4,301.0	(42.0)	4,343.0	Nil	100%
Nanomi B.V., the Netherlands	30.03.2007	N.A.	US \$ and Exchange Rate INR 83.41 for 1 US \$	23,632.8	55,712.9	82,357.4	3,011.7	Nil	Nil	(1,909.2)	22.7	(1,931.9)	Nil	100%
Laboratorios Grin, S.A. de C.V., Mexico	01.10.2014	N.A.	MXN \$ and Exchange Rate INR 5.02 for MXN \$ 1	854.2	2,569.2	5,362.2	1,938.8	Nil	2,745.2	(24.8)	7.2	(32.0)	Nil	100%
Medquimica Industria Farmaceutica LTDA, Brazil	24.06.2015	N.A.	BRL and Exchange Rate INR 16.63 for BRL 1	5,462.5 [Refer Note No. 5]	(6,700.3)	6,078.7	7,316.5	Nil	4,229.4	(1,442.3)	(27.1)	(1,415.2)	Nil	100%
Novel Laboratories, Inc., USA	08.03.2016	N.A.	US \$ and Exchange Rate INR 83.41 for 1 US \$	[Refer Note No. 9]	6,079.7	7,559.2	1,479.5	Nil	6,767.3	(218.0)	(19.6)	(198.4)	Nil	100%

Name of the Subsidiary	Date since when subsidiary was acquired/ incorporated	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments (Other than in subsidiaries)	Turnover	Profit/(Loss) before taxation	Provision for taxation	Profit/(Loss) after taxation	(INR in million)	
													Proposed dividend	% of share holding
Lupin Research Inc., USA	08.03.2016	N.A.	US \$ and Exchange Rate INR 83.41 for 1 US \$	[Refer Note No. 10]	1,709.0	4,009.5	2,300.5	Nil	3,028.8	228.6	(106.1)	334.7	Nil	100%
Lupin Management, Inc., USA	10.10.2017	N.A.	US \$ and Exchange Rate INR 83.41 for 1 US \$	Nil	169.6	580.5	410.9	Nil	Nil	82.5	42.4	40.1	Nil	100%
Lupin Europe GmbH, Germany	05.02.2018	N.A.	Euro and Exchange Rate INR 89.7 for 1 Euro	2.0	66.4	162.4	94.0	Nil	75.3	(9.7)	Nil	(9.7)	Nil	100%
Lupin Biologics Limited, India	28.01.2021	N.A.	INR	1.5	(1.4)	0.2	[Refer Note No. 11]	Nil	Nil	(0.1)	Nil	(0.1)	Nil	100%
Lupin Oncology Inc., USA	15.03.2021	N.A.	US \$ and Exchange Rate INR 83.41 for 1 US \$	1,135.8	(3,670.6)	758.6	3,293.4	Nil	Nil	(818.7)	Nil	(818.7)	Nil	99.3%
Lupin Foundation, India	28.06.2016	N.A.	INR	[Refer Note No. 12]	(0.9)	0.1	Nil	Nil	Nil	(0.1)	Nil	(0.1)	Nil	100%
Avenue Coral Springs LLC, USA	29.11.2021	N.A.	US \$ and Exchange Rate INR 83.41 for 1 US \$	[Refer Note No. 14]	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	100%
Southern Cross Pharma Pty Limited, Australia	03.02.2022	N.A.	AU \$ and Exchange Rate is INR 54.12 for 1 AU \$	[Refer Note Nos. 4 and 13]	1,520.5	2,242.6	722.1	Nil	2,191.2	525.4	159.7	365.7	Nil	100%
Lupin Digital Health Limited, India	21.05.2021	N.A.	INR	565.3	(8.5)	674.2	117.4	Nil	4.5	(441.3)	(6.9)	(434.4)	Nil	100%
Medisol S.A.S., France	01.09.2023	N.A.	Euro and Exchange Rate INR 89.7 for 1 Euro	5.3	1,351.2	1,438.7	82.2	Nil	370.8	(60.2)	13.5	(73.7)	Nil	100%
Lymed S.A.S., France	01.09.2023	N.A.	Euro and Exchange Rate INR 89.7 for 1 Euro	0.1	3.0	3.5	0.4	Nil	Nil	(0.4)	Nil	(0.4)	Nil	100%
Lupin Manufacturing Solutions Limited, India (formerly known as Lupin Atharv Ability Limited)	24.07.2023	N.A.	INR	95.0	7,332.2	9,085.8	1,658.6	1.0	1,210.2	(389.8)	270.0	(659.8)	Nil	100%
	17.07.2023	N.A.	INR	1.0	(0.1)	1.0	0.1	Nil	Nil	(0.1)	Nil	(0.1)	Nil	100%

Notes:

- 1) The shares in Lupin Pharmaceuticals, Inc., USA, are held by Lupin Inc., USA (97%) and Lupin Limited (3%).
- 2) The entire shareholdings of Pharma Dynamics Pty Limited, South Africa, Lupin Inc., USA, Hormosan Pharma GmbH, Germany, Generic Health Pty Limited, Australia, Lupin Mexico S.A. de C.V., Mexico, Lupin Philippines Inc., Philippines and Generic Health SDN. BHD., Malaysia, are held by Nanomi B.V., the Netherlands.
- 3) The entire shareholdings of Lupin Healthcare (UK) Limited, UK, Lupin Pharma Canada Limited, Canada, Laboratorios Grin S.A. de C.V., Mexico, Lupin Europe GmbH, Germany and Lymed S.A.S., France are held by Lupin Atlantis Holdings SA, Switzerland. The entire shareholding of Medisol S.A.S., France directly/indirectly is held by Lupin Atlantis Holdings SA, Switzerland through Lymed S.A.S.
- 4) The entire shareholding of Southern Cross Pharma Pty Limited, Australia is held by Generic Health Pty Limited, Australia. Bellwether Pharma Pty Limited, Australia, wholly owned by Generic Health Pty Limited, Australia was wound up on June 11, 2023.
- 5) Lupin Atlantis Holdings SA, Switzerland, holds 73.88% and Nanomi B.V., the Netherlands, holds 26.12% shares in Medquimica Industria Farmaceutica LTDA, Brazil.
- 6) The entire shareholdings of Novel Laboratories, Inc., USA, Lupin Research Inc., USA and Lupin Management, Inc., USA are held by Lupin Inc., USA.
- 7) Lupin Mexico S.A. de C.V., Mexico, Generic Health SDN. BHD., Malaysia, Lupin Biologics Limited, India, Avenue Coral Springs LLC, USA and Lupin Oncology Inc., USA have not yet commenced commercial operations.
- 8) Lupin Pharmaceuticals, Inc., USA, has Share Capital of US \$ 1 i.e. INR 62/-.

- 9) Novel Laboratories, Inc., USA, has Share Capital of US \$ 1 i.e. INR 67/-.
- 10) Lupin Research Inc., USA, has Share Capital of US \$ 1 i.e. INR 67/-.
- 11) Total liabilities in Lupin Biologics Limited, India, are INR 29,500/-.
- 12) Lupin Foundation, India has a corpus fund of INR 1.1 million.
- 13) Southern Cross Pharma Pty Limited, Australia, has Share Capital of AU \$ 100 i.e. INR 5,334/-.
- 14) The entire shareholding of Avenue Coral Springs LLC, USA is held by Lupin Research Inc., USA.
- 15) Figures in brackets denote negative amounts.

For and on behalf of the Board of Directors

Manju D. Gupta <i>Chairman</i>	Vinita Gupta <i>Chief Executive Officer</i>	Nilesh D. Gupta <i>Managing Director</i>	Ramesh Swaminathan <i>Executive Director, Global CFO & CRO and Head - Corporate Affairs</i>	R. V. Satam <i>Company Secretary</i>
(DIN: 00209461)	(DIN: 00058631)	(DIN: 01734642)	(DIN: 01833346)	(ACS-11973)

Mumbai, May 6, 2024

Part 'B': Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013, related to Jointly Controlled Entity

	(INR in million)
Name of the Jointly Controlled Entity	YL Biologics Limited, Japan
1) Latest Audited Balance Sheet Date	March 31, 2024
2) Date on which Jointly Controlled Entity was acquired	April 23, 2014
3) Shares of the Jointly Controlled Entity held by the Company on the year end *	
Number	450 Common Shares of JPY Nil
Amount of investment in the Jointly Controlled Entity	369.1
Extent of Holding %	45%
4) Description of how there is significant influence	N.A.
5) Reason why the Jointly Controlled Entity is not consolidated	N.A.
6) Networth attributable to Shareholding as per latest audited Balance Sheet	369.1
7) Profit/Loss for the year	
(i) Considered in Consolidation (after inter company adjustment)	-
(ii) Not Considered in Consolidation	-

* Shares are held by Lupin Atlantis Holdings SA, Switzerland, wholly owned subsidiary of the Company.

For and on behalf of the Board of Directors

Manju D. Gupta <i>Chairman</i>	Vinita Gupta <i>Chief Executive Officer</i>	Nilesh D. Gupta <i>Managing Director</i>	Ramesh Swaminathan <i>Executive Director, Global CFO & CRO and Head - Corporate Affairs</i>	R. V. Satam <i>Company Secretary</i>
(DIN: 00209461)	(DIN: 00058631)	(DIN: 01734642)	(DIN: 01833346)	(ACS-11973)

Mumbai, May 6, 2024

**ANNEXURE 'B' TO
THE DIRECTORS' REPORT****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ('CSR') ACTIVITIES PURSUANT TO RULE 8 OF THE COMPANIES
(CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014.****1. Brief outline on CSR policy of the Company:**

The CSR Policy aims at:

- Building and replicating sustainable, evolving and dynamic models of social, economic, infrastructure and natural resource development models of macro, micro and mini scales through CSR programme in partnership with government bodies and other stakeholders at national, regional, district, block and village level.
- Providing services and solutions to address social issues with highest social priority for the poor, marginalized and under-privileged in line with the business philosophy of providing affordable medicines for most prevalent diseases.
- Planning and executing programs that would benefit the communities in and around various work-sites, plants and other adopted areas with low HDI - scores in order to enhance the quality of life of the community in general and the poor in particular.
- Building, nurturing and reinforcing identity of the Company as a socially and ethically responsible corporate entity through its CSR initiatives for the benefit of diverse stakeholders in the society.
- Carrying out activities that would create increased happiness and empowerment of the stakeholders.
- Acting as a catalyst, integrating diverse resources to make things happen at the field level, through direct intervention and social investment, to address the immediate needs of the poor as well as long-term development concerns.
- Responding to natural and anthropogenic disasters, calamities at global and national levels as well as in the areas of operations to provide relief, reconstruction and rehabilitation support.
- Setting up deeper sustainable institutional projects for the long-term welfare of the nation.

2. Composition of the CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mrs. Manju D. Gupta	Chairman, Non-Executive Director	1	1
2.	Ms. Vinita Gupta	Member, Chief Executive Officer	1	1
3.	Mr. Nilesh D. Gupta	Member, Managing Director	1	1
4.	Mr. K. B. S. Anand	Member, Independent Director	1	1

3. Provide the web-links where composition of the CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

Composition of the CSR Committee, CSR Policy and CSR Projects have been hosted on the Company's website www.lupin.com and web links for the same are <https://www.lupin.com/investors/committees-of-the-board/>, <https://www.lupin.com/wp-content/uploads/2023/04/CSR-POLICY-2023.pdf> and <https://www.lupinfoundation.in/> respectively.

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

As none of the CSR projects undertaken by the Company had outlays of ₹ one crore or more, there was no need to undertake impact assessment study.

5. (a) Average net profit of the Company as per Section 135(5):

The average standalone net profit of the Company for the last three financial years calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 was ₹ 12,632.2 million.

(b) Two percent of the average net profit of the Company as per Section 135(5): ₹ 252.6 million.

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(d) Amount required to be set off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year (5b + 5c - 5d): ₹ 252.6 million

6. (a) Amount spent on CSR projects (both Ongoing Project and other than Ongoing Project): ₹ 244.8 million

(b) Amount spent on Administrative Overheads: ₹ 11.2 million

(c) Amount spent on Impact Assessment, if applicable: Nil

(d) Total amount spent for the financial year (6a+6b+6c): ₹ 256.0 million

(e) CSR amount spent or unspent for the financial year:

Amount Unspent (₹)

Total amount spent during the Financial Year	Total amount transferred to unspent CSR account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 256.0 million	Nil	N.A.	N.A.	Nil	N.A.

(f) Excess amount for set off, if any:

Sl. No.	Particular	Amount (₹ million)
i.	Two percent of average net profit of the Company as per Section 135(5)	252.6
ii.	Total amount spent for the financial year	256.0
iii.	Excess amount spent for the financial year [(ii)-(i)]*	3.4
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	3.4

*Prepaid expenses of ₹ 3.4 million is accounted in Company's accounts.

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year(s) (FY 2020-21, FY 2021-22 and FY 2022-23)	Amount transferred to Unspent CSR account under Section 135 (6) (₹)	Balance Amount in Unspent CSR Account under Section 135(6) (₹)	Amount spent in the reporting Financial Year (₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding financial years (₹)	Deficiency, if any
					Amount (₹)	Date of transfer		
N.A.								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/acquired: N.A.

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

1.	2.	3.	4.	5.	6.		
Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR spent	Details of entity/Authority/beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
N.A.							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5): N.A.

For and on behalf of the Board of Directors

Manju D. Gupta
Chairman
(DIN: 00209461)

Nilesh D. Gupta
Managing Director
(DIN: 01734642)

Mumbai, May 6, 2024

**ANNEXURE 'C' TO
THE DIRECTORS' REPORT****FORM NO. AOC – 2**

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

- All contracts/arrangements/transactions entered into by the Company with related parties during the year ended March 31, 2024, were at arm's length basis.
- Details of material contracts or arrangement or transactions (i.e. exceeding ten percent of the annual consolidated turnover as per the last audited financial statements) at arm's length basis: -

Name of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts/arrangements/transactions including the value	Dates of approval by the Audit Committee/Board	Amount paid as advances
Lupin Pharmaceuticals, Inc., USA (wholly owned subsidiary)	Sale of Goods	Continuous	Based on Transfer Pricing Guidelines – ₹ 26,590.1 million	August 2, 2023/ August 3 2023; November 8, 2023/ November 8, 2023; February 7, 2024/ February 7, 2024; and May 6, 2024/ May 6, 2024.	Nil

For and on behalf of the Board of Directors

Manju D. Gupta
Chairman
(DIN: 00209461)

Mumbai, May 6, 2024

**ANNEXURE 'D' TO
THE DIRECTORS' REPORT**

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to the provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

(A) Conservation of energy:

(i) steps taken or impact on conservation of energy;

- (a) Installed ATCS for heat pumps.
- (b) Installed EC fans in AHU units.
- (c) Installed screw press sludge dryer.
- (d) Replaced chilled water system from primary to secondary.
- (e) Installed IFC in compressed air network.
- (f) Installed electronically commuted drive for continuous running AHUs.
- (g) Installed Briquette boiler.
- (h) Replaced conventional blowers with energy efficient ones.
- (i) Installed centrifugal pumps along with Variable Frequency Drive ('VFD').
- (j) Installed VFD for cooling tower pumps, chilled water and heat pumps.
- (k) Installed automatic tube cleaning system.
- (l) Optimised steam generation and distribution system by using blowdown heat recovery system.
- (m) Installed continuous flow reactors.
- (n) Installed efficient LED lights.
- (o) Installed steam operated pumping traps.
- (p) Installed efficient heat pumps.

(ii) steps taken for utilising alternate sources of energy;

- (a) Installed Briquette boiler.
- (b) Installed solar roof-top.
- (c) Installed biomass boiler.
- (d) Commissioned agro boiler, which uses agro fuel for steam generation.
- (e) Open access purchased for renewable wind power energy.

(iii) capital investment on energy conservation equipments: - ₹ 217 million.

(B) Technology absorption:

(i) efforts made towards technology absorption;

Particulars are given in the Management Discussion and Analysis which forms part of the Integrated Report.

(ii) benefits derived like product improvement, cost reduction, product development or import substitution;

Particulars are given in the Management Discussion and Analysis which forms part of the Integrated Report.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year);

(a) details of technology imported;

No specific technology was imported during FY 2023-24. The Company developed technology through efforts of its in-house Research & Development.

(b) year of import;

N.A.

(c) whether the technology been fully absorbed;

N.A.

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons, therefore.

N.A.

(iv) expenditure incurred on Research & Development (Consolidated);

(a) Capital	₹ 598.1 million
(b) Recurring (excluding depreciation of ₹ 1025.0 million)	₹ 14,239.2 million
Total:	₹ 14,837.3 million

(C) Foreign exchange earnings and outgo:**Foreign exchange earned in terms of actual inflows and foreign exchange outgo in terms of actual outflows during the year: -**

Foreign Exchange earned in terms of actual inflows	₹ 74,341.1 million
Foreign Exchange outgo in terms of actual outflows	₹ 22,942.6 million

For and on behalf of the Board of Directors**Manju D. Gupta****Chairman**

(DIN: 00209461)

Mumbai, May 6, 2024

**ANNEXURE 'E' TO
THE DIRECTORS' REPORT**

Disclosure envisaged in terms of Regulation 14(B) of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI SBEBSE Regulations), details of diluted EPS on issue of shares pursuant to all the schemes as on March 31, 2024, were as under: -

DESCRIPTION	DETAILS
Diluted earnings per share (EPS) (Consolidated) on issue of shares pursuant to all the schemes covered under the Regulations, calculated in accordance with Accounting Standard IND (AS) 33 'Earnings per share'.	Diluted earnings per share (consolidated) as on 31.03.2024: ₹ 41.87
	No. of Options outstanding as on 31.03.2024: 2350054 Shares

DETAILS OF STOCK OPTIONS AS ON MARCH 31, 2024

The disclosure envisaged in terms of Regulation 14(C) of SEBI SBEBSE Regulations, particulars of Employee Stock Option Scheme (ESOS) as on March 31, 2024, were as under: -

(i) Description of each ESOS existed during 01.04.2023 and 31.03.2024:

Sr. No.	Name of the Plan	Date of shareholders' approval	Total no. of options approved	Vesting Requirements	Exercise price or pricing formula	Maximum term of options granted	Source of shares	Variation In terms of options
1.	Lupin Employees Stock Option Plan 2003 (ESOP 2003)	05.12.2003	3957310	Options being vested in phased manner after completion of minimum one year from the date of grant	Exercise Price is the market price or such other price as determined by the Nomination and Remuneration Committee	10 years from the date of grant	Primary	No Variation
2.	Lupin Employees Stock Option Plan 2005 (ESOP 2005)	28.07.2005	3211290	Options being vested in phased manner after completion of minimum one year from the date of grant	Exercise Price is the market price or such other price as determined by the Nomination and Remuneration Committee	10 years from the date of grant	Primary	No Variation
3.	Lupin Employees Stock Option Plan 2011 (ESOP 2011)	10.05.2011	3600000	Options being vested in phased manner after completion of minimum one year from the date of grant	Exercise Price is the market price or such other price as determined by the Nomination and Remuneration Committee	10 years from the date of grant	Primary	No Variation
4.	Lupin Employees Stock Option Plan 2014 (ESOP 2014)	21.10.2014 & 07.08.2019	2975000	Options being vested in phased manner after completion of minimum one year from the date of grant	Exercise Price is the face value or such other price as determined by the Nomination and Remuneration Committee	10 years from the date of grant	Primary	No Variation
5.	Lupin Subsidiary Companies Employees Stock Option Plan 2005 (SESOP 2005)	28.07.2005	802820	Options being vested in phased manner after completion of minimum one year from the date of grant	Exercise Price is the market price or such other price as determined by the Nomination and Remuneration Committee	10 years from the date of grant	Primary	No Variation
6.	Lupin Subsidiary Companies Employees Stock Option Plan 2011 (SESOP 2011)	10.05.2011	900000	Options being vested in phased manner after completion of minimum one year from the date of grant	Exercise Price is the face value or such other price as determined by the Nomination and Remuneration Committee	10 years from the date of grant	Primary	No Variation
7.	Lupin Subsidiary Companies Employees Stock Option Plan 2014 (SESOP 2014)	21.10.2014 & 07.08.2019	1525000	Options being vested in phased manner after completion of minimum one year from the date of grant	Exercise Price is the face value or such other price as determined by the Nomination and Remuneration Committee	10 years from the date of grant	Primary	No Variation

Note: One option is convertible into one equity share of the face value of ₹ 2/- each.

No.	Description	Details
(ii)	Method used to account for ESOS	Fair value method
(iii)	Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	Not applicable

(iv) Option movements during the year for each ESOS:

No.	Particulars	Details	
1.	Number of options outstanding at the beginning of the period	Plan	No. of options
		ESOP 2003	78705
		ESOP 2005	8350
		ESOP 2011	745749
		ESOP 2014	791828
		SESOP 2011	469729
		SESOP 2014	1167970
		Total	3262331
2.	Number of Options granted during the year	Plan	No. of options
		ESOP 2011	100000
		SESOP 2011	17545
		SESOP 2014	165872
		Total	283417
3.	Number of options forfeited/lapsed during the year	Lapsed on account of resignation of employees:	
		Plan	No. of options
		ESOP 2003	5590
		ESOP 2005	750
		ESOP 2011	233198
		ESOP 2014	17280
		SESOP 2011	63357
		SESOP 2014	177946
		Total	498121
4.	Number of options vested during the year	Plan	No. of options
		ESOP 2011	57891
		ESOP 2014	216875
		SESOP 2011	59800
		SESOP 2014	194644
		Total	529210
5.	Number of options exercised during the year	Plan	No. of options
		ESOP 2003	11376
		ESOP 2005	650
		ESOP 2011	162280
		ESOP 2014	263495
		SESOP 2011	62344
		SESOP 2014	197428
		Total	697573
6.	Number of shares arising as a result of exercise of options	Plan	No. of options
		ESOP 2003	11376
		ESOP 2005	650
		ESOP 2011	162280
		ESOP 2014	263495
		SESOP 2011	62344
		SESOP 2014	197428
		Total	697573
7.	Money realised by exercise of options (INR), if scheme is implemented directly by the company	Plan	Amount (₹)
		ESOP 2003	13250764.80
		ESOP 2005	757120.00
		ESOP 2011	118885991.35
		ESOP 2014	526990.00
		SESOP 2011	10802130.30
		SESOP 2014	394856.00
		Total	144617852.45
8.	Loan repaid by the Trust during the year from exercise price received	Not Applicable	

No. Particulars	Details	
9. Number of options outstanding at the end of the year	Plan	No. of options
	ESOP 2003	61739
	ESOP 2005	6950
	ESOP 2011	450271
	ESOP 2014	511053
	SESOP 2011	361573
	SESOP 2014	958468
	Total	2350054
10. Number of options exercisable at the end of the year	Plan	No. of options
	ESOP 2003	61739
	ESOP 2005	6950
	ESOP 2011	227435
	ESOP 2014	366806
	SESOP 2011	238349
	SESOP 2014	364289
	Total	1265568

(v) Weighted average exercise prices and weighted average fair values of options

Weighted average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	(i) Weighted average exercise price of options granted during the year whose: -	
	a. Exercise price equals market price:	N.A.
	b. Exercise price is greater than market price:	N.A.
	c. Exercise price is less than the market price:	2.00
	(ii) Weighted average fair value of options granted during the year whose: -	
	a. Exercise price equals market price:	N.A.
b. Exercise price is greater than market price:	N.A.	
c. Exercise price is less than the market price:	1,173.03	

(vi) Employee-wise details of options granted to:

a. Senior Managerial Personnel (Chairman, Vice Chairman, CEO and Managing Director)	Nil
b. Employees to whom options granted amounting to 5% or more, of the total options granted during the year.	i) Mr. Ramesh Swaminathan was granted 10000 options under ESOP 2011 at an exercise price of ₹ 2.00.
	ii) Dr. Rajender Kamboj was granted 15000 options under ESOP 2011 at an exercise price of ₹ 2.00.
	iii) Mr. Naresh Kumar Gupta was granted 10000 options under ESOP 2011 at an exercise price of ₹ 2.00.
	iv) Mr. Rajeev Sibal was granted 15000 options under ESOP 2011 at an exercise price of ₹ 2.00.
	v) Dr. Cyrus Karkaria was granted 15000 options under ESOP 2011 at an exercise price of ₹ 2.00.
	vi) Mr. Sunil Makharia was granted 10000 options under ESOP 2011 at an exercise price of ₹ 2.00.
	vii) Mr. Yashwant Mahadik was granted 10000 options under ESOP 2011 at an exercise price of ₹ 2.00.
	viii) Mr. Rajendra Baburao Chunodkar was granted 15000 options under ESOP 2011 at an exercise price of ₹ 2.00.
	ix) Mr. Thierry Volle was granted 15000 options under SESOP 2011 at an exercise price of ₹ 2.00.
	x) Mr. Shahin Fesharaki was granted 84918 options under SESOP 2014 at an exercise price of ₹ 2.00.
	xi) Dr. Sofia Mumtaz was granted 15000 options under SESOP 2014 at an exercise price of ₹ 2.00.
	xii) Dr. Fabrice Egros was granted 10000 options under SESOP 2014 at an exercise price of ₹ 2.00.
	xiii) Mr. Johnny Mikell was granted 10000 options under SESOP 2014 at an exercise price of ₹ 2.00.
	xiv) Mr. Spiro T. Gavaris was granted 23777 options under SESOP 2014 at an exercise price of ₹ 2.00.
c. Employees to whom options equal to or exceeding 1% of the issued capital have been granted during the year.	Nil

(vii) Description of the method and significant assumptions used during the year to estimate the fair value of the options, including the following information:

- Fair value calculated by using Black-Scholes option pricing model.
- Share price: The closing price on NSE as on the date of grant has been considered for valuing the options granted.
- Exercise Price: Exercise Price is the price payable by the employee for exercising the ESOP granted in pursuance of the terms of the Plan.
- Expected Volatility: The historical volatility of the stock till the date of grant has been considered to calculate the fair value of the options.
- Expected Option Life: Expected Life of option is the period for which the Company expects the options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.
- Expected dividends: Expected dividend yield has been calculated as an average of dividend yields for five to six years preceding the date of the grant.
- Risk-free interest rate: The risk-free interest rate on the date of grant considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

Variables	Weighted Average Information					
	1	2	3	4	5	6
Plan	SESOP 2014	SESOP 2011	SESOP 2014	ESOP 2011	SESOP 2011	SESOP 2014
Grant date	04.05.2023	28.07.2023	28.07.2023	12.12.2023	12.12.2023	12.12.2023
Risk free rate (%)	6.60	6.80	6.70	6.90	6.90	6.90
Expected life (years)	2.60	6.25	2.60	6.25	6.25	2.60
Volatility (%)	29.85	30.83	29.48	30.38	30.38	28.13
Dividend yield (%)	0.60	0.60	0.60	0.60	0.60	0.60
Stock price (NSE closing rate) ₹	709.90	974.00	974.00	1240.20	1240.20	1240.20
Option Fair Value ₹	697.80	938.13	957.93	1193.28	1193.28	1219.45

DETAILS OF STOCK APPRECIATION RIGHTS AS ON MARCH 31, 2024

The disclosure envisaged in terms of Regulation 14(E) of SEBI SBEBSE Regulations: -

- (i) A description of each SAR Scheme existed during 01.04.2023 and 31.03.2024:** No Scheme existed.

DETAILS RELATED TO TRUST AS ON MARCH 31, 2024

The disclosure envisaged in terms of Regulation 14(G) of SEBI SBEBSE Regulations: -

- (i) General information of all schemes:** No Scheme Existed.
- (ii) Brief details of transactions in shares by the Trust:** Not Applicable.
- (iii) In case of secondary acquisition of shares by the Trust:** Not Applicable

For and on behalf of the Board of Directors

Manju D. Gupta
Chairman
(DIN: 00209461)

Mumbai, May 6, 2024

**ANNEXURE 'F' TO
THE DIRECTORS' REPORT**

**STATEMENT OF PARTICULARS AS PER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF
MANAGERIAL PERSONNEL) RULES, 2014.**

Sl. No.	Name of the Director/Key Managerial Personnel and Designation	% increase in the remuneration for the year ended March 31, 2024	Ratio of the remuneration of each Director to the median remuneration of the employees
1.	Mrs. Manju D. Gupta, <i>Chairman</i>	511.7%	17
2.	Ms. Vinita Gupta, <i>Chief Executive Officer</i>	115.7%	441
3.	Mr. Nilesh D. Gupta, <i>Managing Director</i>	93%	179
4.	Mr. Ramesh Swaminathan, <i>Executive Director, Global CFO & CRO and Head - Corporate Affairs</i>	5.6%	153
5.	Mr. Jean-Luc Belingard, <i>Independent Director</i>	1012.4%	29
6.	Mr. K. B. S. Anand, <i>Independent Director</i>	893%	29
7.	Dr. Punita Kumar-Sinha, <i>Independent Director</i>	846.8%	29
8.	Mr. Mark D. McDade, <i>Independent Director</i>	970.5%	29
9.	Mr. R. V. Satam, <i>Company Secretary</i>	19.4%	N.A.

- i) The median remuneration of employees of the Company for the year ended March 31, 2024 was ₹ 0.53 million.
- ii) During the year ended March 31, 2024, there was a decrease of 1.09% in the median remuneration of employees.
- iii) During the year ended March 31, 2024, there was an average increase of 10.96% in the salaries of employees other than managerial personnel.
- iv) As on March 31, 2024, the Company had 18256 permanent employees.
- v) During FY23, Ms. Vinita Gupta and Mr. Nilesh D. Gupta were paid 50% of the remuneration approved by shareholders. Thus, their FY24 remuneration are not comparable with the previous year's numbers.
- vi) Ms. Vinita Gupta is an employee of Lupin Management, Inc., USA, wholly owned subsidiary of the Company.
- vii) In FY24, Non-Executive/Independent Directors were paid higher commission in line with the profits of the Company.
- viii) We affirm that payment of remuneration is as per the Remuneration policy of the Company.

For and on behalf of the Board of Directors

Manju D. Gupta
Chairman
(DIN: 00209461)

Mumbai, May 6, 2024

**ANNEXURE 'G' TO
THE DIRECTORS' REPORT****FORM NO. MR.3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

[Pursuant to the provisions of Section 204(1) of the Companies Act, 2013, Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015].

To,
The Members,
Lupin Limited

I have conducted Secretarial Audit of the compliance with applicable statutory provisions and adherence to good corporate practices by Lupin Limited (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minutes books, forms and returns filed and other records maintained by the Company as also information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has during the audit period covering the year ended March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the year ended March 31, 2024, according to the provisions of: -

1. The Companies Act, 2013, amendments thereto and Rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
3. The Depositories Act, 1996 and Regulations and Byelaws framed thereunder;
4. Foreign Exchange Management Act, 1999 and Rules and Regulations made thereunder to the extent of Foreign Direct Investment, as amended from time to time;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992: -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time;
 - b. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time; and
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

I have also examined compliance with the applicable clauses of the following: -

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

To the best of my understanding, I am of the view that during the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

Having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following laws applicable specifically to the Company: -

- a. Drugs and Cosmetics Act, 1940 and Drugs and Cosmetics Rules, 1945, as amended from time to time;
- b. Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954, as amended from time to time; and
- c. Drugs (Price Control) Order, 2013, as amended from time to time.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in composition of the Board of Directors of the Company during the year under review.

Adequate notice is given to all the Directors for attending the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except in case of agenda having price-sensitive information and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

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

I further report that during the financial year: -

The Company has issued and allotted 697573 equity shares aggregating ₹ 1,395,146 to eligible employees of the Company and its subsidiaries on exercising options under various stock option plans.

This Report is to be read with my letter of even date which is enclosed as Annexure 1 and forms integral part of this Report.

Neena J Bhatia

(Company Secretary)

FCS No: 9492

CP. No.: 2661

Place: Mumbai

Date: May 6, 2024

UDIN: F009492F000311629

Peer reviewed no: 1012/2020

ANNEXURE 'G'- 1**(TO THE SECRETARIAL AUDIT REPORT OF LUPIN LIMITED FOR YEAR ENDED MARCH 31, 2024).**

To,
The Members,
Lupin Limited

My Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on the secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Neena J Bhatia
(Company Secretary)

FCS No: 9492

CP. No.: 2661

Place: Mumbai

Date: May 6, 2024

UDIN: F009492F000311629

Peer reviewed no: 1012/2020