Standalone Financial Statements

Independent Auditor's Report

To the Members of Lupin Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Lupin Limited (the "Company") and its employee welfare trust, which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters:

The key audit matter	How the matter was addressed in our audit
1. Revenue Recognition: Refer note I B(k) of significant accounting policies and note 37 in standalone financial statements.	
Revenue from the sale of pharmaceutical products is recognized when control over goods is transferred to a customer. The actual point in time when revenue is recognised varies depending on the specific terms and conditions of the sales contracts entered into with customers. The Company has a large number of customers operating in various geographies and sales contracts with customers have distinct terms relating to the recognition of revenue, the right of return and price adjustments. We identified the recognition of revenue from sale of products as a key audit matter considering: • Revenue is a key performance indicator for the Company. Accordingly, there could be pressure to meet the expectations of investors/other stakeholders and/or to meet revenue targets stipulated in performance incentive schemes for a reporting period. We have considered that there is a risk of fraud related to revenue being overstated by recognition in the wrong period or before control has passed during the year and at period end.	To obtain sufficient and appropriate audit evidence, our principal audit procedures included, amongst others, the following: - Compared the accounting policies in respect of revenue recognition with applicable accounting standards to test for compliance; - Tested the design, implementation and operating effectiveness of the Company's internal controls including general IT controls and key IT application controls over recognition of revenue; - Performed substantive testing of selected samples of revenue transactions recorded during the year; - For a sample of year-end sales, verified contractual terms of sales invoices/contracts, shipping documents and acknowledged delivery receipts for those transactions including management assessment and quantification of any sales reversal for undelivered goods; and - Tested any unusual non-standard manual journal entries impacting revenue recognised during the year.

The key audit matter	How the matter was addressed in our audit
2. Uncertain tax positions (UTPs): Refer note I B(i) & (o) of significant accounting policies and notes 34 & 44 in standalone financial statements.	
The Company is subject to complexities arising from various tax positions on deductibility of expenses as well as allowability of tax incentives/exemptions. These are subject to periodic challenges by local tax authorities leading to protracted litigations. There are a number of open tax matters under litigation with tax authorities over a number of years. The range of possible outcomes for provisions and contingencies can be wide. Judgement is required to estimate the tax exposures and contingencies. Provision for current tax, assessment/judgment of UTPs has been identified as a key audit matter due to the inherent complexity in the underlying tax laws and the extent of judgement involved in developing these estimates.	To obtain sufficient and appropriate audit evidence, our principal audit procedures included, amongst others, the following: - Tested the design and operating effectiveness of the management review control over ascertaining completeness and adequacy of provision/disclosures of UTPs; - Evaluated the adequacy of related provisions in consultation with tax specialists by considering changes to business and tax legislation; - Made relevant enquires and read correspondence with authorities where relevant; - Verified the calculation for current tax provision. Analyzed the rationale for any release, increase or continued provision during the year; and - Examined Management's judgments with respect to probability of outflow arising from outstanding litigations after considering the status of recent tax assessments, audits and enquiries, recent judicial pronouncements and judgments in similar matters. Also considered developments in the tax environment and outcome of past litigations.
3. Contingencies and Litigations Refer note I B(o) of significant accounting policies and note 34 in standalone financial statements.	
The preparation of the estimate of the provision for outstanding litigation, claims and assessments involves subjective judgments or uncertainties , which requires special audit consideration because of the likelihood and potential magnitude of misstatements of the provision, claims and assessments. These litigations are inherent to the business of the Company. Based on Company's assessment of the possible outcome of these litigations, the same has been recognized as liability or disclosed as contingent Liability.	We assessed the appropriateness of the provisions for litigations and claims and obtained sufficient and appropriate audit evidence. Our principal audit procedures included the following: - Tested the design and operating effectiveness of the Company's controls over assessment of contingencies, claims and litigations; - We have assessed the summary of litigation matters provided by management and held discussions with the Company's legal counsel where required for gaining an understanding of the outstanding matters; - Verified management's judgments with respect to probability of outflow arising out of litigation after considering the status of litigation, recent judicial pronouncements and judgments in similar matters etc; - We have obtained and substantively tested evidence to support the decisions and rationale for provisions held or the decisions not to record provisions, including correspondence with legal counsel and with relevant regulatory authorities; - We have assessed the assumptions against third party data (legal opinions), where available, and assessed the estimates against historical trends; and - Evaluated adequacy of disclosures given in the standalone financial statements.

Other Information

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

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

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

Management's and Board of Directors'/Board of Trustees' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies/ Board of Trustees of the employee welfare trust ("Trust") are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company/trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The respective Board of Directors/Board of Trustees are also responsible for overseeing the financial reporting process of each company/trust.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions

that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

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

2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of such employee welfare trust as were audited by other auditors, we report, to the extent applicable, that:

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

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

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

e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

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

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the employee welfare trust:

a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 34 to the standalone financial statements.

b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 52 to the standalone financial statements.

c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in note 57(M) to the standalone accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in note 57(M) to the standalone accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material misstatement.

e) The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such employee welfare trust, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us

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

Venkataramanan Vishwanath
Partner
Membership No. 113156
UDIN: 22113156AJEQCH2251

Place: Mumbai
Date: 18 May 2022

Annexure – A to the Independent Auditor's Report on Standalone Financial Statements - 31 March 2022

(Referred to our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this program, a portion of the property, plant and equipment has been physically verified by the management during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and based on our examination of the records of the Company, the title deeds of immovable properties of land and building which are freehold, as disclosed in Note 2 to the standalone financial statements, are held in the name of the Company, except for the following which are not held in the name of the Company:

(₹ in million)

Description of property	Gross carrying value (as at 31 March 2022)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold land located in Maharashtra admeasuring 7 Hectare and 70.91 Acre	29.6	Lupin Laboratories Limited	No	Since 2001	The title deeds are in the name of the erstwhile Company that was amalgamated with the Company pursuant to the Scheme of amalgamation sanctioned by the Hon'ble Bombay High Court order dated 13 June 2001
Freehold building located in Maharashtra admeasuring 8038 sq. ft.	133.9	Lupin Laboratories Limited	No	Since 2001	The title deeds are in the name of erstwhile Company that was amalgamated with the Company pursuant to the Scheme of amalgamation sanctioned by the Hon'ble Bombay High Court order dated 13 June 2001

In respect of immovable properties of land and buildings that have been taken on lease and disclosed in Note 2 to the standalone financial statements, the lease agreements are in the name of the Company, except the following:

(₹ in million)

Description of property	Gross carrying value (as at 31 March 2022)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Leasehold building located in Delhi admeasuring 1628 sq.ft	2.8	Lupin Laboratories Limited	No	Since 2001	The lease is in the name of erstwhile Company that was amalgamated with the Company pursuant to the Scheme of amalgamation sanctioned by the Hon'ble Bombay High Court order dated 13 June 2001

In respect of immovable properties of land and buildings which are disclosed as Plant Property and Equipment in the standalone financial statements, the original documents for the following assets are not available for verification.

(₹ in million)

Particulars of the land and building	Gross Block (as at 31 March 2022)
Building located in Maharashtra	7.5
Land located in Uttarakhand	0.3

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods in transit and inventories lying with third parties, has been physically verified by the Management during the year. Inventories lying with third parties have been substantially confirmed by them as at the year-end and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any security to companies, firms, limited liability partnership or any other parties during the year. The company has not made any investments in or provided any guarantees to firms, LLP's or other parties and has not granted any loans to companies, firms or LLP. The Company has made investments in and provided guarantee to companies, and granted loans to other parties in respect of which the requisite information is as below:

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans and stood guarantee as below:

(₹ in million)

Particulars	Loans	Guarantees
Aggregate amount during the year		
- Subsidiaries	-	1,744.3
- Joint ventures	-	-
- Associates	-	-
- Others	32.5	-
Balance outstanding as at balance sheet date		
- Subsidiaries	-	37,087.7
- Joint ventures	-	-
- Associates	-	-
- Others	24.8	-

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment

(iv) According to the information and explanation given to us and on the basis of our examination of records of the Company, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") in respect of the investments made and guarantees provided, as applicable. The Company has not granted any loans or provided any security to the parties covered under Section 185 and 186 of the Act.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by Central Government for maintenance of cost records under Section 148 (1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' state insurance, Income tax, duty of Customs, Goods and Service tax, Cess and other statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' state insurance, Income tax, duty of Customs, Goods and Service tax, Cess, Sales tax, Value added tax, Service tax and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of Provident fund, Employees' state insurance, Income tax, Sales tax, Value added tax, Service tax, duty of Customs, Goods and Service tax, duty of Excise and Cess which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned in Annexure I to this report.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies as defined under the Act.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company.

Annexure – I to the Independent Auditor’s Report – 31 March 2022

Accordingly, clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the [standalone] financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a)/(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company is in the process of transferring the unspent amount of Rs. 64 million for the year ended 31 March 2021 to a Special Account as per section 135(6) of the said Act.

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

Venkataramanan Vishwanath
Partner
Membership No. 113156
UDIN: 22113156AJEQCH2251

Place: Mumbai
Date: 18 May 2022

Amounts of dues of Income tax, sales tax, Value added tax, Service tax, duty of Customs, duty of Excise which have not been deposited with the appropriate authorities on account of any dispute.

(₹ in million)

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which amount relates	Amount demanded	Amount deposited under protest	Amount unpaid
Income tax Act, 1961	Income tax	Commissioner of Income tax (Appeals)	2005 - 07, 2013 - 16	1,252.4	-	72.1
		Income Tax Appellate Tribunal (ITAT) [including ₹ 370.1 million consequent to department preferring appeals against the orders of the Appellate Authority passed in favour of the company]	2008 - 12	1,038.7	-	340.4
		High Court [consequent to department preferring appeal against the order of the Appellate Authority passed in favour of the company]	1993 - 94, 2013 - 14	29.7	-	29.7
Central Excise Act, 1944	Excise duty De-bonding matters	Customs, Excise, and Service Tax Appellate Tribunal (CESTAT)	2010 & 2012	418.1	371.1	47.0
	Service Tax Matters		2005-08	47.9	-	47.9
	Excise Duty		2015 - 18	54.2	-	54.2
CGST Act, 2017	Goods and Service Tax	Goods and Service Tax Appellate Tribunal (GSTAT)	2017-18	437.0	-	437.0
		Commissioner of Goods and Service Tax (Appeal)	2017	0.6	-	0.6

(₹ in million)

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which amount relates	Amount demanded	Amount deposited under protest	Amount unpaid
Central and various States' Sales Tax Acts and various States' Value Added Tax Acts	Sales tax and Value added tax	Sales Tax Tribunal	2000 - 01 2003 - 06 2009 - 10 2010 - 11 2017 - 18	32.5	5.84	26.7
		Supreme Court	2000 - 01	0.5	-	0.5
		High Court	2002 - 03 2004 - 05	11.6	6.3	5.3
		Commissioner of Sales Tax (Appeal)	2001 - 03 2004 - 05 2014 - 15	1.6	0.1	1.5
		Joint Commissioner	2001 - 04 2005 - 06 2013 - 14	12.0	7.4	4.5
		Deputy Commissioner	1994 - 95 2015 - 16	0.2	-	0.2
		Additional Commissioner	1994 - 95 2010 - 11 2015 - 16 2016 - 17 2017 - 18	14.5	3.5	11.0
		Assistant Commissioner	2003 - 04	0.3	-	-
Foreign Trade (Development & Regulations) Act, 1992	Customs duty	Additional Director General of Foreign Trade	2010-2011	0.5	-	0.5

Annexure – B to the Independent Auditor's report on the standalone financial statements of Lupin Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to financial statements of Lupin Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

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

Venkataramanan Vishwanath
Partner
Membership No. 113156
UDIN: 22113156AJEQCH2251

Place: Mumbai
Date: 18 May 2022

Balance Sheet

as at March 31, 2022

(₹ in million)

	Note	As at 31.03.2022	As at 31.03.2021
ASSETS			
Non-Current Assets			
a. Property, Plant and Equipment	2	36,175.5	35,561.7
b. Capital Work-in-Progress	57	7,737.4	7,958.3
c. Intangible Assets	3	726.3	826.6
d. Intangible Assets Under Development	57	1,737.0	1,550.3
e. Financial Assets			
(i) Non-Current Investments			
- In Subsidiaries	4	86,464.6	71,996.2
- In Others	4	422.3	419.7
(ii) Non-Current Loans	5	2.1	0.9
(iii) Other Non-Current Financial Assets	6	730.1	668.3
f. Non-Current Tax Assets (Net)		3,659.9	2,691.3
g. Other Non-Current Assets	7	1,100.3	738.6
		138,755.5	122,411.9
Current Assets			
a. Inventories	8	31,771.4	27,081.9
b. Financial Assets			
(i) Current Investments	9	8,224.0	23,209.9
(ii) Trade Receivables	10	27,220.1	31,905.4
(iii) Cash and Cash Equivalents	11	591.0	1,774.1
(iv) Other Bank Balances	12	54.6	1,066.0
(v) Current Loans	13	22.7	12.5
(vi) Other Current Financial Assets	14	5,985.2	4,425.4
c. Other Current Assets	15	10,509.2	6,698.5
		84,378.2	96,173.7
TOTAL		**223,133.7**	**218,585.6**
EQUITY AND LIABILITIES			
Equity			
a. Equity Share Capital	16	909.0	907.4
b. Other Equity		180,592.9	184,748.3
		181,501.9	185,655.7
Liabilities			
Non-Current Liabilities			
a. Financial Liabilities			
(i) Non-Current Borrowings	17	-	1.5
(ii) Lease Liabilities	40	1,002.8	1,320.3
(iii) Other Non-Current Financial Liabilities	18	61.8	39.6
b. Non-Current Provisions	19	3,062.9	3,079.6
c. Deferred Tax Liabilities (Net)	44	1,867.5	2,173.2
d. Other Non-Current Liabilities	20	257.7	457.4
		6,252.7	7,071.6
Current Liabilities			
a. Financial Liabilities			
(i) Current Borrowings	21	7,904.7	2,989.5
(ii) Lease Liabilities	40	601.0	543.3
(iii) Trade Payables			
- Total outstanding dues of Micro Enterprises and Small Enterprises	22	847.9	912.3
- Total outstanding dues of other than Micro Enterprises and Small Enterprises	22	12,667.4	11,051.6
(iv) Other Current Financial Liabilities	23	2,484.0	2,420.1
b. Other Current Liabilities	24	2,871.6	2,549.8
c. Current Provisions	25	4,568.4	4,354.0
d. Current Tax Liabilities (Net)		3,434.1	1,037.7
		35,379.1	25,858.3
TOTAL		**223,133.7**	**218,585.6**
See accompanying notes forming part of the standalone financial statements			

In terms of our report attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W - 100022

Venkataramanan Vishwanath
Partner
Membership No. 113156

For and on behalf of **Board of Directors of Lupin Limited**

Manju D. Gupta
Chairman
DIN: 00209461

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh D. Gupta
Managing Director
DIN: 01734642

Ramesh Swaminathan
Executive Director, Global CFO & Head Corporate Affairs
DIN: 01833346

R. V. Satam
Company Secretary
ACS - 11973

Place: Mumbai
Dated: May 18, 2022

Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in million)

	Note	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
INCOME:			
Revenue from Operations	26	117,716.7	110,559.3
Other Income	27	1,504.2	1,290.9
Total Income		**119,220.9**	**111,850.2**
EXPENSES:			
Cost of Materials Consumed	28	28,169.0	27,412.2
Purchases of Stock-in-Trade		18,927.4	15,229.5
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade [(Increase)/Decrease]	29	(2,423.8)	(818.6)
Employee Benefits Expense	30	19,181.6	16,958.6
Finance Costs	31	734.7	406.2
Depreciation, Amortisation and Impairment Expense	2 & 3	5,141.9	5,028.3
Other Expenses	32	32,987.3	30,412.0
Net (gain)/loss on Foreign Currency Transactions		(665.7)	925.0
Business Compensation Expense	48	18,783.8	-
Total Expenses		**120,836.2**	**95,553.2**
Profit/(Loss) before Tax		**(1,615.3)**	**16,297.0**
Tax Expense	44		
- Current Tax (Net)		578.0	3,628.5
- Deferred Tax (Net)		(306.3)	82.3
Total Tax Expense		**271.7**	**3,710.8**
Profit/(Loss) for the year		**(1,887.0)**	**12,586.2**
Other Comprehensive Income/(Loss)			
(A) (i) Items that will not be reclassified subsequently to profit or loss:			
- Remeasurements of Defined Benefit Liability		37.2	(121.3)
(ii) Income tax relating to items that will not be reclassified to profit or loss:	44	(13.0)	42.4
(B) (i) Items that will be reclassified subsequently to profit or loss:			
- The effective portion of gain & losses on hedging instruments in a cash flow hedge		(26.3)	729.7
(ii) Income tax relating to items that will be reclassified to profit or loss:	44	12.4	(203.9)
Other Comprehensive Income/(Loss) for the year, net of tax		**10.3**	**446.9**
Total Comprehensive Income/(Loss) for the year		**(1,876.7)**	**13,033.1**
Earnings per equity share (in ₹)	41		
Basic		**(4.16)**	**27.77**
Diluted		**(4.16)**	**27.65**
Face value of Equity Share (in ₹)		2.00	2.00
See accompanying notes forming part of the standalone financial statements			

In terms of our report attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W - 100022

Venkataramanan Vishwanath
Partner
Membership No. 113156

For and on behalf of **Board of Directors of Lupin Limited**

Manju D. Gupta
Chairman
DIN: 00209461

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh D. Gupta
Managing Director
DIN: 01734642

Ramesh Swaminathan
Executive Director, Global CFO & Head Corporate Affairs
DIN: 01833346

R. V. Satam
Company Secretary
ACS - 11973

Place: Mumbai
Dated: May 18, 2022

Statement of Changes in Equity

for the year ended March 31, 2022

A. Equity Share Capital [Refer note 16]

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	**₹ in million**	No. of Shares	₹ in million
Balance at the beginning of the reporting year	453,680,133	907.4	452,998,121	906.0
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	**453,680,133**	**907.4**	452,998,121	906.0
Changes in equity share capital during the year	794,881	1.6	682,012	1.4
Balance at the end of the reporting year	**454,475,014**	**909.0**	**453,680,133**	**907.4**

B. Other Equity

(₹ in million)

Particulars	Reserves and Surplus							Share Application Money Pending Allotment	Other items of Other Comprehensive Income	Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Employees Stock Options Outstanding	General Reserve	Retained Earnings	Amalgamation Reserve		Effective portion of Cash Flow Hedges	
Balance as at 31.03.2020	**263.9**	**126.5**	**9,175.5**	**2,146.2**	**16,767.1**	**145,352.5**	**317.9**	**0.8**	**(324.4)**	**173,826.0**
Profit for the year	-	-	-	-	-	12,586.2	-	-	-	12,586.2
Remeasurements of defined benefit plans (net of tax)	-	-	-	-	-	(78.9)	-	-	-	(78.9)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**12,507.3**	**-**	**-**	**-**	**12,507.3**
Movement in other comprehensive income for the year	-	-	-	-	-	-	-	-	524.2	524.2
Received during the year	-	-	-	-	-	-	-	0.5	-	0.5
Final dividend on Equity Shares	-	-	-	-	-	(2,718.8)	-	-	-	(2,718.8)
Issue of equity shares on exercise of employee stock options	-	-	711.7	-	-	-	-	-	-	711.7
Amortised/Exercised during the year	-	-	-	(101.7)	-	-	-	-	-	(101.7)
Reduction on allotment of shares	-	-	-	-	-	-	-	(0.8)	-	(0.8)
Transfer from share based payments	-	-	-	(149.7)	149.7	-	-	-	-	-
Balance as at 31.03.2021	**263.9**	**126.5**	**9,887.2**	**1,894.8**	**16,916.8**	**155,141.0**	**317.9**	**0.5**	**199.8**	**184,748.3**
Profit/(loss) for the year	-	-	-	-	-	(1,887.0)	-	-	-	(1,887.0)
Remeasurements of defined benefit plans (net of tax)	-	-	-	-	-	24.2	-	-	-	24.2
Total comprehensive income/(loss) for the year	**-**	**-**	**-**	**-**	**-**	**(1,862.8)**	**-**	**-**	**-**	**(1,862.8)**
Movement in other comprehensive income for the year	-	-	-	-	-	-	-	-	(14.4)	(14.4)
Received during the year	-	-	-	-	-	-	-	-	-	-
Final dividend on Equity Shares	-	-	-	-	-	(2,950.8)	-	-	-	(2,950.8)
Issue of equity shares on exercise of employee stock options	-	-	733.3	-	-	-	-	-	-	733.3
Amortised/Exercised during the year	-	-	-	(60.2)	-	-	-	-	-	(60.2)
Reduction on allotment of shares	-	-	-	-	-	-	-	(0.5)	-	(0.5)
Transfer from share based payments	-	-	-	(217.3)	217.3	-	-	-	-	-
Balance as at 31.03.2022	**263.9**	**126.5**	**10,620.5**	**1,617.3**	**17,134.1**	**150,327.4**	**317.9**	**-**	**185.4**	**180,592.9**

Nature of Reserves

a) Capital Reserve

The Capital reserve is created on receipts of government grants for setting up the factories in backward areas, for performing research on critical medicines for the betterment of the society and on restructuring of the Capital of the Company under various schemes of Amalgmation.

b) Capital Redemption Reserve

This reserve represents amounts transferred on redemption of redeemable cumulative preference shares in earlier years. The reserve can be utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

c) Securities Premium

Securities premium account comprises of premium on issue of shares. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

d) Employees Stock Options Outstanding

The Company has employee stock option schemes under which the option to subscribe for the Company's shares have been granted to certain employees and directors. This is used to recognize the value of equity-settled share-based payments provided to the employees as part of their remuneration.

e) General Reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

f) Amalgamation Reserve

This reserve represents creation of amalgamation reserve pursuant to the scheme of amalgamation between erstwhile Lupin Laboratories Ltd. and the Company.

g) Share Application Money Pending Allotment

Share application money represents amount received towards share application money which were pending for allotment as on reporting date.

h) Cash Flow Hedge Reserve

The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for Cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow reserve will be reclassfied to statement of profit and loss only when the hedged items affect the profit or loss.

In terms of our report attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W - 100022

Venkataraman Vishwanath
Partner
Membership No. 113156

Place: Mumbai
Dated: May 18, 2022

For and on behalf of **Board of Directors of Lupin Limited**

Manju D. Gupta
Chairman
DIN: 00209461

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh D. Gupta
Managing Director
DIN: 01734642

Ramesh Swaminathan
Executive Director, Global CFO &
Head Corporate Affairs
DIN: 01833346

R. V. Satam
Company Secretary
ACS - 11973

Statement of Cash Flows

for the year ended March 31, 2022

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
A. Cash Flow from Operating Activities		
Profit/(Loss) before Tax	(1,615.3)	16,297.0
Adjustments for:		
Depreciation, Amortisation and Impairment Expense	5,141.9	5,028.3
Loss/(Profit) on Sale/Write-off of Property, Plant and Equipment/ Intangible Assets (net)	23.2	0.7
Net Gain on sale of Mutual Fund Investments	(329.6)	(243.6)
Finance Costs	734.7	406.2
Interest on Deposits with Banks and Others	(231.1)	(317.5)
Interest on Income Tax Refund	(631.9)	(201.5)
Unrealised loss/(gain) on Mutual Fund Investments (net)	(23.2)	(277.7)
Unrealised Gain on Non-Current Investment	(98.7)	(20.0)
Doubtful Trade Receivables/Advances provided (net)	(30.9)	148.0
Bad Trade Receivables/Advances written off	-	0.1
Share Based Payments Expense	393.0	386.6
Unrealised Exchange loss/(gain) on revaluation (net)	(453.8)	(39.0)
Operating Cash Flows before Working Capital Changes	**2,878.3**	**21,167.6**
Changes in working capital:		
Adjustments for (increase)/decrease in operating assets:		
Inventories	(4,689.5)	(2,235.8)
Trade Receivables	5,175.1	4,071.6
Current Loans	(10.2)	12.9
Non-Current Loans	(1.2)	1.1
Other Current Financial Assets	(1,484.7)	(469.3)
Other Current Assets	(3,806.9)	666.6
Other Non-Current Assets	4.3	275.6
Other Non-Current Financial Assets	(42.3)	(211.8)
Adjustments for increase/(decrease) in operating liabilities:		
Trade Payables	1,541.0	(3,563.0)
Other Current Financial Liabilities	314.0	252.9
Other Current Liabilities	321.8	(65.9)
Other Non-Current Liabilities	(199.7)	(203.0)
Other Non-Current Financial Liabilities	22.2	4.1
Current Provisions	251.6	137.9
Non-Current Provisions	(245.2)	145.7
Cash Generated from Operations	**28.6**	**19,987.2**
Net Income tax paid	1,481.7	(4,286.4)
Net Cash Flow generated from/(used in) Operating Activities	**1,510.3**	**15,700.8**
B. Cash Flow from Investing Activities		
Capital expenditure on Property, Plant and Equipment, including capital advances	(5,972.0)	(5,198.3)
Proceeds from sale of Property, Plant and Equipment/Intangible Assets	45.2	15.1
Purchase of Non-Current Investment	(14,372.3)	(21,128.9)
Purchase of Current Investments	(112,986.9)	(114,462.8)
Proceeds from sale of Current Investments	128,325.6	115,069.1
Bank balances not considered as Cash and Cash Equivalents (net)	1,011.4	313.1
Interest on Deposits with Banks and others	231.1	317.5
Net Cash Flow generated from/(used in) Investing Activities	**(3,717.9)**	**(25,075.2)**

Statement of Cash Flows

for the year ended March 31, 2022

(₹ in million)

		For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
C.	**Cash Flow from Financing Activities**		
	Proceeds from/(Repayment of) Non-Current Borrowings (net)	(1.5)	(2.3)
	Proceeds from/(Repayment of) Current Borrowings (net)	4,915.2	2,935.0
	Proceeds from issue of equity shares (ESOPs) and Share application money	1.6	1.9
	Securities Premium Received (ESOPs)	159.2	105.7
	Payment of Lease liabilities (net off interest)	(592.9)	(779.2)
	Finance Costs	(506.2)	(69.6)
	Dividend paid	(2,950.9)	(2,723.2)
	Net Cash Flow generated from/(used in) Financing Activities	**1,024.5**	**(531.7)**
	Net Increase/(Decrease) in Cash and Cash Equivalents	**(1,183.1)**	**(9,906.1)**
	Cash and Cash Equivalents as at the beginning of the year	1,774.1	11,680.2
	Cash and Cash Equivalents as at end of the reporting year (Refer note 11)	**591.0**	**1,774.1**

Notes :

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS -7) "Statement of Cash Flow".
2. Cash comprises cash on hand and current accounts with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), and current investments that are convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
3. Refer Note No. 55 for Non Cash Changes in Cash Flows from Financing Activities.

In terms of our report attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W - 100022

Venkataramanan Vishwanath
Partner
Membership No. 113156

For and on behalf of **Board of Directors of Lupin Limited**

Manju D. Gupta
Chairman
DIN: 00209461

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh D. Gupta
Managing Director
DIN: 01734642

Ramesh Swaminathan
Executive Director, Global CFO & Head Corporate Affairs
DIN: 01833346

R. V. Satam
Company Secretary
ACS - 11973

Place: Mumbai
Dated: May 18, 2022

Notes

Forming part of the Standalone Financial Statements

1A. OVERVIEW:

Lupin Limited, ('the Company') incorporated in 1983, is an innovation led Transnational Pharmaceutical Company producing, developing and marketing a wide range of branded and generic formulations, biotechnology products and active pharmaceutical ingredients (APIs) globally. The Company has significant presence in the Cardiovascular, Diabetology, Asthama, Pediatrics, Central Nervous System, Gastro-Intestinal, Anti-Infectives and Nonsteroidal Anti Inflammatory Drug therapy segments and is a global leader in the Anti-TB and Cephalosporins segments. The Company along with its subsidiaries has manufacturing locations spread across India, USA, Mexico and Brazil with trading and other incidental and related activities extending to the global markets.

The Company is a public limited company incorporated and domiciled in India. The address of its registered office is Kalpataru Inspire, 3rd floor, Western Express Highway, Santacruz (East), Mumbai 400055.

1B. SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of accounting and preparation of Standalone Financial Statements:

Basis of preparation

i) These standalone financial statements of the Company have been prepared in all material aspects in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under section 133 of the Companies Act, 2013 ('the Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India. These standalone financial statements were authorized for issue by the Company's Board of Directors on May 18, 2022.

Functional and Presentation Currency

ii) These standalone financial statements are presented in Indian rupees, which is the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest million, except otherwise indicated.

Basis of measurement

iii) These standalone financial statements are prepared under the historical cost convention unless otherwise indicated.

Use of Estimates and Judgements

iv) The preparation of the Standalone Financial Statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Standalone Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialised. Estimates and underlying assumptions are reviewed on an ongoing basis.

Information about critical judgments made in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following accounting policies.

- Measurement and likelihood of occurrence of provisions and contingencies (Refer note o)
- Impairment of non-financial assets (Refer note f)
- Impairment of financial assets (Refer note h)
- Provision for Income taxes and uncertain tax positions (refer note i)

Notes

Forming part of the Standalone Financial Statements

b) Property, Plant and Equipment & Depreciation:

I. Recognition and Measurement:

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

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.
- income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in Statement of Profit and Loss. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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

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

II. Subsequent Expenditure

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

III. Depreciation

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

Depreciation on property, plant and equipment of the Company has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Act, except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on independent technical evaluation and management's assessment thereof, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Particulars	Estimated Useful Life
Leasehold Land	Over the period of lease
Improvements on Leased Premises	Over the period of lease
Building	5 to 80 years
Plant and Equipment	10 to 15 years
Office Equipment (Desktop and Laptop)	4 years
Certain assets provided to employees	3 years

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

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Notes

Forming part of the Standalone Financial Statements

c) Intangible assets:

I. Recognition and Measurement:

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

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

II. Subsequent Expenditure

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

III. Derecognition of Intangible Assets

Intangible assets are de-recognised either on their disposal or where no future economic benefits are expected from their use. Losses arising on such de-recognition are recorded in the consolidated profit or loss, and are measured as the difference between the net disposal proceeds, if any, and the carrying amount of respective intangible assets as on the date of derecognition.

IV. Amortisation

Intangible assets are amortised over their estimated useful life on Straight Line Method as follows:

Particulars	Estimated Useful Life
Computer Software	5 to 6 years
Trademark and Licenses	4 to 5 years
Dossiers/Marketing Rights	10 years

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

d) Non-current assets held for sale:

Assets are classified as held for sale and stated at the lower of carrying amount and fair value less costs to sell if the asset is available for immediate sale and its sale is highly probable. Such assets or group of assets are presented separately in the Balance Sheet as "Assets Classified as Held for Sale". Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

e) Research and Development:

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss in the year it is incurred, unless a product's technological feasibility has been established, in which case such expenditure is capitalised. These costs are charged to the respective heads in the Statement of Profit and Loss in the year it is incurred. The amount capitalised comprises of expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Property, Plant and Equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment.

Expenditure on in-licensed development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised, if the cost can be reliably measured, the product or process is technically and commercially feasible and the Company has sufficient resources to complete the development and to use and sell the asset.

Payments to third parties that generally take the form of up-front payments and milestones for in-licensed products, compounds and intellectual property are capitalised since the probability of expected future economic benefits criterion is always considered to be satisfied for separately acquired intangible assets.

f) Impairment of non-financial assets:

The carrying values of Property, Plant and Equipment and Intangible assets at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

i) an intangible asset that is not yet available for use; and

Notes

Forming part of the Standalone Financial Statements

ii) an intangible asset that is having indefinite useful life.

If the carrying amount of the Property, Plant and Equipment and Intangible assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

g) Foreign Currency Transactions/ Translations:

i) Transactions denominated in foreign currency are recorded at exchange rates prevailing at the date of transaction or at rates that closely approximate the rate at the date of the transaction.

ii) Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate of the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

iii) Exchange differences arising on the settlement of monetary items or on translating monetary items (except for long term monetary items outstanding as at March 31, 2016) at rates different from those at which they were translated on initial recognition during the period or in previous standalone financial statements are recognized in the Statement of Profit and Loss in the period in which they arise.

iv) In case of long term monetary items outstanding as at March 31, 2016, exchange differences arising on settlement/restatement thereof are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period/upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss.

h) Financial Instruments:

I. Financial Assets

Classification

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

Initial recognition and measurement

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

Financial assets at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

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

ii) contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR)

Notes

Forming part of the Standalone Financial Statements

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

Financial assets included within the fair value through profit and loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

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

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

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

Investments in subsidiaries and joint venture

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

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

i) the Company has transferred substantially all the risks and rewards of the asset, or

ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

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

Notes

Forming part of the Standalone Financial Statements

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

ii) trade receivables.

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

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

II. Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities measured at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, are subsequently measured at fair value with changes in fair value being recognised in the Statement of Profit and Loss.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, at amortised cost (loans, borrowings and payables) or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

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

Notes

Forming part of the Standalone Financial Statements

Embedded derivatives

If the hybrid contract contains a host that is a financial asset within the scope Ind-AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in Statement of Profit and Loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows.

Offsetting of financial instruments

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

Derivative financial instruments

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

Hedge Accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles. These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in (OCI) and accumulated in “Cash Flow Hedge Reserve Account” under Other Equity, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in the “Cash Flow Hedge Reserve Account” are reclassified to the Statement of Profit and Loss in the same period during which the forecasted transaction affects Statement of Profit and Loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in “Cash Flow Hedge Reserve Account” is retained until the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in “Cash Flow Hedge Reserve Account” is immediately transferred to the Statement of Profit and Loss.

III. Measurement

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

(a) Level 1: The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.

(b) Level 2: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm’s length transactions.

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

Notes

Forming part of the Standalone Financial Statements

i) Income tax:

Income tax expense consists of current and deferred tax. Income tax expense is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

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

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

ii) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred taxes are recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

The Company recognises deferred tax liability for all taxable temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint arrangements, except to the extent that both of the following conditions are satisfied:

i) When the Company is able to control the timing of the reversal of the temporary difference; and

ii) it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred taxes are measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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

Deferred tax assets and liabilities are offset only if:

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

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

Accruals for uncertain tax positions require management to make judgments of potential exposures. Accruals for uncertain tax positions are measured using either the most likely amount or the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty. Tax benefits are not recognised unless the management based upon its interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter concludes that such benefits will be accepted by the authorities. Once considered probable of not being accepted, management reviews each material tax benefit and reflects the effect of the uncertainty in determining the related taxable amounts.

Notes

Forming part of the Standalone Financial Statements

j) Inventories:

Inventories of all procured materials, stock-in-trade, finished goods and work-in-progress are valued at the lower of cost (on moving weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Cost of raw material, packing materials and stock-in-trade includes all charges in bringing the goods to their present location and condition, including non-creditable taxes and other levies, transit insurance and receiving charges. However, these items are considered to be realisable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, non-creditable duties and taxes as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

k) Revenue Recognition:

Sale of Goods

The majority of the Company's contracts related to product sales include only one performance obligation, which is to deliver products to customers based on purchase orders received. Revenue from sales of products is recognized at a point in time when control of the products is transferred to the customer, generally upon delivery, which the Company has determined is when physical possession, legal title of the products transfer to the customer and the Company is entitled to payment. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales agreements. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable (after including fair value allocations related to multiple deliverable and/or linked arrangements), net of returns, sales tax/GST and applicable trade discounts and allowances. Revenue includes shipping and handling costs billed to the customer.

The Company accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Company's estimate of expected sales returns. The Company considers its historical experience of sales returns, levels of inventory in the distribution channel, estimated shelf life, product discontinuances, price changes of competitive products, and the introduction of competitive new products, to the extent each of these factors impact the Company's business and markets.

The Company disaggregates revenue from contracts with customers by major Products/Service lines, geography and timing of the revenue recognition.

Any amount of variable consideration is recognised as revenue only to the extent that it is highly probable that a significant reversal will not occur. The Company estimates the amount of variable consideration using the expected value method.

Income from research services

Income from research services including sale of technology/know-how (rights, licenses and other intangibles) is recognised in accordance with the terms of the contract with customers when the related performance obligation is completed, or when risks and rewards of ownership are transferred, as applicable.

The Company enters into certain dossier sales, licensing and supply arrangements that, in certain instances, include certain performance obligations. Based on an evaluation of whether or not these obligations are inconsequential or perfunctory, the Company recognise or defer the upfront payments received under these arrangements.

Interest income

Interest income is recognised with reference to the Effective Interest Rate method.

Dividend income

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

Income from Export Benefits and Other Incentives

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

Notes

Forming part of the Standalone Financial Statements

l) Employee Benefits:

Short term employee benefits

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

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided and the Company will have no legal or constructive obligation to pay further amounts. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

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

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

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

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

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is measured on the basis of a periodical independent actuarial valuation using the projected unit credit method. Remeasurement are recognised in Statement of Profit and Loss in the period in which they arise.

m) Share-based payment transactions:

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

Cash-settled Transactions: The cost of cash-settled transactions is measured initially at fair value at the grant date using a Binomial Option Pricing Model. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is re-measured to fair value at each reporting date up to, and including the settlement date, with changes in fair value recognised in employee benefits expense.

n) Leases:

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in Ind AS 116.

Notes

Forming part of the Standalone Financial Statements

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of- use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, If that rate cannot be readily determined, the Company uses incremental borrowing rate, Generally, the Company uses its incremental borrowing rate as the discount rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in Statement of Profit and Loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

o) Provisions and Contingent Liabilities:

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. If effect of the time value of money is material, provisions are discounted using an appropriate discount rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in the Notes to the Standalone Financial Statements. Contingent liabilities are disclosed for:

i) possible obligations which will be confirmed only by future events not wholly within the control of the Company, or

Notes

Forming part of the Standalone Financial Statements

ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

p) Cash and Cash equivalents:

Cash comprises cash on hand, current accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), current investments that are convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

q) Borrowing costs:

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

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

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

r) Government Grants:

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

- In case of capital grants, they are then recognised in Statement of Profit and Loss as other income on a systematic basis over the useful life of the asset.

- In case of grants that compensate the Company for expenses incurred are recognised in Statement of Profit and Loss on a systematic basis in the periods in which the expenses are recognised.

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

s) Earnings per share:

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. The calculation of diluted earnings per share does not assume conversion, exercise, or other issue of potential ordinary shares that would have an antidilutive effect on earnings per share.

t) Insurance claims:

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect the ultimate collection.

u) Goods and Services tax input credit:

Goods and Services tax input credit is accounted for in the books in the period in which the underlying goods/service received is accounted and when there is reasonable certainty in availing/utilising the credits.

v) Operating cycle:

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current as set out in Schedule III of the Act.

Notes

Forming part of the Standalone Financial Statements

1C. RECENT ACCOUNTING PRONOUNCEMENTS:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.

Ind AS 103 – Business Combination

Reference to revised Conceptual Framework. For contingent liabilities/levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.

Ind AS 16 – Proceeds before intended use

The amendments requires an entity to deduct from the cost of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

Ind AS 41 – Taxation in fair value measurements

The amendment removes the requirement in Ind AS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113 Fair Value Measurement.

Ind AS 101 - Subsidiary as a first time adopter

First time Adoption of Ind AS – Measurement of Foreign Currency Translation Difference in case of subsidiary/associate/JV's date of transition to Ind AS is subsequent to that of Parent – FCTR in the books of subsidiary/associate/JV can be measured based Consolidated Financial Statements.

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

Notes

Forming part of the Standalone Financial Statements

2. Property, Plant and Equipment

(₹ in million)

Particulars	Gross Block				Accumulated Depreciation					Net Block
	As at 01.04.2021	Additions	Disposals	**As at 31.03.2022**	As at 01.04.2021	For the period	Impairment Loss	Disposals	**As at 31.03.2022**	**As at 31.03.2022**
Freehold Land	**974.7**	**9.3**	**-**	**984.0**	**-**	**-**	**-**	**-**	**-**	**984.0**
	974.7	*-*	*-*	*974.7*	*-*	*-*	*-*	*-*	*-*	*974.7*
Buildings	**15,202.8**	**1,439.6**	**32.8**	**16,609.6**	**2,709.7**	**617.4**	**-**	**8.3**	**3,318.8**	**13,290.8**
	14,151.1	*1,052.8*	*1.1*	*15,202.8*	*2,149.5*	*560.6*	*-*	*0.4*	*2,709.7*	*12,493.1*
Improvements on Leased Premises	**477.3**	**0.4**	**-**	**477.7**	**376.9**	**56.9**	**-**	**-**	**433.8**	**43.9**
	440.5	*40.2*	*3.4*	*477.3*	*284.7*	*94.5*	*-*	*2.3*	*376.9*	*100.4*
Plant and Equipment	**34,763.1**	**3,605.4**	**377.0**	**37,991.5**	**16,555.0**	**3,223.5**	**-**	**334.8**	**19,443.7**	**18,547.8**
	31,250.1	*3,586.0*	*73.0*	*34,763.1*	*13,471.3*	*3,140.7*	*-*	*57.0*	*16,555.0*	*18,208.1*
Furniture and Fixtures	**1,257.9**	**55.5**	**44.3**	**1,269.1**	**637.7**	**119.4**	**-**	**42.6**	**714.5**	**554.6**
	1,233.6	*58.0*	*33.7*	*1,257.9*	*530.9*	*133.1*	*-*	*26.3*	*637.7*	*620.2*
Vehicles	**82.5**	**-**	**0.1**	**82.4**	**48.0**	**10.0**	**-**	**0.1**	**57.9**	**24.5**
	84.4	*-*	*1.9*	*82.5*	*38.8*	*10.6*	*-*	*1.4*	*48.0*	*34.5*
Office Equipment	**1,933.3**	**127.0**	**61.2**	**1,999.1**	**1,531.0**	**217.3**	**-**	**61.2**	**1,687.1**	**312.0**
	1,858.4	*121.3*	*46.4*	*1,933.3*	*1,306.4*	*270.1*	*-*	*45.5*	*1,531.0*	*402.3*
Right of use Assets										
Leasehold Land	**1,132.0**	**5.3**	**-**	**1,137.3**	**59.3**	**15.3**	**-**	**-**	**74.6**	**1,062.7**
	1,104.5	*27.5*	*-*	*1,132.0*	*46.3*	*13.0*	*-*	*-*	*59.3*	*1,072.7*
Leasehold Buildings	**1,689.4**	**176.0**	**202.7**	**1,662.7**	**439.5**	**430.5**	**-**	**202.7**	**667.3**	**995.4**
	1,104.6	*1,034.7*	*449.9*	*1,689.4*	*419.3*	*421.8*	*-*	*401.6*	*439.5*	*1,249.9*
Leasehold Plant and Equipment	**26.4**	**-**	**-**	**26.4**	**13.2**	**8.8**	**-**	**-**	**22.0**	**4.4**
	26.4	*-*	*-*	*26.4*	*4.4*	*8.8*	*-*	*-*	*13.2*	*13.2*
Leasehold Furniture & Fixtures	**443.1**	**29.2**	**76.0**	**396.3**	**211.5**	**89.2**	**-**	**76.0**	**224.7**	**171.6**
	443.1	*-*	*-*	*443.1*	*105.5*	*106.0*	*-*	*-*	*211.5*	*231.6*
Leasehold Vehicles	**246.0**	**142.3**	**69.9**	**318.4**	**95.6**	**95.2**	**-**	**56.0**	**134.8**	**183.6**
	187.1	*120.4*	*61.5*	*246.0*	*67.9*	*78.8*	*-*	*51.1*	*95.6*	*150.4*
Leasehold Office Equipments	**39.1**	**-**	**30.9**	**8.2**	**28.5**	**10.4**	**-**	**30.9**	**8.0**	**0.2**
	52.8	*-*	*13.7*	*39.1*	*24.4*	*17.8*	*-*	*13.7*	*28.5*	*10.6*
Total	**58,267.6**	**5,590.0**	**894.9**	**62,962.7**	**22,705.9**	**4,893.9**	**-**	**812.6**	**26,787.2**	**36,175.5**
	52,911.3	*6,040.9*	*684.6*	*58,267.6*	*18,449.4*	*4,855.8*	*-*	*599.3*	*22,705.9*	*35,561.7*

a) Cost of Buildings includes cost of shares in co-operative societies of ₹ 1,000/- (previous year ₹ 1,000/-).

b) Additions to Property, Plant and Equipment include items aggregating ₹ 184.1 million (previous year ₹ 584.7 million) located at Research and Development Centers of the Company.

c) For details of Right-of-use asset [Refer note 40]

d) Previous year figures are given in italics below current year figures in each class of assets.

e) Additional disclosure persuant to amendment of revised schedule III are in note 57.

3. Intangible Assets - Acquired

(₹ in million)

Particulars	Gross Block				Accumulated Amortisation					Net Block
	As at 01.04.2021	Additions	Disposals	**As at 31.03.2022**	As at 01.04.2021	For the period	Impairment Loss	Disposals	**As at 31.03.2022**	**As at 31.03.2022**
Computer Software	**362.9**	**147.7**	**13.7**	**496.9**	**184.2**	**47.3**	**-**	**13.7**	**217.8**	**279.1**
	263.2	*116.8*	*17.1*	*362.9*	*161.9*	*39.4*	*-*	*17.1*	*184.2*	*178.7*
Trademarks and Licences	**424.1**	**-**	**80.5**	**343.6**	**196.2**	**70.8**	**-**	**80.5**	**186.5**	**157.1**
	238.7	*205.4*	*20.0*	*424.1*	*145.0*	*71.2*	*-*	*20.0*	*196.2*	*227.9*
Dossiers/Marketing rights	**3,248.2**	**-**	**-**	**3,248.2**	**2,828.2**	**61.9**	**68.0**	**-**	**2,958.1**	**290.1**
	3,248.2	*-*	*-*	*3,248.2*	*2,766.3*	*61.9*	*-*	*-*	*2,828.2*	*420.0*
Total	**4,035.2**	**147.7**	**94.2**	**4,088.7**	**3,208.6**	**180.0**	**68.0**	**94.2**	**3,362.4**	**726.3**
	3,750.1	*322.2*	*37.1*	*4,035.2*	*3,073.2*	*172.5*	*-*	*37.1*	*3,208.6*	*826.6*

a) Previous year figures are given in italics below current year figures in each class of assets.

b) Additional disclosure persuant to amendment of revised schedule III are in note 57.

Notes

Forming part of the Standalone Financial Statements

4. Non-Current Investments

[Refer note 35]

(₹ in million)

	Number	Face Value	**As at 31.03.2022**	As at 31.03.2021
a. In Subsidiary Companies Unquoted				
i) Equity Instruments (at Cost)				
- Nanomi B.V., Netherlands	273,162 (194,829)	USD 1,000	44,499.7	26,948.2
- Lupin Pharmaceuticals, Inc., USA	30 (30)	USD 0.001	13.8	13.8
- Lupin Australia Pty Ltd., Australia	800,000 (800,000)	AUD *	33.3	33.3
- Lupin Healthcare Ltd., India	2,616,677 (2,616,677)	₹ 10	81.7	81.7
- Lupin Atlantis Holdings SA, Switzerland	2,486 (2,486)	CHF 1,000	2,993.7	2,993.7
- Lupin Biologics Ltd., India	100,000 (100,000)	₹ 10	1.0	1.0
- Lupin Oncology Inc., USA	15,000,000 (-)	USD 1	1,127.8	-
- Lupin Digital Health Limited, India	28,010,000 (-)	₹ 10	400.1	-
ii) Capital Contributions (at Cost)				
- Nanomi B.V., Netherlands			6,385.5	6,385.5
- Lupin Atlantis Holdings SA, Switzerland (Refer Note 54B)			29,811.9	35,019.0
iii) Preference Shares (at Fair Value through Profit or Loss)				
- Lupin Healthcare Ltd., India (0.01% Optionally Convertible Non-cumulative Redeemable Preference Shares)	100,000,000 (50,000,000)	₹ 10	1,116.1	520.0
			86,464.6	**71,996.2**
b. In Others Unquoted				
i) In Equity Instruments (at Fair Value through Profit or Loss)				
- Biotech Consortium India Ltd., India	50,000 (50,000)	₹ 10	0.5	0.5
- Enviro Infrastructure Co. Ltd., India	100,000 (100,000)	₹ 10	1.0	1.0
- BEIL Infrastructure Ltd., India [31.03.2022 - ₹ 44,100; 31.03.2021 - ₹ 44,100] (formerly known as Bharuch Enviro Infrastructure Ltd., India)	4,410 (4,410)	₹ 10		
- Narmada Clean Tech Ltd., India	1,100,388 (1,100,388)	₹ 10	11.0	11.0
- Tarapur Environment Protection Society, India	72,358 (72,358)	₹ 100	7.2	7.2
			19.7	**19.7**

Notes

Forming part of the Standalone Financial Statements

(₹ in million)

	Number	Face Value	As at 31.03.2022	As at 31.03.2021
ii) In Bonds/Debentures/Securities (at Amortised Cost)				
- Government Securities				
- National Saving Certificates [Deposited with Government Authority] [31.03.2022- ₹ 5,500; 31.03.2021 - ₹ 5,500]				
iii) In Membership Share in LLP, Unquoted (at Fair Value through Profit or Loss):				
- ABCD Technologies LLP, India			402.6	400.0
[As at 31.03 2022, the Company had a 6.45% (31.03.2021 - 12.5%) share of profit/loss and voting rights. The investment is locked upto April 24, 2024]			**402.6**	**400.0**
			422.3	**419.7**
Total			**86,886.9**	**72,415.9**

* Shares do not have face value

i)	All investments in shares are fully paid up		
ii)	All the above subsidiaries are directly or indirectly, wholly owned by the Company		
iii)	Aggregate amount of quoted investments and market value thereof		
	Book value	-	-
	Market value	-	-
iv)	Aggregate amount of unquoted investments	86,886.9	72,415.9
v)	Previous year numbers are within brackets below current year numbers		

5. Non-Current Loans

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unsecured, considered good		
Loans to Employees	2.1	0.9
Total	**2.1**	**0.9**

[There are no non-current loans which have significant increase in credit risk.]

6. Other Non-Current Financial Assets

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unsecured, considered good unless otherwise stated		
Security Deposits		
With Related Parties [Refer note 54 (C)]	29.0	29.0
Others	672.5	628.8
Mark to Market Derivative Assets (Refer note 52)	19.5	-
Earmarked Bank Deposits against guarantees and other commitments	9.1	10.5
Total	**730.1**	**668.3**

Notes

Forming part of the Standalone Financial Statements

7. Other Non-Current Assets

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Capital Advances	710.2	344.2
Advances other than Capital Advances		
- With Government Authorities (Drawback/Customs & Excise duties receivable)	68.8	68.8
Prepaid Expenses	93.4	92.4
Other Advances	227.9	233.2
Total	**1,100.3**	**738.6**

8. Inventories

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Raw Materials	8,878.9	7,601.5
Packing Materials	2,361.6	1,597.9
Work-in-progress	5,705.7	5,214.0
Finished Goods	6,605.8	6,088.8
Stock-in-Trade	5,348.0	3,930.3
Consumable Stores and Spares	2,137.7	1,930.0
Goods-in-Transit		
- Raw Materials	665.3	603.3
- Packing Materials	28.0	65.7
- Stock-in-Trade	15.2	17.8
- Consumable Stores and Spares	25.2	32.6
Total	**31,771.4**	**27,081.9**

During the year, the Company recorded inventory write-downs of ₹ 2,477.0 million (previous year ₹ 1,846.1 million). These adjustments were included in cost of material consumed and changes in inventories.

9. Current Investments

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
- Measured at Amortised Cost		
Quoted		
In Non Convertible Debentures	505.9	-
In Commercial Papers	988.7	957.8
Unquoted		
In Deposits with financial institutions	515.9	1,022.5
- Measured at Fair Value through Profit or Loss		
Unquoted		
In Mutual Funds	6,213.5	21,229.6
Total	**8,224.0**	**23,209.9**

a)	Aggregate amount of quoted investments and market value thereof		
	Book value	1,494.6	957.8
	Market value	1,494.4	958.9
b)	Aggregate amount of Unquoted Investments	6,729.4	22,252.1
c)	Unrealised Loss on Mutual Fund Investments (net) as adjusted above	-	-

Notes

Forming part of the Standalone Financial Statements

10. Trade Receivables

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unsecured		
- Considered Good	27,292.8	31,962.6
- Credit Impaired	126.5	169.1
	27,419.3	32,131.7
Less: Allowances for credit losses	199.2	226.3
Total	**27,220.1**	**31,905.4**

Additional disclosure persuant to amendment of revised schedule III are in note 57.

[There are no other trade receivables which have significant increase in credit risk. Refer note 50 (C) for information about credit risk and market risk of trade receivables]

Trade receivables include debts due from subsidiary companies ₹ 18,901.2 million (31.03.2021 ₹ 22,989.8 million)

11. Cash and Cash Equivalents

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Cash and Cash Equivalents (as per Ind AS-7 - "Statement of Cash Flows")		
Bank Balances		
- In Current Accounts	486.0	1,381.0
- In EEFC Account	90.0	360.8
Cheques on hand	8.3	25.5
Cash on hand	6.7	6.8
Total	**591.0**	**1,774.1**

12. Other Bank Balances

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Earmarked Balances with Banks		
- Unpaid dividend accounts	48.5	48.6
- Deposits against guarantees and other commitments	5.7	1.2
Bank Deposits with original maturity of more than 3 months but less than 12 months from the balance sheet date	0.4	1,016.2
Total	**54.6**	**1,066.0**

13. Current Loans

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unsecured, considered good		
Other Loans (includes Loans to employees, etc.)	22.7	12.5
Total	**22.7**	**12.5**

[There are no current loans which have significant increase in credit risk.]

Notes

Forming part of the Standalone Financial Statements

14. Other Current Financial Assets

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unsecured, considered good		
Receivables from Related Parties [Refer note 54 (C)]	3,609.1	378.5
Mark to Market Derivative Assets (Refer note 52)	223.3	269.1
Export Benefits receivable	1,290.2	2,573.1
With Government Authorities (GST credit/VAT/Cenvat/Service tax/refund receivable)	496.3	707.6
Security Deposits	40.3	113.9
Other Current Financial Assets (includes Interest receivables, etc.)	326.0	383.2
Total	**5,985.2**	**4,425.4**

15. Other Current Assets

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Advances other than Capital Advances		
Prepaid Expenses	393.9	355.9
Advances to Employees	88.3	97.7
Advances to Vendors		
- Considered Good	1,502.0	1,120.1
- Credit Impaired	129.9	133.7
	1,631.9	1,253.8
Less: Impairment Allowances for Credit Impaired	129.9	133.7
	1,502.0	1,120.1
Export Benefits receivable	841.1	893.2
With Government Authorities (GST credit/VAT/Cenvat/Service tax/refund receivable)	7,634.6	4,178.8
Assets Recoverable From Customers	49.3	52.8
Total	**10,509.2**	**6,698.5**

16. Equity Share Capital

a) Equity Share Capital

Particulars	**As at 31.03.2022**		As at 31.03.2021	
	No. of Shares	**₹ in million**	No. of Shares	₹ in million
Authorised				
Equity Shares of ₹ 2 each	1,000,000,000	2,000.0	1,000,000,000	2,000.0
Issued, Subscribed and Paid up				
Equity Shares of ₹ 2 each fully paid	454,475,014	909.0	453,680,133	907.4
Total	**454,475,014**	**909.0**	**453,680,133**	**907.4**

b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Particulars	**As at 31.03.2022**		As at 31.03.2021	
	No. of Shares	**₹ in million**	No. of Shares	₹ in million
Equity Shares outstanding at the beginning of the year	453,680,133	907.4	452,998,121	906.0
Equity Shares issued during the year pursuant to exercise of ESOPs	794,881	1.6	682,012	1.4
Equity Shares outstanding at the end of the year	**454,475,014**	**909.0**	**453,680,133**	**907.4**

Notes

Forming part of the Standalone Financial Statements

c) Rights attached to Equity Shares

The Company has only one class of equity shares with voting rights having a par value of ₹ 2 per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

During the year ended March 31, 2022, the amount of dividend per equity share distributed to equity shareholders is ₹ 6.5 (Previous year ended March 31, 2021, ₹ 6.0)

In the event of liquidation of the Company, the shareholders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Details of shares held by each shareholder holding more than 5% equity shares

Name of Shareholder	**As at 31.03.2022**		As at 31.03.2021	
	No. of Shares	**% of Holding**	No. of Shares	% of Holding
Lupin Investments Pvt. Limited	205,608,135	45.24	205,608,135	45.32

e) Shares held by promoters at the end of the year

Promoter name	**As at 31.03.2022**		As at 31.03.2021		
	No. of Shares	**% of total shares**	No. of Shares	% of total shares	% Change during the year
Desh Bandhu Gupta HUF	647,580	0.14	647,580	0.14	-
Manju D. Gupta	3,871,162	0.85	3,871,162	0.85	-
Nilesh D. Gupta	901,064	0.20	901,064	0.20	-
Kavita Gupta	200,170	0.04	200,170	0.04	-
Veda Nilesh Gupta	65,979	0.01	61,189	0.01	7.83
Neel Deshbandhu Gupta	21,858	0.00	19,208	0.00	13.80
Shefali Nath Gupta	1,752	0.00	1,752	0.00	-
Lupin Investments Pvt Ltd	205,608,135	45.24	205,608,135	45.32	-
Manju D. Gupta (As a Trustee of Gupta Family Trust)	1,000	0.00	1,000	0.00	-
Vinita Gupta	327,424	0.07	327,424	0.07	-
Anuja Gupta	725,705	0.16	725,705	0.16	-
Richa Gupta	233,265	0.05	233,265	0.05	-

f) Shares reserved for issuance under Stock Option Plans of the Company

Particulars	**As at 31.03.2022**		As at 31.03.2021	
	No. of Shares	**₹ in million**	No. of Shares	₹ in million
Lupin Employees Stock Option				
Plan 2003	95,030	0.2	100,030	0.2
Plan 2005	8,350	0.0	29,045	0.1
Plan 2011	1,142,798	2.3	1,162,443	2.3
Plan 2014	1,357,799	2.7	1,512,269	3.0
Lupin Subsidiary Companies				
Employees Stock Options				
Plan 2011	615,408	1.2	672,750	1.3
Plan 2014	878,513	1.8	1,441,937	2.9

Notes

Forming part of the Standalone Financial Statements

g) Aggregate number of shares issued during last five years pursuant to Stock Option Plans of the Company

Particulars	**As at 31.03.2022 Aggregate No. of Shares**	As at 31.03.2021 Aggregate No. of Shares
Equity Shares issued under various Stock Option Plans of the Company	2,898,145	3,097,164

h) No shares have been allotted without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the Balance Sheet date.

17. Non-Current Borrowings

[Refer note 21]

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unsecured		
Deferred Sales Tax Loan from Government of Maharashtra	-	1.5
Total	**-**	**1.5**

18. Other Non-Current Financial Liabilities

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Employee Benefits Payables	61.8	39.6
Total	**61.8**	**39.6**

19. Non-Current Provisions

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Provisions for Employee Benefits [Refer note 25]		
Gratuity [Refer note 43 (ii) A]	1,928.6	1,814.4
Compensated Absences	959.4	1,072.8
Provident Fund [Refer note 43 (ii) B]	174.9	192.4
Total	**3,062.9**	**3,079.6**

20. Other Non-Current Liabilities

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Deferred Revenue [Refer note 37 (d)]	257.7	457.4
Total	**257.7**	**457.4**

Notes

Forming part of the Standalone Financial Statements

21. Current Borrowings

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Secured		
Loans from Banks	-	507.9
Unsecured		
Loans from Banks	7,904.7	2,480.0
Current Maturities of Non-Current Borrowings [Refer note 17]		
- Deferred Sales Tax Loan from Government of Maharashtra	-	1.6
Total	**7,904.7**	**2,989.5**

a) Secured Loans comprise of Working Capital Loan and are secured by hypothecation of Inventories and book debts carrying market driven interest rates. Unsecured Loans comprise of Working Capital Loan carrying market driven interest rates.

b) Unsecured Loans comprise of Working Capital Loan carrying market driven interest rates.

c) The Company has not defaulted on repayment of loans and interest during the year.

22. Trade Payables

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Acceptances	591.5	397.1
Other than Acceptances		
- Total outstanding dues of Micro and Small Enterprises [Refer note 47]	847.9	912.3
- Total outstanding dues of Others	12,075.9	10,654.5
Total	**13,515.3**	**11,963.9**

Additional disclosure persuant to amendment of revised schedule III are in note 57.

23. Other Current Financial Liabilities

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unpaid Dividend *	48.5	48.6
Payable for Capital Expenditure	513.9	763.9
Trade Deposits received	117.1	96.8
Employee Benefits Payables	1,803.2	1,510.1
Other Payables (Includes retention money, etc.)	1.3	0.7
Total	**2,484.0**	**2,420.1**

* During the year ₹ 3.7 million has been credited to Investor Education and Protection Fund relating to FY 13-14.

24. Other Current Liabilities

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Statutory Dues Payables (includes GST, Provident Fund, Withholding Taxes etc.)	834.0	715.3
Sales Returns	1,826.1	1,535.8
Deferred Revenue [Refer note 37 (d)]	59.9	147.2
Deferred Government Grant	-	62.2
Advances from customers	151.6	89.3
Total	**2,871.6**	**2,549.8**

Notes

Forming part of the Standalone Financial Statements

25. Current Provisions

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Provisions for Employee Benefits [Refer note 19]		
Gratuity [Refer note 43 (ii) A]	364.9	344.0
Compensated Absences	419.6	213.9
Other Provisions		
For European Commission fine [Refer note 49]	3,783.9	3,796.1
Total	**4,568.4**	**4,354.0**

26. Revenue from Operations

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Sale [Refer note 37]		
Goods	106,914.6	108,736.7
Research Services	5,670.2	273.5
	112,584.8	109,010.2
Other Operating Revenue		
Export Benefits and Other Incentives	757.7	1,173.5
Insurance Claims	71.5	201.7
Business Compensation and Settlement Income	847.8	66.6
Income from Assignment of Rights	3,417.3	-
Miscellaneous Income	37.6	107.3
	5,131.9	1,549.1
Total	**117,716.7**	**110,559.3**

27. Other Income

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Income on Financial Assets carried at amortised cost		
Interest on Deposits with Banks	37.3	133.6
Other Interest	193.8	183.9
Income on Financial Assets carried at fair value through profit or loss		
Net gain on Sale of Mutual Fund Investments	329.6	243.6
Unrealised Gain on Mutual Fund Investments (net)	23.2	277.7
Unrealised Gain on Non-Current Investment	98.7	20.0
Interest on Income Tax Refund	631.9	201.5
Miscellaneous Income	189.7	230.6
Total	**1,504.2**	**1,290.9**

28. Cost of Materials Consumed

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Raw Materials Consumed	22,178.0	23,284.2
Packing Materials Consumed	5,991.0	4,128.0
Total	**28,169.0**	**27,412.2**

Notes

Forming part of the Standalone Financial Statements

29. Changes In Inventories Of Finished Goods, Work-In-Progress and Stock-In-Trade [(Increase)/Decrease]

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Opening Stock:		
Finished Goods	6,088.8	5,722.0
Stock-in-Trade	3,948.1	3,600.4
Work-in-Progress	5,214.0	5,109.9
	15,250.9	14,432.3
Less:		
Closing Stock:		
Finished Goods	6,605.8	6,088.8
Stock-in-Trade	5,363.2	3,948.1
Work-in-Progress	5,705.7	5,214.0
	17,674.7	15,250.9
Changes In Inventories:		
Finished Goods	(517.0)	(366.8)
Stock-in-Trade	(1,415.1)	(347.7)
Work-in-progress	(491.7)	(104.1)
Total	**(2,423.8)**	**(818.6)**

30. Employee Benefits Expense

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Salaries and Wages	16,465.8	14,505.6
Contribution to Provident and Other Funds	1,330.9	1,227.1
Retirement Benefits Expense	130.9	115.4
Share Based Payments Expense [Refer note 42]	452.7	389.1
Staff Welfare Expenses	801.3	721.4
Total	**19,181.6**	**16,958.6**

31. Finance Costs

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Interest on Financial Liabilities - borrowing carried at amortised cost	209.7	45.1
Net Interest on net defined benefit liability	228.5	207.6
Interest cost on Finance lease obligation [Refer note 40]	134.0	129.0
Other Borrowing Costs (includes bank charges, etc.)	126.5	24.5
Interest on Income Tax	36.0	-
Total	**734.7**	**406.2**

Notes

Forming part of the Standalone Financial Statements

32. Other Expenses

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Processing Charges	777.7	839.3
Stores and Spares Consumed	5,252.4	4,532.6
Repairs and Maintenance:		
- Buildings	259.1	221.9
- Plant and Machinery	1,342.7	1,179.4
- Others	1,729.9	1,527.8
Rent and Other Hire Charges	563.3	524.7
Rates and Taxes	1,391.4	980.9
Insurance	675.3	691.0
Power and Fuel	4,184.5	3,895.4
Contract Labour Charges	1,200.8	1,203.7
Selling and Promotion Expenses	3,044.8	2,484.7
Commission and Brokerage	1,082.1	946.3
Freight and Forwarding	848.3	803.1
Postage and Telephone Expenses	237.5	255.6
Travelling and Conveyance	2,049.8	1,146.3
Legal and Professional Charges [Net of recoveries of ₹ 62.9 million (previous year ₹ 148.2 million)]	5,814.6	5,694.6
Donations	32.7	53.1
Clinical and Analytical Charges	1,528.3	1,853.2
Loss on Sale/Write-off of Property, Plant and Equipment/Intangible Assets (net)	23.2	0.7
Bad Trade Receivables/Advances written off [Net of provision of earlier years adjusted ₹ 40.0 million (previous year ₹ 2.2 million)]	-	0.1
Impairment Allowances for Doubtful Trade Receivables/Advances (net)	11.5	171.2
Corporate Social Responsibility Expenses [Refer note 46]	339.9	351.1
Directors Sitting Fees	2.3	1.8
Business Compensation and Settlement Expenses	(41.6)	286.7
Miscellaneous Expenses	636.8	766.8
Total	**32,987.3**	**30,412.0**

33. Commitments:

a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances, ₹ 2770.5 million (previous year ₹ 1758.1 million).

b) Equity commitment in subsidiaries amounting to ₹ 1736.9 million (previous year ₹ 17180.8 million) and other commitments in subsidiaries amounting to ₹ 1000.0 million (previous year ₹ 1500.0 million)

c) Other commitments – Non-cancellable short term leases is ₹ 23.6 million (previous year ₹ 53.2 million).
Low value leases is ₹ 249.4 million (previous year ₹ 290.2 million).

d) Dividends proposed of ₹ 4/- (previous year ₹ 6.50) per equity share before the financial statements approved for issue, but not recognised as a liability in the financial statements is ₹ 1818.0 million (previous year ₹ 2949.2 million).

e) There are product supply commitments pursuant to contracts with various customers under dossier agreements.

f) There are product procurement commitments pursuant to contracts with suppliers under supply agreements.

g) Financial and corporate guarantees issued by the company on behalf of subsidiaries are disclosed in note 34.

Notes

Forming part of the Standalone Financial Statements

34. Contingent Liabilities:

(₹ in million)

	Particulars	As at 31.03.2022	As at 31.03.2021
a)	Income tax demands/matters on account of deductions/allowances in earlier years, pending in appeals and potential tax demands in future years in respect of some uncertain tax issues [₹ 370.1 million (previous year ₹ 439.4 million) consequent to department preferring appeals against the order of the Appellate Authority passed in favour of the company] Amount paid there against and included under "Non-Current Tax Assets (Net)" ₹ 1878.6 million (previous year ₹ 1239.9 million	1765.1	2258.7
b)	Customs duty, Excise duty, Service tax and Sales tax demands for input tax credit disallowances and demand for additional Entry Tax arising from dispute on applicable rate are in appeals and pending decisions. Amount paid there against and included under Note 7 "Other Non-Current Assets" ₹ 23.9 million (previous year ₹ 23.9 million).	121.8	122.6
c)	Claims against the Company not acknowledged as debts [excluding interest (amount unascertained) in respect of a claim] for transfer charges of land, octroi duty, local body tax, employee claims, power*, trademarks, pricing and stamp duty. Amount paid there against without admitting liability and included under Note 7 "Other Non-Current Assets" ₹ 201.8 million (previous year ₹ 206.8 million). *Demand raised by Maharashtra State Electricity Development Corporation Limited (MSEDCL) challenging Group Captive Generating Plant (GCGP) status of power supplier's Plant at Tarapur and Pune location.	1830.2	1814.9
d)	Outstanding credit facilities against corporate guarantees given in respect of credit facilities sanctioned by bankers of subsidiary companies for the purpose of acquisitions, working capital and other business requirements aggregating ₹ 32012.6 million (previous year ₹ 49702.5 million).	29271.6	44559.7
e)	Financial guarantee aggregating to ₹ 5075.1 million (previous year ₹ 3399.6 million) given to third party on behalf of subsidiaries for contractual obligations.	-	-
f)	From time to time, Lupin Inc. (LI) and its subsidiaries are involved in various intellectual property claims and legal proceedings, which are considered normal to its business, where the liability, if any, may fall on Lupin Limited. Some of this litigation has been resolved through settlement. Future cash outflows in respect of the above, if any, is determinable only on receipt of judgment/decisions pending with the relevant authorities or settlement, as the case may be. The Company does not expect the outcome of the matters stated above to have a material adverse impact on the Company's financial condition, results of operations or cash flows. The Company believes that the probability of outflow is low to moderate considering the merits of the cases.		

The Company does not envisage any likely reimbursements in respect of the above.

The Company is involved in various legal proceedings, including product liability related claims, employment claims and other regulatory matters relating to conduct of its business. The Company carries product liability insurance policy with an amount it believes is sufficient for its needs. In respect of other claims, the Company believes that the probability of outflow is low to moderate considering the merits of the case and the ultimate disposition of these matters may not have material adverse effect on its Financial Statements.

35. The Company holds 3,007,237 (previous year 3,007,237) equity shares (unquoted) of Sai Wardha Power Ltd., India at a cost of ₹ 30.1 million (previous year ₹ 30.1 million) which was fully impaired by the Company in earlier years.

Notes

Forming part of the Standalone Financial Statements

36. Expenses incurred prior to commencement of commercial production included in Capital Work-In-Progress represent direct attributable expenditure for setting up of plants. The same will be capitalised on completion of projects and commencement of commercial operations. The details of pre-operative expenses are:

(₹ in million)

Particulars	2021-2022	2020-2021
Opening balance	378.0	392.8
Incurred during the year:		
Salaries, allowances and contribution to funds	98.5	87.7
Legal and professional charges	0.2	-
Travelling and conveyance	5.6	6.2
Power and fuel	-	1.6
Others	13.1	9.4
Total incurred during the year	117.4	104.9
Less: Capitalised during the year	106.8	119.7
Closing balance	**388.6**	**378.0**

37. Revenue (Ind AS 115)

a) The operations of the Company are limited to only one segment viz. pharmaceuticals and related products. Revenue from contract with customers is from sale of manufactured goods and rendering of research services. Sale of goods are made at a point in time and revenue is recognised upon satisfaction of the performance obligations which is typically upon dispatch/delivery depending on the terms of the sale. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established. There is no significant financing component as the credit period provided by the Company is not significant.

Income from research services including sale of technology/know-how (rights, licenses and other intangibles) is recognised in accordance with the terms of the contract with customers when the related performance obligation is completed.

The Company enters into certain dossier sales, licensing and supply arrangements that, in certain instances, include certain performance obligations. Based on an evaluation of whether or not these obligations are inconsequential or perfunctory, the Company recognises or defers the upfront payments received under these arrangements.

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

b) Disaggregation of revenue:

(₹ in million)

Nature of segment	2021-2022	2020-2021
A. Service line:		
- Sale of pharmaceutical goods	106914.6	108736.7
- Income from research services and sale of IPs	5670.2	273.5
Total revenue from contracts with customers	**112584.8**	**109010.2**
B. Primary geographical market:		
- India	63697.9	57833.1
- USA	27920.7	32371.1
- Others	20966.2	18806.0
Total revenue from contracts with customers	**112584.8**	**109010.2**
C. Timing of the revenue recognition:		
- Goods/Services transferred at a point in time	111187.6	108769.7
- Services transferred over time	1397.2	240.5
Total revenue from contracts with customers	**112584.8**	**109010.2**

Notes

Forming part of the Standalone Financial Statements

c) Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

(₹ in million)

Particulars	2021-2022	2020-2021
Revenue as per contracted price	129194.1	118403.9
Adjusted for:		
- Sales returns	2684.3	1934.9
- Discounts / Chargebacks / Rebates	7881.6	6468.6
- Others	6043.4	990.2
Total revenue from contracts with customers	**112584.8**	**109010.2**

d) Reconciliation of revenue recognised from Contract liability:

(₹ in million)

Particulars	2021-2022	2020-2021
Balance in contract liability at the beginning of the period that was not recognized as revenue	604.6	709.7
Add: Increases due to cash received during the year excluding amounts recognized as revenue during the year	21.5	148.4
Less: Decreases due to cash paid during the year upon termination of contracts	5.8	7.4
Less: Revenue recognized that was included in the contract liability balance at the beginning of the period	302.7	246.1
Balance in contract liability at the end of the period that is not recognized as revenue	317.6	604.6

38. Segment Reporting:

The Company has presented data relating to its segments based on its consolidated financial statements which are presented in the same Integrated Annual Report. Accordingly in terms of paragraph 4 of the Indian Accounting Standard (Ind AS 108) "Operating Segments" no disclosures related to segments are presented in these standalone financial statements.

39. Auditors' Remuneration:

(₹ in million)

Particulars	2021-2022	2020-2021
Payment to Auditors*:		
a) As Auditors	16.6	16.6
b) For other services including Certification	5.1	3.4
c) Reimbursement of out-of-pocket expenses	1.1	1.1
Total	**22.8**	**21.1**

* Excluding GST

Notes

Forming part of the Standalone Financial Statements

40. Leases:

The Company leases land, buildings, plant & equipment, furniture & fixtures, vehicles and office equipments. The leases typically run for the period between 12 months to 60 months.

Information about leases for which the Company is lessee is presented below:

i) Right of Use Assets

(₹ in million)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Total
Cost							
Balance at April 1, 2021	1132.0	1689.4	26.4	443.1	246.0	39.1	**3576.0**
Additions	5.3	176.0	-	29.2	142.3	-	**352.8**
Disposal/Derecognized during the year	-	202.7	-	76.0	69.9	30.9	**379.5**
Balance at March 31, 2022	1137.3	1662.7	26.4	396.3	318.4	8.2	**3549.3**
Accumulated depreciation							
Balance at April 1, 2021	59.3	439.5	13.2	211.5	95.6	28.5	**847.6**
Depreciation expense	15.3	430.5	8.8	89.2	95.2	10.4	**649.4**
Disposal/Derecognized during the year	-	202.7	-	76.0	56.0	30.9	**365.6**
Balance at March 31, 2022	74.6	667.3	22.0	224.7	134.8	8.0	**1131.4**
Net Balance at March 31, 2022	**1062.7**	**995.4**	**4.4**	**171.6**	**183.6**	**0.2**	**2417.9**
Net Balance at April 1, 2021	**1072.7**	**1249.9**	**13.2**	**231.6**	**150.4**	**10.6**	**2728.4**

(₹ in million)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Total
Cost							
Balance at April 1, 2020	1104.5	1104.6	26.4	443.1	187.1	52.8	**2918.5**
Additions	27.5	1034.7	-	-	120.4	-	**1182.6**
Disposal/Derecognized during the year	-	449.9	-	-	61.5	13.7	**525.1**
Balance at March 31, 2021	1132.0	1689.4	26.4	443.1	246.0	39.1	**3576.0**
Accumulated depreciation							
Balance at April 1, 2020	46.3	419.3	4.4	105.5	67.9	24.4	**667.8**
Depreciation expense	13.0	421.8	8.8	106.0	78.8	17.8	**646.2**
Disposal/Derecognized during the year	-	(401.6)	-	-	(51.1)	(13.7)	**(466.4)**
Balance at March 31, 2021	59.3	439.5	13.2	211.5	95.6	28.5	**847.6**
Net Balance at March 31, 2021	**1072.7**	**1249.9**	**13.2**	**231.6**	**150.4**	**10.6**	**2728.4**
Net Balance at April 1, 2020	**1058.2**	**685.3**	**22.0**	**337.6**	**119.2**	**28.4**	**2250.7**

Notes

Forming part of the Standalone Financial Statements

Lease liabilities

(₹ in million)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Total
Balance at April 1, 2021	111.4	1321.1	14.1	253.1	154.2	9.7	1863.6
Addition	-	176.0	-	29.2	142.3	-	347.5
Accreditation of interest	8.8	91.3	0.8	18.9	14.0	0.2	134.0
Payments	(7.3)	(482.6)	(10.0)	(109.6)	(108.3)	(9.6)	(727.4)
Adjustments for Disposals	-	-	-	-	(13.9)	-	(13.9)
Balance at March 31, 2022	**112.9**	**1105.8**	**4.9**	**191.6**	**188.3**	**0.3**	**1603.8**
Current	**4.7**	**416.1**	**4.9**	**86.5**	**88.5**	**0.3**	**601.0**
Non-Current	**108.2**	**689.7**	**-**	**105.1**	**99.8**	**-**	**1002.8**

(₹ in million)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Total
Balance at April 1, 2020	110.0	786.3	22.5	357.9	122.1	27.8	1426.6
Addition	-	1034.7	-	-	120.4	-	1155.1
Accreditation of interest	8.7	78.2	1.6	26.3	12.7	1.5	129.0
Payments	(7.3)	(520.7)	(10.0)	(131.1)	(90.5)	(19.6)	(779.2)
Adjustments for Disposals	-	(57.4)	-	-	(10.5)	-	(67.9)
Balance at March 31, 2021	**111.4**	**1321.1**	**14.1**	**253.1**	**154.2**	**9.7**	**1863.6**
Current	**4.9**	**363.2**	**9.2**	**86.2**	**70.4**	**9.4**	**543.3**
Non-Current	**106.5**	**957.9**	**4.9**	**166.9**	**83.8**	**0.3**	**1320.3**

The maturity analysis of the lease liability is included in the Note No.ii - Financial risk management objectives and policies under maturities of financial liabilities.

Amounts recognised in Profit and Loss

(₹ in million)

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Depreciation expense of right-of-use assets (Refer Note No. 2)	649.4	646.2
Interest expense on lease liabilities (Refer Note No. 31)	134.0	129.0
Expense relating to short-term leases	16.1	25.4
Expense relating to low value assets	130.1	126.0
Total	**929.6**	**926.6**

ii) Financial risk management

(A) Maturities of financial liabilities

The table below analyze the Company's financial liabilities into relevant maturity analysis based on their contractual maturities for all financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash outflows.

(₹ in million)

Contractual maturities of financial liabilities	Less than 1 Year	More than 1 Year	Total
As at March 31, 2022			
Lease liabilities	652.2	1346.6	1998.8
As at March 31, 2021			
Lease liabilities	659.7	2886.4	3546.1

iii) Commitments and contingencies

The Company has not entered into lease contracts that have not yet commenced as at March 31, 2022.

Notes

Forming part of the Standalone Financial Statements

41. Basic and Diluted Earnings per Share is calculated as under:

Particulars	**Year Ended 31.03.2022**	Year Ended 31.03.2021
Profit/(Loss) attributable to Equity Shareholders (₹ in million)	(1887.0)	12586.2
Weighted average number of Equity Shares:		
- Basic	454042888	453280606
Add: Effect of dilutive issue of employees stock options (ESOPs) - converted during the year and ESOPs outstanding as at the year end	1197409	1956031
- Diluted	455240297	455236627
Earnings per Share (in ₹)		
- Basic	(4.16)	27.77
- Diluted	(4.16)	27.65

42. Share-based payment arrangements:

(i) Employee stock options – equity settled

The Company implemented "Lupin Employees Stock Option Plan 2003" (ESOP 2003), "Lupin Employees Stock Option Plan 2005" (ESOP 2005), "Lupin Subsidiary Companies Employees Stock Option Plan 2005" (SESOP 2005), "Lupin Employees Stock Option Plan 2011" (ESOP 2011), "Lupin Subsidiary Companies Employees Stock Option Plan 2011" (SESOP 2011), "Lupin Employees Stock Option Plan 2014" (ESOP 2014) and "Lupin Subsidiary Companies Employees Stock Option Plan 2014" (SESOP 2014) in earlier years, as approved by the Shareholders of the Company and the Nomination and Remuneration Committee of the Board of Directors (the Committee).

The Committee determines which eligible employees will receive options, the number of options to be granted, the vesting period and the exercise period. The options are granted at an exercise price, which is in accordance with the relevant SEBI guidelines in force, at the time of such grants. Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of ₹ 2 each. The options issued under the above schemes vest in a phased manner after completion of the minimum period of one year with an exercise period of ten years from the respective grant dates.

Category A - Fair Market Value Options (comprising of options granted under ESOP 2003, ESOP 2005, SESOP 2005, ESOP 2011, SESOP 2011, ESOP 2014 and SESOP 2014)

Current Year

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	1953420	455.7-2037.5	1165.8	2.7
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	389526	455.7-2037.5	1335.7	NA
Less: Options exercised during the year	176526	455.7-864.8	583.6	NA
Options outstanding at the year end	1387368	556.1-2037.5	1191.6	2.8
Exercisable at the end of the year	1389971	556.1-1505.8	1191.5	2.8

Previous Year

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	2368280	455.7-2037.5	1155.1	4.7
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	298941	455.7-1563	1290.6	NA
Less: Options exercised during the year	115919	455.7-864.8	462.4	NA
Options outstanding at the year end	1953420	455.7-2037.5	1167.0	3.7
Exercisable at the end of the year	1955056	455.7-2037.5	1165.3	3.7

The weighted average grant date fair value of the options granted under Category A during the years ended March 31, 2022 and 2021 was ₹ Nil and ₹ Nil per option, respectively.

Notes

Forming part of the Standalone Financial Statements

Category B - Par Value Options (comprising of options granted under ESOP 2014)

Current Year

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	2166977	2.0	2.0	7.4
Add: Options granted during the year	566540	2.0	2.0	9.7
Less: Options lapsed during the year	198081	2.0	2.0	NA
Less: Options exercised during the year	518355	2.0	2.0	NA
Options outstanding at the year end	2017081	2.0	2.0	8.1
Exercisable at the end of the year	504096	2.0	2.0	6.6

Previous Year

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	2054151	2.0	2.0	7.8
Add: Options granted during the year	804627	2.0	2.0	9.7
Less: Options lapsed during the year	175708	2.0	2.0	NA
Less: Options exercised during the year	516093	2.0	2.0	NA
Options outstanding at the year end	2166977	2.0	2.0	8.4
Exercisable at the end of the year	446642	2.0	2.0	6.9

The weighted average grant date fair value of the options granted under Category B during the years ended March 31, 2022 and 2021 was ₹ 861.7 and ₹ 1006.8 per option, respectively.

Category C - Discounted Fair Market Value Options (comprising of options granted under ESOP 2003, ESOP 2005 and ESOP 2011)

Current Year

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	150000	720.5-891.5	675.9	4.6
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	-	-	-	-
Less: Options exercised during the year	100000	415.7-720.5	568.1	NA
Options outstanding at the year end	50000	891.5-891.5	891.5	3.6
Exercisable at the end of the year	50000	891.5-891.5	891.5	3.6

Previous Year

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	200000	415.7-891.5	688.1	6.1
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	-	-	-	-
Less: Options exercised during the year	50000	724.7-724.7	724.7	NA
Options outstanding at the year end	150000	724.7-724.7	675.9	5.6
Exercisable at the end of the year	150000	720.5-891.5	675.9	5.6

The weighted average grant date fair value of options granted under Category C during the years ended March 31, 2022 and 2021 was ₹ Nil and ₹ Nil per option, respectively.

The weighted average share price during the years ended March 31, 2022 and 2021 was ₹ 981.1 and ₹ 943.8 per share respectively.

Notes

Forming part of the Standalone Financial Statements

Valuation of stock options

The fair value of stock options granted during the period has been measured using the Black–Scholes option pricing model at the date of the grant. The Black-Scholes option pricing model includes assumptions regarding dividend yields, expected volatility, expected terms and risk free interest rates. The key inputs and assumptions used are as follows:

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 market price or face value or such other price as determined by the Nomination and Remuneration Committee.

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 four 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.

These assumptions reflect management's best estimates, but these assumptions involve inherent market uncertainties based on market conditions generally outside of the Company's control. As a result, if other assumptions had been used in the current period, stock-based compensation expense could have been materially impacted. Further, if management uses different assumptions in future periods, stock based compensation expense could be materially impacted in future years. The estimated fair value of stock options is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in-substance, multiple awards.

The weighted average inputs used in computing the fair value of options granted were as follows:

Weighted average information – 2021-2022

Category	Grant date	Exercise price	Risk free rate (%)	Expected life (years)	Expected Volatility (%)	Dividend yield (%)	Weighted average share price	Weighted Option Fair Value
B	May 10, 2021	2.00	5.1%	3.5	33.3%	0.6%	1,227.4	1,197.7
B	September 02, 2021	2.00	5.8%	6.3	31.4%	0.6%	967.8	929.1
B	September 02, 2021	2.00	5.8%	6.3	31.4%	0.6%	967.8	929.1
B	September 02, 2021	2.00	4.6%	2.6	33.5%	0.6%	967.8	950.5
B	October 18, 2021	2.00	5.9%	6.3	31.1%	0.6%	936.5	899.0
B	October 18, 2021	2.00	5.9%	6.3	31.1%	0.6%	936.5	899.0
B	November 30, 2021	2.00	5.9%	6.3	31.1%	0.6%	884.4	848.9
B	November 30, 2021	2.00	5.9%	6.3	31.1%	0.6%	884.4	848.9
B	November 30, 2021	2.00	5.9%	6.3	31.1%	0.6%	884.4	848.9
B	November 30, 2021	2.00	4.6%	2.6	32.4%	0.6%	884.4	868.4
B	March 01, 2022	2.00	6.2%	6.3	31.4%	0.6%	745.9	715.8
B	March 01, 2022	2.00	4.9%	2.6	33.2%	0.6%	745.9	732.1

Category	Weighted Average Option Fair Value	Weighted Average Share Price
B	861.7	885.3

Notes

Forming part of the Standalone Financial Statements

Weighted average information – 2020-2021

Category	Grant date	Exercise price	Risk free rate (%)	Expected life (years)	Expected Volatility (%)	Dividend yield (%)	Weighted average share price	Weighted Option Fair Value
B	April 20, 2020	2.0	5.3%	3.5	31.0%	0.6%	809.8	790.7
B	April 20, 2020	2.0	5.3%	3.5	31.0%	0.6%	809.8	790.7
B	August 10, 2020	2.0	4.9%	3.5	31.3%	0.6%	958.0	935.7
B	August 10, 2020	2.0	4.9%	3.5	31.3%	0.6%	958.0	935.7
B	January 5, 2021	2.0	4.6%	3.5	32.3%	0.6%	1,039.6	1,016.0
B	January 5, 2021	2.0	4.6%	3.5	32.3%	0.6%	1,039.6	1,016.0
B	January 5, 2021	2.0	4.6%	3.5	32.3%	0.6%	1,039.6	1,016.0
B	January 5, 2021	2.0	4.6%	3.5	32.3%	0.6%	1,039.6	1,016.0
B	February 24, 2021	2.0	5.1%	3.5	32.6%	0.6%	1,008.3	985.0
B	February 24, 2021	2.0	5.1%	3.5	32.6%	0.6%	1,008.3	985.0
B	February 24, 2021	2.0	5.1%	3.5	32.6%	0.6%	1,008.3	985.0

Category	Weighted Average Option Fair Value	Weighted Average Share Price
B	1006.8	1030.2

(ii) Employee stock options – Cash settled

The cost of cash-settled transactions is measured initially at fair value at the grant date using a Binomial Option Pricing Model. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is re-measured to fair value at each reporting date up to, and including the settlement date, with changes in fair value recognised in employee benefits expense.

Effect of cash settled share based payment transactions on the Standalone Balance Sheet

(₹ in million)

Particular	As at 31.03.2022	As at 31.03.2021
Other non-current financial liabilities	31.1	2.5
Other current financial liabilities	31.1	-
Total carrying amount of liabilities	**62.2**	**2.5**

Effect of share based payment transactions on the Standalone Statement of Profit and Loss

(₹ in million)

Particular	For the Current Year ended on 31.03.2022	For the Previous Year ended on 31.03.2021
Equity settled share based payments	393.0	386.6
Cash settled share based payments	59.7	2.5
Total expense on share based payments	**452.7**	**389.1**

43. Post-Employment Benefits:

(i) Defined Contribution Plans:

The Company makes contributions towards provident and pension fund and superannuation fund to a defined contribution retirement benefit plan for qualifying employees. The superannuation fund is administered by the Life Insurance Corporation of India (LIC). Under the plan the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

The Company recognised ₹ 173.2 million (previous year ₹ 174.7 million) for superannuation contribution and ₹ 282.0 million (previous year ₹ 274.3 million) for provident and pension fund contributions in the Statement of Profit and Loss.

Notes

Forming part of the Standalone Financial Statements

(ii) Defined Benefit Plan:

A) The Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC a funded defined benefit plan for qualifying employees. The scheme provides for payment as under:

a) On normal retirement/early retirement/withdrawal/resignation:
As per the provisions of the Payment of Gratuity Act 1972 with vesting period of 5 years of service.

b) On death in service:
As per the provisions of the Payment of Gratuity Act 1972 without any vesting period.

In addition to the above mentioned scheme the Company also pays additional gratuity as an ex-gratia and the said amount is provided as non-funded liability based on actuarial valuation.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2022. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at the Balance Sheet date.

(₹ in million)

Sr. No.	Particulars	Gratuity (Funded)		Gratuity (Unfunded)	
		As at 31.03.2022	As at 31.03.2021	**As at 31.03.2022**	As at 31.03.2021
I)	**Reconciliation in present value of obligations ('PVO') – defined benefit obligation:**				
	Current service cost	241.7	223.9	130.9	115.4
	Past service cost	-	-	-	-
	Interest cost	160.7	148.7	99.2	94.8
	Actuarial loss/(gain)				
	- Due to demographic assumption	-	-	-	-
	- Due to finance assumption	(41.5)	68.4	(7.6)	47.7
	- Due to experience assumption	31.0	(5.5)	12.5	(95.9)
	Benefits paid	(270.1)	(225.4)	(120.5)	(77.0)
	PVO at the beginning of the year	2400.5	2190.4	1481.0	1396.0
	PVO at the end of the year	2522.3	2400.5	1595.5	1481.0
II)	**Change in fair value of plan assets:**				
	Expected return on plan assets	14.2	19.0	-	-
	Interest Income	115.4	108.3	-	-
	Contributions by the employer	241.7	225.9	-	-
	Benefits paid	(270.1)	(225.4)	-	-
	Fair value of plan assets at the beginning of the year	1723.1	1595.3	-	-
	Fair value of plan assets at the end of the year	1824.3	1723.1	-	-
III)	**Reconciliation of PVO and fair value of plan assets:**				
	PVO at the end of the year	2522.3	2400.5	1595.5	1481.0
	Fair Value of plan assets at the end of the year	1824.3	1723.1	-	-
	Funded status	(698.0)	(677.4)	(1595.5)	(1481.0)
	Unrecognised actuarial gain/(loss)	-	-	-	-
	Net liability recognised in the Balance Sheet	(698.0)	(677.4)	(1595.5)	(1481.0)
IV)	**Expense recognised in the Statement of Profit and Loss:**				
	Current service cost	241.7	223.9	130.9	115.4
	Past service cost	-	-	-	-
	Interest cost	45.3	40.4	99.2	94.8
	Total expense recognised in the Statement of Profit and Loss	287.0*	264.3*	230.1*	210.2*

Notes

Forming part of the Standalone Financial Statements

(₹ in million)

Sr. No.	Particulars	Gratuity (Funded)		Gratuity (Unfunded)	
		As at 31.03.2022	As at 31.03.2021	**As at 31.03.2022**	As at 31.03.2021
V)	**Other Comprehensive Income**				
	Actuarial loss/(gain)				
	- Due to demographic assumption	-	-	-	-
	- Due to finance assumption	(41.5)	68.4	(7.6)	47.7
	- Due to experience assumption	31.1	(5.5)	12.5	(95.9)
	Return on plan assets excluding net interest	(14.2)	(19.0)	-	-
	Total amount recognised in OCI	(24.6)	43.9	4.9	(48.2)
VI)	**Category of assets as at the end of the year:**				
	Insurer Managed Funds (100%) (Fund is Managed by LIC as per IRDA guidelines category-wise composition of the plan assets is not available)	1824.2	1723.1	-	-
VII)	**Actual return on the plan assets:**	129.5	127.3	-	-
VIII)	**Assumptions used in accounting for the gratuity plan:**				
	Mortality (%)	Rates stipulated in Indian Assured Lives Mortality 2006-08 upto 31.03.2019 Rates stipulated in Indian Assured Lives Mortality 2012-14 from 01.04.2019 onwards			
	Discount rate (%)	7.1	6.7	7.1	6.7
	Salary escalation rate (%)	9.0 for first three years and 6.0 thereafter	9.0 for first three years and 6.0 thereafter	9.0 for first three years and 6.0 thereafter	9.0 for first three years and 6.0 thereafter
	Average Remaining Service (years)	11.4	10.9	11.4	10.9
	Employee Attrition Rate (%)				
	up to 5 years	15.0	15.0	15.0	15.0
	above 5 years	5.0	5.0	5.0	5.0
IX)	**Estimate of amount of contribution in immediate next year**	375.3	357.6	NA	NA

* ₹ 1.8 million (previous year ₹ 1.9 million) capitalised as pre-operative expenses out of above amount.

X) Expected future benefit payments

(₹ in million)

Particulars	**As at 31.03.2022**
1 year	603.5
2 to 5 years	1401.4
6 to 10 years	1628.7
More than 10 years	5043.6

The estimates of salary escalation considered in actuarial valuation take account of inflation seniority promotion and other relevant factors such as supply and demand in the employment market.

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions holding other assumptions constant would have affected the defined benefit obligation by the amounts shown below:

(₹ in million)

Gratuity	**2021-2022**		2020-2021	
	Increase	**Decrease**	Increase	Decrease
Discount Rate (1% movement)	(321.2)	371.5	(310.1)	(360.0)
Future salary growth (1% movement)	368.8	(324.6)	356.0	(312.3)

Notes

Forming part of the Standalone Financial Statements

B) The provident fund plan of the Company, except at one plant, is operated by "Lupin Limited Employees Provident Fund Trust" ("Trust"), a separate legal entity. Eligible employees receive benefits from the said Provident Fund. Both the employees and the Company make monthly contributions to the Provident Fund Plans equal to a specified percentage of the covered employee's salary.

The minimum interest rate payable by the Trust to the beneficiaries every year is being notified by the Government of India. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. The Board of Trustees administer the contributions made by the Company to the schemes and also defines the investment strategy to act in the best interest of the plan participants.

The Company has an obligation to service the shortfall on account of interest generated by the fund and on maturity of fund investments and hence the same has been classified as Defined Benefit Plan in accordance with Ind AS 19 "Employee Benefits". As per the Guidance Note from the Actuarial Society of India, the Company has obtained the actuarial valuation of interest rate obligation in respect of Provident Fund as at March 31, 2022 and based on the same, there is no shortfall towards interest rate obligation.

Based on the actuarial valuation obtained, the following is the details of fund and plan assets.

(₹ in million)

Sr. No.	Particulars	**As at 31.03.2022**	As at 31.03.2021
I)	**PVO and fair value of plan assets:**		
	Fair Value of plan assets	11466.6	10332.3
	Present Value of defined benefit obligations	11641.3	10524.7
	Net excess/(shortfall)	(174.7)	(192.4)
II)	**Changes in defined benefit obligation:**		
	Liability at the beginning of the year	10524.7	9559.1
	Interest cost	725.1	801.4
	Current service cost	639.2	521.2
	Employee contribution	1008.6	915.0
	Liability Transferred in	(282.5)	(248.3)
	Benefits paid	(1051.5)	(1092.2)
	Actuarial (gain)/ loss on financial assumptions	(95.4)	-
	Actuarial (gain)/ loss on experience variance	173.1	68.5
	Liability at the end of the year	11641.3	10524.7
III)	**Changes in fair value of plan assets:**		
	Fair value of plan assets at the beginning of the year	10332.3	9492.4
	Investment income	710.9	808.5
	Employer's contributions	600.4	521.2
	Employee's contribution	1008.6	915.0
	Transfers in	(247.2)	(237.5)
	Benefits paid	(1051.5)	(1092.2)
	Return on plan assets, excluding amount recognised in net interest expense	112.9	(75.1)
	Fair value of plan assets at the end of the year	11466.4	10332.3
IV)	**Expenses recognized in Statement of Profit and Loss:**		
	Current service cost	639.2	521.2
	Interest cost	725.1	801.4
	Expected return on plan assets	(710.9)	(808.5)
	(Income)/Expense recognised in the Statement of Profit and Loss	653.4	514.1
V)	**Other Comprehensive Income**		
	Actuarial (loss)/gain		
	- Due to finance assumption	95.4	-
	- Due to experience assumption	(173.1)	(68.5)
	Return on plan assets excluding net interest	112.9	(75.1)
	Total amount recognised in OCI	35.2	(143.6)

Notes

Forming part of the Standalone Financial Statements

(₹ in million)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
VI)	**Major categories of Plan Assets (As per percentage of Total Plan Assets):**		
	Government of India securities/State Government securities	47.1%	52.1%
	High quality corporate bonds	8.4%	10.9%
	Equity shares of listed companies	3.1%	3.3%
	Debt Mutual Fund	37.3%	28.6%
	Equity Mutual Fund	0%	1.2%
	Special Deposit Scheme	1.7%	2.1%
	Bank balance	2.5%	1.8%
	Total	100%	100%
VII)	**Assumptions used in accounting for the provident fund plan:**		
	Discount rate (%)	7.1	6.7
	Average remaining tenure of investment portfolio (years)	7.7	7.5
	Guaranteed rate of return (%)	8.1	8.5
	Attrition rate - upto 5 years	15.0%	15.0%
	Above 5 years	5.0%	5.0%

44. Income taxes

a. Tax expense/(benefit) recognised in profit and loss:

(₹ in million)

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Current Tax Expense for the year (including non-creditable foreign taxes of ₹ 392.9 million during the year ended 31.03.2022)	394.9	3671.0
Tax expense of prior years	183.1	(42.5)
Net Current Tax Expense	578.0	3628.5
Deferred income tax liability/(asset) net		
Origination and reversal of temporary differences	(306.3)	82.3
Tax expense for the year	**271.7**	**3710.8**

b. Tax expense/(benefit) recognised in other comprehensive income

(₹ in million)

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	(13.0)	42.4
Items that will be reclassified to profit or loss		
The effective portion of gains and loss on hedging instruments in a cash flow hedge	12.4	(203.9)
Total	**(0.6)**	**(161.5)**

Notes

Forming part of the Standalone Financial Statements

c. Reconciliation of tax expense/(benefit) and accounting profit multiplied by India's domestic tax rate:

(₹ in million)

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Profit before tax	(1615.3)	16297.0
Tax using the Company's domestic tax rate (March 31 2022: 34.94% March 31 2021: 34.94%)	(564.3)	5694.8
Tax effect of:		
Expenses not deductible for tax purposes	999.6	1104.3
Impact of change in tax rates	0.1	-
Exemption of profit link incentives	(706.4)	(2980.7)
Effect of Non-Creditable foreign taxes	392.9	-
Other	(33.3)	(65.1)
Current and Deferred Tax expense (excluding prior year taxes) as per note 44(a)	**88.6**	**3753.3**

d. Movement in deferred tax balances:

(₹ in million)

Particulars	Net balance April 1, 2021	Recognised in profit or loss	Recognised in Retained Earnings/OCI	Net balance March 31, 2022	Deferred tax asset	Deferred tax liability
Deferred tax assets/(liabilities)						
Property plant and equipment	(3481.9)	17.7	-	(3464.2)	-	(3464.2)
Cash Flow Hedge Reserve	(70.9)	-	12.4	(58.5)	-	(58.5)
Trade Receivables	132.7	(10.8)	-	121.9	121.9	-
Mark to Market (Gain)/Loss	(104.0)	95.9	-	(8.1)	-	(8.1)
Deferred Income	211.5	(100.3)	-	111.2	111.2	-
Interest on tax refunds to be taxed in the year of receipt – as per ICDS IV Para 8(2)	(74.0)	85.9	-	11.9	11.9	-
Employee benefits	1197.2	102.6	(13.0)	1286.8	1286.8	-
Other items	16.2	115.3	-	131.5	131.5	-
Net Deferred tax assets (liabilities)	**(2173.2)**	**306.3**	**(0.6)**	**(1867.5)**	**1663.3**	**(3530.8)**

Notes

Forming part of the Standalone Financial Statements

₹ in million

Particulars	Net balance April 1, 2020	Recognised in profit or loss	Recognised in Retained Earnings/OCI	Net balance March 31, 2021	Deferred tax asset	Deferred tax liability
Deferred tax assets/(liabilities)						
Property plant and equipment	(3508.4)	26.5	-	(3481.9)	-	(3481.9)
Cash Flow Hedge Reserve	133.0	-	(203.9)	(70.9)	-	(70.9)
Trade Receivables	74.0	58.7	-	132.7	132.7	-
Mark to Market (Gain)/Loss	(0.8)	(103.2)	-	(104.0)	-	(104.0)
Deferred Income	248.2	(36.7)	-	211.5	211.5	-
Interest on tax refunds to be taxed in the year of receipt – as per ICDS IV Para 8(2)	-	(74.0)	-	(74.0)	-	(74.0)
Employee benefits	1077.6	77.2	42.4	1197.2	1197.2	-
Other items	47.0	(30.8)	-	16.2	16.2	-
Net Deferred tax assets/ (liabilities)	**(1929.4)**	**(82.3)**	**(161.5)**	**(2173.2)**	**1557.6**	**(3730.8)**

Management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

45. Details of Research and Development expenses incurred during the year and shown in the respective heads of account is given below:

(₹ in million)

Particulars	**Year Ended 31.03.2022**	Year Ended 31.03.2021
Materials and stores and spares consumption	3484.5	1686.5
Power and fuel	320.5	301.9
Repairs and maintenance	521.0	516.6
Employee benefits expense	3084.6	2665.7
Analytical charges	1293.5	1811.1
Legal & Professional charges	1293.1	1202.1
Depreciation expense	889.3	988.2
Others	488.1	2100.8
Total	**11374.6**	**11272.9**

Notes

Forming part of the Standalone Financial Statements

46. The aggregate amount of expenditure incurred during the year on Corporate Social Responsibility (CSR) is ₹ 339.9 million (previous year ₹ 351.1 million) and is shown separately under note 32 based on Guidance Note on Accounting for Expenditure on CSR Activities issued by the ICAI.

(₹ in million)

Particulars	**2021-2022**	2020-2021
(a) amount required to be spent by the company during the year	334.8	346.6
(b) amount of expenditure incurred on		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	339.9	351.1
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall		
(f) Nature of CSR activities	Rural support programme, patient awareness and other activities mentioned in Schedule VII of the Companies Act, 2013	
(g) Details of related party transactions	309.2	303.0
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-

The amount required to be spent by the Company during the year is ₹ 334.8 million (previous year ₹ 346.6 million). No amount was spent during the year towards construction/acquisition of any asset relating to CSR expenditure and there are no outstanding amounts payables towards any other purposes.

In respect of ongoing projects, the company is in the process of transferring the unspent amount of ₹ 64.0 million for the year ended March 31, 2021 to a special account as per section 135(6) of the said Act.

47. The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

(₹ in million)

Particulars	**As at 31.03.2022**	As at 31.03.2021
i. The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	847.9 (interest ₹ nil)	912.3 (interest ₹ nil)
ii. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii. The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act 2006	-	-
iv. The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v. The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medi-um Enterprises Development Act, 2006	-	-

Notes

Forming part of the Standalone Financial Statements

48. Patent Litigation Settlement for Glumetza

In September 2019, 12 lawsuits were filed by purchasers of drug Glumetza in the US against several stakeholders including Lupin Limited and its subsidiary Lupin Pharmaceuticals Inc., U.S. During September 2021, the company and its subsidiary, agreed to settle the dispute, without admitting any violation of law. Accordingly, the company has settled with two plaintiffs representing a majority of the claims for an amount of USD 252.9 million (₹ 18783.8 million) [including USD 4.9 million (₹ 374.8 million) towards litigation and settlement related expenses]. This amount has been recognized as business compensation expense.

49. As per best estimate of the management, provision has been made as under:

European Commission fine

During the year ended March 31, 2019, the General Court of the European Union delivered its judgement concerning Lupin's appeal against the European Commission's (EC) 2014 decision in case of alleged breach of the EU Antitrust Rules in respect of IPs for product Perindopril. Accordingly, the Company has made a provision of ₹ 3783.9 million (previous year ₹ 3796.1 million) (including interest thereon) as under:

(₹ in million)

Particulars	**2021-2022**	2020-2021
Carrying amount at the beginning of the year	3796.1	3609.5
Add: Additional Provisions (including interest) made during the year	56.6	57.1
Less: Amounts used/utilised during the year	-	-
Add: Exchange Difference during the year	(68.8)	129.5
Carrying amount at the end of the year	**3783.9**	**3796.1**

The Company has filed appeal against this judgment in the Court of Justice of the European Union.

50. Financial Instruments

Financial instruments – Fair values and risk management:

A. Accounting classification and fair values:

Carrying amounts and fair values of financial assets and financial liabilities including their levels in the fair value hierarchy are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Notes

Forming part of the Standalone Financial Statements

(₹ in million)

As at 31.03.2022	Carrying amount				Fair value			
	FVTPL	Derivatives designated as hedge	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-Current Investments								
- In Preference Shares	1116.1	-	-	1116.1	-	1116.1	-	1116.1
- Others	422.3	-	-	422.3	-	402.6	19.7	422.3
Non-Current Loans								
- Others	-	-	2.1	2.1	-	-	-	-
Other Non-Current Financial Assets								
- Security Deposit	-	-	701.5	701.5	-	-	-	-
- Derivative Instruments	-	-	19.5	19.5	-	-	-	-
- Others	-	-	9.1	9.1	-	-	-	-
Current Investments	6213.5	-	2010.5	8224.0	6213.5	-	-	6213.5
Trade Receivables	-	-	27220.1	27220.1	-	-	-	-
Cash and Cash Equivalents	-	-	591.0	591.0	-	-	-	-
Other Bank Balances including earmarked balances with banks	-	-	54.6	54.6	-	-	-	-
Current Loans	-	-	22.7	22.7	-	-	-	-
Other Current Financial Assets								
- Security Deposit	-	-	40.3	40.3	-	-	-	-
- Derivative Instruments	-	223.3	-	223.3	-	-	-	-
- Others	-	-	5721.6	5721.6	-	-	-	-
	7751.9	**223.3**	**36393.0**	**44368.2**	**6213.5**	**1518.7**	**19.7**	**7751.9**
Financial liabilities								
Non-Current Borrowings	-	-	-	-	-	-	-	-
Lease Liabilities	-	-	1002.8	1002.8	-	-	-	-
Other Non-Current Financial Liabilities								
- Derivative instruments	-	-	-	-	-	-	-	-
- Others	-	-	61.8	61.8	-	-	-	-
Current Borrowings	-	-	7904.7	7904.7	-	-	-	-
Trade Payables	-	-	13515.3	13515.3	-	-	-	-
Lease Liabilities	-	-	601.0	601.0	-	-	-	-
Other Current Financial Liabilities								
- Derivative instruments	-	-	-	-	-	-	-	-
- Others	-	-	2484.0	2484.0	-	-	-	-
	-	**-**	**25569.6**	**25569.6**	**-**	**-**	**-**	**-**

Notes

Forming part of the Standalone Financial Statements

(₹ in million)

As at 31.03.2021	Carrying amount				Fair value			
	FVTPL	Derivatives designated as hedge	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-Current Investments								
- In Preference Shares	520.0	-	-	520.0	-	520.0	-	520.0
- Others	419.7	-	-	419.7	-	400.0	19.7*	419.7
Non-Current Loans								
- Security Deposit	-	-	657.8	657.8	-	-	-	-
- Others	-	-	0.9	0.9	-	-	-	-
Other Non-Current Financial Assets								
- Derivative Instruments	-	-	-	-	-	-	-	-
- Others	-	-	10.5	10.5	-	-	-	-
Current Investments	21229.6	-	1980.3	23209.9	21229.6	-	-	21229.6
Trade Receivables	-	-	31905.4	31905.4	-	-	-	-
Cash and Cash Equivalents	-	-	1774.1	1774.1	-	-	-	-
Other Bank Balances including earmarked balances with banks	-	-	1066.0	1066.0	-	-	-	-
Current Loans	-	-	126.4	126.4	-	-	-	-
Other Current Financial Assets								
- Derivative instruments	-	269.1	-	269.1	-	-	-	-
- Others	-	-	4042.4	4042.4	-	-	-	-
	22169.3	**269.1**	**41563.8**	**64002.2**	**21229.6**	**920.0**	**19.7**	**22169.3**
Financial liabilities								
Non-Current Borrowings	-	-	1.5	1.5	-	-	-	-
Other Non-Current Financial Liabilities								
- Derivative instruments	-	-	-	-	-	-	-	-
- Others	-	-	1359.9	1359.9	-	-	-	-
Current Borrowings	-	-	2987.9	2987.9	-	-	-	-
Trade Payables	-	-	11963.9	11963.9	-	-	-	-
Other Current Financial Liabilities								
- Derivative instruments	-	-	-	-	-	-	-	-
- Others	-	-	2965.0	2965.0	-	-	-	-
	-	**-**	**19278.2**	**19278.2**	**-**	**-**	**-**	**-**

* These are for operation purposes and the Company expects its refund on exit. The Company estimates that the fair value of these investments are not materially different as compared to its cost.

Notes

Forming part of the Standalone Financial Statements

B. Measurement of fair values:

Valuation techniques and significant unobservable inputs:

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the statement of financial position as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Derivative instruments	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currency.	Not applicable	Not applicable
Non-current financial assets and liabilities	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.	Not applicable	Not applicable

C. Financial risk management:

The Company has exposure to the following risks arising from financial instruments:
- Credit risk;
- Liquidity risk; and
- Market risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee which is responsible for developing and monitoring the Company's risk management policies. The committee reports to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company through its training standards and procedures aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures the results of which are reported to the audit committee.

i. Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Notes

Forming part of the Standalone Financial Statements

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer including the default risk of the industry and country in which the customer operates also has an influence on credit risk assessment. Credit risk is managed through credit approvals establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

As at year end the carrying amount of the Company's largest customer (a Subsidiary based in North America) was ₹ 12801.7 million (previous year ₹ 18998.2 million).

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

(₹ in million)

Particulars	**As at 31.03.2022**	As at 31.03.2021
Not past due but impaired	72.7	57.2
Neither past due not impaired	20308.0	28578.4
Past due not impaired		
- 1-180 days	6451.2	2963.9
- 181-365 days	294.3	140.4
- more than 365 days	166.6	222.4
Past due impaired		
- 1-180 days	18.2	40.4
- 181-365 days	33.3	0.5
- more than 365 days	75.0	128.5
Total	**27419.3**	**32131.7**

Expected credit loss assessment

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments available press information etc.) and applying experienced credit judgement.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Company have not undergone any substantial change the Company expects the historical trend of minimal credit losses to continue.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

(₹ in million)

Particulars	**2021-2022**	2020-2021
Balance as at the beginning of the year	226.3	135.6
Impairment loss recognised (net)	(6.0)	94.0
Amounts written off	(18.6)	(2.2)
Exchange differences	(2.5)	(1.1)
Balance as at the year end	**199.2**	**226.3**

Notes

Forming part of the Standalone Financial Statements

The impairment loss at March 31 2022 related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances mainly due to economic circumstances.

Cash and cash equivalents
As at the year end the Company held cash and cash equivalents of ₹ 591.0 million (previous year ₹ 1774.1 million). The cash and cash equivalents are held with banks.

Other Bank Balances
Other bank balances are held with banks.

Derivatives
The derivatives are entered into with banks.

Investment in mutual funds, non-convertible debentures and commercial papers

The Company limits its exposure to credit risk by generally investing in liquid securities non convertible debentures commercial papers and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties.

Other financial assets
Other financial assets are neither past due nor impaired.

ii. Liquidity risk:

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

The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposit and liquid and liquid plus schemes of mutual funds non-convertible debentures commercial papers which carry no/low mark to market risks. The Company monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

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

(₹ in million)

As at 31.03.2022	Carrying amount	Contractual Cash Flows				
		Total	0-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non-Current Borrowings	-	-	-	-	-	-
Interest Payables	-	26.8	8.1	11.9	6.3	0.5
Other Non-Current Financial Liabilities	61.8	61.8	-	7.0	1.5	53.3
Lease Liability – Non Current	1002.8	2501.9	-	647.2	334.3	1520.4
Current Borrowings	7904.7	7904.7	7904.7	-	-	-
Trade Payables Current	13515.3	13515.3	13515.3	-	-	-
Lease Liability – Current	601.0	692.6	692.6	-	-	-
Other Current Financial Liabilities	2484.0	2484.0	2484.0	-	-	-
Issued financial guarantee contracts on behalf of subsidiaries*	-	-	-	-	-	-
Derivative financial liabilities						
Forward exchange contracts (gross settled)						
- Outflow	-	-	-	-	-	-
- Inflow	-	-	-	-	-	-
Total	**25569.6**	**27187.1**	**24604.7**	**666.1**	**342.1**	**1574.2**

Notes

Forming part of the Standalone Financial Statements

(₹ in million)

As at 31.03.2021	Carrying amount	Contractual Cash Flows				
		Total	0-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non-Current Borrowings	1.5	1.5	-	1.0	0.5	-
Lease Liability – Non Current	1320.3	1320.3	-	510.5	728.1	81.7
Interest Payables	-	35.6	8.9	8.1	15.0	3.6
Other Non-Current Financial Liabilities	39.6	39.6	-	4.2	4.6	30.8
Current Borrowings	2989.5	2989.5	2989.5	-	-	-
Lease Liabiities	543.3	543.3	543.3	-	-	-
Trade Payables Current	11963.9	11963.9	11963.9	-	-	-
Other Current Financial Liabilities	2420.1	2420.1	2420.1	-	-	-
Issued financial guarantee contracts on behalf of subsidiaries*	-	-	-	-	-	-
Derivative financial liabilities						
Forward exchange contracts (gross settled)						
- Outflow	-	-	-	-	-	-
- Inflow	-	-	-	-	-	-
Total	**19278.2**	**19313.8**	**17925.7**	**523.8**	**748.2**	**116.1**

* Guarantees issued by the Company on behalf of subsidiaries are with respect to borrowings raised by the respective subsidiary. These amounts will be payable on default by the concerned subsidiary. As of the reporting date none of the subsidiary have defaulted and hence the Company does not have any present obligation to third parties in relation to such guarantees (Refer note 54C).

iii. Market Risk:

Market risk is the risk that changes in market prices – such as foreign exchange rates interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk. Thus our exposure to market risk is a function of revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs. The Company uses derivatives to manage market risk. Generally the Company seeks to apply hedge accounting to manage volatility in profit or loss.

Currency risk

The Company is exposed to currency risk on account of its operations in other countries. The functional currency of the Company is Indian Rupee. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent periods and may continue to fluctuate in the future. Consequently the Company uses both derivative instruments i.e. foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognized assets and liabilities.

The Company enters into foreign currency forward contracts which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables/receivables.

The Company also enters into derivative contracts in order to hedge and manage its foreign currency exposures towards future export earnings. Such derivatives contracts are entered into by the Company for hedging purposes only and are accordingly classified as cash flow hedge.

Notes

Forming part of the Standalone Financial Statements

Following is the derivative financial instruments to hedge the foreign exchange rate risk:

(Amount in million)

Category	Instrument	Currency	Cross Currency	As at 31.03.2022	As at 31.03.2021	Buy/Sell
Hedges of highly probable fore-casted transactions	Forward contract	USD	INR	USD 144.0	USD 119.0	Sell

The following table sets forth information relating to unhedged foreign currency exposure as at March 31, 2022:

(₹ in million)

Particulars	USD	EURO	GBP	JPY	Others
Financial assets	11842.4	609.0	355.1	549.4	1051.0
Financial liabilities	2161.2	4192.6	179.6	57.9	142.6
Net Asset/(Liability)	**9681.2**	**(3583.6)**	**175.5**	**491.5**	**908.4**

1% appreciation/depreciation of the respective functional currency of Lupin Limited with respect to various foreign currencies would result in increase/decrease in the Company's profit before taxes by approximately ₹ 76.7 million for the year ended March 31, 2022.

The following table sets forth information relating to unhedged foreign currency exposure as at March 31, 2021:

(₹ in million)

Particulars	USD	EURO	GBP	JPY	Others
Financial assets	15525.0	621.7	324.9	283.8	876.5
Financial liabilities	2619.5	4349.1	253.3	5.5	363.9
Net Asset/(Liability)	**12905.5**	**(3727.4)**	**71.6**	**278.3**	**512.6**

1% appreciation/depreciation of the respective functional currency of Lupin Limited with respect to various foreign currencies would result in increase/decrease in the Company's profit before taxes by approximately ₹ 100.4 million for the year ended March 31, 2021.

The Company has not entered into foreign currency forward contract for purposes other than hedging.

Exposure to Currency risk

Following is the currency profile of non-derivative financial assets and financial liabilities:

(₹ in million)

Particulars	**As at 31.03.2022**				
	USD	**EURO**	**GBP**	**JPY**	**Others**
Financial assets					
Cash and cash equivalents	90.5	-	-	-	1.1
Trade Receivables	22666.0	609.0	355.1	549.4	1049.7
Other current financial assets	-	-	-	-	0.2
	22756.5	**609.0**	**355.1**	**549.4**	**1051.0**
Financial liabilities					
Trade Payables	2133.4	363.2	172.5	57.0	129.1
Other current financial liabilities	27.8	3829.4	7.1	0.9	13.5
	2161.2	**4192.6**	**179.6**	**57.9**	**142.6**
Net statement of financial position exposure	**20595.3**	**(3583.6)**	**175.5**	**491.5**	**908.4**

(₹ in million)

Particulars	As at 31.03.2021				
	USD	EURO	GBP	JPY	Others
Financial assets					
Cash and cash equivalents	0.9	-	-	-	2.6
Trade Receivables	24224.2	621.7	324.9	283.8	873.9
Other current financial assets	-	-	-	-	-
	24225.1	**621.7**	**324.9**	**283.8**	**876.5**
Financial liabilities					
Trade Payables	2587.8	374.1	244.4	5.5	352.7
Other current financial liabilities	31.7	3975.0	8.9	-	11.2
	2619.5	**4349.1**	**253.3**	**5.5**	**363.9**
Net statement of financial position exposure	**21605.6**	**(3727.4)**	**71.6**	**278.3**	**512.6**

Notes

Forming part of the Standalone Financial Statements

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against foreign currency at March 31 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables in particular interest rates remain constant and ignores any impact of forecast sales and purchases.

(₹ in million)

March 31, 2022	Profit or (loss)		Equity net of tax*	
1% movement	Strengthening	Weakening	Strengthening	Weakening
USD	(214.0)	214.0	(197.9)	197.9
EUR	35.8	(35.8)	23.3	(23.3)
GBP	(1.8)	1.8	(1.1)	1.1
JPY	(4.0)	4.0	(2.6)	2.6
Others	(9.1)	9.1	(5.9)	5.9
	(193.1)	**193.1**	**(184.2)**	**184.2**

(₹ in million)

March 31, 2021	Profit or (loss)		Equity net of tax*	
1% movement	Strengthening	Weakening	Strengthening	Weakening
USD	(216.1)	216.1	(197.2)	197.2
EUR	37.3	(37.3)	24.2	(24.2)
GBP	(0.7)	0.7	(0.5)	0.5
JPY	(2.8)	2.8	(1.8)	1.8
Others	(5.1)	5.1	(3.3)	3.3
	(187.4)	**187.4**	**(178.5)**	**178.5**

* including other comprehensive income

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings and finance lease obligations. The interest rate profile of the Company's interest-bearing borrowings is as follows:

(₹ in million)

Particulars	**As at 31.03.2022**	As at 31.03.2021
Non-Current Borrowings		
Fixed rate borrowings	-	3.1
Variable rate borrowings	-	-
	-	3.1
Current Borrowings		
Fixed rate borrowings	-	-
Variable rate borrowings	7904.7	2987.9
	7904.7	2987.9
Total	**7904.7**	**2991.0**

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Notes

Forming part of the Standalone Financial Statements

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables in particular foreign currency exchange rates remain constant.

(₹ in million)

Particulars	Profit or (loss)	
	100 bp increase	100 bp decrease
Cash flow sensitivity (net)		
March 31, 2022		
Variable-rate borrowings	(79.0)	79.0
March 31, 2021		
Variable-rate borrowings	(29.9)	29.9

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Commodity rate risk

The Company's operating activities involve purchase and sale of Active Pharmaceutical Ingredients (API) whose prices are exposed to the risk of fluctuation over short periods of time. Commodity price risk exposure is evaluated and managed through procurement and other related operating policies. As of March 31, 2022 and March 31, 2021 the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

51. Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose adjusted net debt is defined as total liabilities comprising interest-bearing loans and borrowings less cash and cash equivalents other bank balances and current investments.

The Company's policy is to keep the ratio below 1.5. The Company's adjusted net debt to total equity ratio at March 31, 2022 was as follows:

(₹ in million)

Particulars	**As at 31.03.2022**	As at 31.03.2021
Total borrowings	7904.7	2991.0
Less: Cash and cash equivalent	591.0	1774.1
Less: Other Bank Balances*	63.7	1076.5
Less: Current Investments	8224.0	23209.9
Adjusted net debt	(974.0)	(23069.5)
Total equity	181501.9	185655.7
Adjusted net debt to total equity ratio	(0.01)	(0.12)

* includes earmarked bank deposits against guarantees & other commitments of ₹ 9.1 million (previous year ₹ 10.5 million) classified as Other Non-Current Financial Assets.

Notes

Forming part of the Standalone Financial Statements

52. Hedge accounting

The Company's risk management policy is to hedge above 15% of its estimated foreign currency exposure in respect of highly probable forecast sales over the following 12-24 months. The Company uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as cash flow hedges.

The forward exchange forward contracts are denominated in the same currency as the highly probable forecast sales, therefore the hedge ratio is 1:1. These contracts have a maturity of 12-24 months from the reporting date. The Company's policy is for the critical terms of the forward exchange contracts to align with the hedged item.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Company assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in the cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships changes in timing of the hedged transactions is the main source of hedge ineffectiveness.

a. Disclosure of effects of hedge accounting on financial position:

(₹ in million)

As at 31.03.2022

Type of hedge and risks	Nominal Value (in USD mn)	Carrying amount of hedging instrument		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognizing hedge effectiveness
		Assets	Liabilities						
Cash flow hedge				Other current/ non-current financial assets					
Forward exchange forward contracts	144.0	242.8	-	Other current financials liabilities/ non-current financial liabilities	April 2022 – March 2024	1:1	79.24	(255.43)	(253.18)

(₹ in million)

As at 31.03.2021

Type of hedge and risks	Nominal Value (in USD mn)	Carrying amount of hedging instrument		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognizing hedge effectiveness
		Assets	Liabilities						
Cash flow hedge				Other current/ non-current financial liability					
Forward exchange forward contracts	119.0	269.1	-	Other current financials liabilities/ non-current financial liabilities	April 2021 – March 2022	1:1	77.19	(279.67)	(268.69)

Notes

Forming part of the Standalone Financial Statements

b. Disclosure of effects of hedge accounting on financial performance

(₹ in million)

As at 31.03.2022	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or (loss)	Line item in the statement of profit or loss that includes the hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or (loss)	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	336.8	0.5	Net (gain)/loss on Foreign Currency Transactions	363.1	Revenue from operations - Sale of goods

(₹ in million)

As at 31.03.2021	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or (loss)	Line item in the statement of profit or loss that includes the hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or (loss)	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	(834.6)	1.6	Net (gain)/loss on Foreign Currency Transactions	104.9	Revenue from operations - Sale of goods

c. The following table provides a reconciliation by risk category of components of equity and analysis of OCI items net of tax resulting from cash flow hedge accounting:

(₹ in million)

Movements in cash flow hedging reserve	
Balance at April 1, 2020	**(324.4)**
Add: Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	834.6
Less: Amounts re-classified to profit or loss	(106.5)
Less: Deferred tax	(203.9)
As at March 31, 2021	**199.8**
Add: Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	336.8
Less: Amounts re-classified to profit or loss	(363.6)
Less: Deferred tax	12.4
As at March 31, 2022	**185.4**

53. Off-setting or similar agreements:

The recognised financial instruments that are offset in balance sheet as at March 31, 2022:

(₹ in million)

As at 31.03.2022	Effects of offsetting on the balance sheet			Amounts subject to master netting	
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Related amounts not offset	Net amount
Financial assets					
Derivative instruments	242.8	-	242.8	-	242.8
Trade and other receivables					
Financial liabilities					
Derivative instruments					
Trade and other payables					

The recognised financial instruments that are offset in balance sheet as at March 31, 2021:

Notes

Forming part of the Standalone Financial Statements

(₹ in million)

As at 31.03.2021	Effects of offsetting on the balance sheet			Amounts subject to master netting	
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Related amounts not offset	Net amount
Financial assets					
Derivative instruments	269.1	-	269.1	-	269.1
Trade and other receivables					
Financial liabilities					
Derivative instruments					
Trade and other payables					

Offsetting arrangements

(i) Trade receivables and payables

The Company has certain customers which are also supplying materials. Under the terms of agreement there are no amounts payable by the Company that are required to be offset against receivables.

(ii) Derivatives

The Company enters into derivative contracts for hedging future sales. In general under such agreements the amounts owed by each counterparty on a single day in respect of all the transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other.

54. Related Party Disclosures as required by Indian Accounting Standard 24 (Ind AS 24) are given below:

A. Relationships –

Category I: Entity having significant influence over the Company:

Lupin Investments Pvt. Limited

Category II: Subsidiaries:

Lupin Pharmaceuticals Inc. USA
Lupin Australia Pty Limited Australia
Nanomi B.V. Netherlands
Pharma Dynamics (Proprietary) Limited South Africa
Hormosan Pharma GmbH Germany
Multicare Pharmaceuticals Philippines Inc. Philippines
Lupin Atlantis Holdings SA Switzerland
Lupin Healthcare (UK) Limited UK
Lupin Pharma Canada Limited Canada
Lupin Mexico S.A. de C.V. Mexico
Generic Health Pty Limited Australia
Southern Cross Pharma Pty Limited Australia (w.e.f. from February 3, 2022)
Bellwether Pharma Pty Limited Australia
Lupin Philippines Inc. Philippines
Lupin Healthcare Limited India
Generic Health SDN. BHD. Malaysia
Lupin Middle East FZ-LLC UAE (upto July 02, 2020)
Lupin GmbH Switzerland (upto September 29,2020)
Lupin Inc. USA
Medquimica Industria Farmaceutica LTDA Brazil
Laboratorios Grin S.A. de C.V. Mexico
Novel Laboratories Inc. USA
Lupin Research Inc. USA
Avenue Coral Springs, LLC, USA (w.e.f. November 29, 2021)
Lupin Latam Inc. USA (merged with Lupin Management Inc. w.e.f. August 30, 2021)

Notes

Forming part of the Standalone Financial Statements

Lupin Japan & Asia Pacific K.K. Japan (upto December 17, 2020)
Lupin Management Inc., USA
Lupin Europe GmbH Germany
Lupin Foundation India
Lupin Biologics Limited India (w.e.f. January 28, 2021)
Lupin Oncology Inc., USA (w.e.f. March 15, 2021)
Lupin Digital Health Limited., India (w.e.f. May 21, 2021)

Category III: Jointly Controlled Entity:

YL Biologics Ltd. Japan

Category IV: Key Management Personnel (KMP)

Ms. Vinita Gupta	Chief Executive Officer
Mr. Nilesh D. Gupta	Managing Director
Mr. Ramesh Swaminathan	Executive Director, Global CFO & Head Corporate Affairs
Mr. R. V. Satam	Company Secretary

Non-Executive Directors

Mrs. Manju D. Gupta	Chairman
Dr. Kamal K. Sharma	Vice Chairman
Mr. Jean-Luc Belingard	
Ms. Christine Ann Mundkur	
Mr. R.A. Shah (upto August 12, 2020)	
Mr. Richard Zahn (upto August 12, 2020)	
Dr. K.U. Mada (upto August 12, 2020)	
Mr. Dileep C. Choksi (upto August 12, 2020)	
Mr. K.B.S. Anand (w.e.f August 12, 2020)	
Dr. Punita Kumar Sinha (w.e.f from August 12, 2020)	
Mr. Robert Funsten (w.e.f. November 10, 2020 upto May 09, 2021)	
Mr. Mark D. McDade (w.e.f. from January 28, 2021)	

Category V: Other related parties (Person/Entity with whom the Company had transactions during the year)

Ms. Kavita Gupta (Daughter of Chairman)
Dr. Anuja Gupta (Daughter of Chairman)
Dr. Richa Gupta (Daughter of Chairman)
Ms. Shefali Nath Gupta (Wife of Managing Director)
Miss Veda Nilesh Gupta (Daughter of Managing Director)
Master Neel Deshbandhu Gupta (Son of Managing Director)
D. B. Gupta (HUF)
Gupta Family Trust
Lupin Human Welfare and Research Foundation
Mata Shree Gomati Devi Jan Seva Nidhi
Polynova Industries Limited
Zyma Properties Pvt. Limited
Shuban Prints
S. N. Pharma
Team Lease Services Limited

Notes

Forming part of the Standalone Financial Statements

B. Transactions with the related parties:

(₹ in million)

Sr. No.	Transactions	For the year ended 31.03.2022	For the year ended 31.03.2021
1.	Sale of Goods		
	Lupin Pharmaceuticals Inc. USA	19372.1	28890.1
	Other Subsidiaries	10580.4	7571.1
2.	Sale – Research Services-Others		
	Subsidiaries	1386.1	142.7
3.	Sale of Assets		
	Lupin Healthcare Limited India (₹ 20,000)		-
4.	Transfer of IP		
	Subsidiaries	460.7	-
5.	Royalty Income		
	Subsidiaries	3.6	10.1
6.	Fees Received against guarantees provided on their behalf		
	Subsidiaries	96.7	134.6
7.	Services Rendered (Income)		
	Subsidiaries	92.8	71.0
8.	Income from Assignment of Rights		
	Subsidiaries	3417.3	-
9.	Rent Paid		
	Others	42.3	54.9
10.	Research and Development Expenses		
	Lupin Research Inc. USA	541.3	1080.8
	Other Subsidiaries	56.7	180.7
11.	Expenses incurred on their behalf Recovered/Rent Received		
	Subsidiaries	484.3	492.7
	Others	1.9	1.6
12.	Remuneration Paid		
	Key Management Personnel	160.7	146.8
13.	Purchases of Goods/Materials		
	Subsidiaries	147.3	-
	Jointly Controlled Entity	-	8.8
	Others	151.4	208.2
14.	Commission, Advisory Fees & Sitting Fees to Non-Executive Directors		
	Key Management Personnel	86.5	67.8
15.	Donations Paid		
	Subsidiaries	-	107.5
	Others	332.3	237.6
16.	Dividend Paid		
	Entity having significant influence over the Company	1336.5	1233.6
	Key Management Personnel	8.1	7.6
	Others	38.6	35.5
17.	Services Received (Expense)		
	Lupin Pharmaceuticals Inc. USA	99.7	79.3
	Other Subsidiaries	785.2	978.9
	Others	92.8	83.8
18.	Expenses incurred on our behalf & Others Reimbursements		
	Subsidiaries	1247.0	968.4
	Others	4.0	4.0

Notes

Forming part of the Standalone Financial Statements

(₹ in million)

Sr. No.	Transactions	For the year ended 31.03.2022	For the year ended 31.03.2021
19.	Refund of Deposit		
	Others	-	14.4
20.	Interest Income		
	Subsidiaries	(0.02)	0.02
21.	Investment in Subsidiary		-
	Subsidiaries	19579.4	20228.9
22.	Received from Capital Contribution AGIO		
	Lupin Atlantis Holdings SA, Switzerland	5207.1	-
23.	Corporate guarantees issued by the Company to the bankers of subsidiary companies		
	Lupin Pharmaceuticals Inc. USA	-	11569.7
	Other Subsidiaries	712.7	1326.6
24.	Guarantees issued by the Company on behalf of subsidiaries for contractual obligations		
	Nanomi B.V., Netherlands	1550.7	-
25.	Withdrawal of corporate guarantees given by the Company to the bankers of subsidiary companies		
	Hormosan Pharma GMBH Germany	-	620.8
	Generic Health Pty. Ltd., Australia	-	271.8
	Lupin Atlantis Holdings SA, Switzerland	365.6	378.3
	Medquimica Industria Farmaceutica LTDA, Brazil	700.1	-
	Laboratorios Grin SA de CV, Mexico	548.3	-
	Lupin Healthcare (UK) Limited, UK	-	60.8
	Lupin Inc. USA	18084.6	21386.0
26.	Withdrawal of Letter of Comfort by the Company to the bankers of subsidiary companies		
	Lupin Pharmaceuticals Inc. USA	-	7566.5
27.	Withdrawal of Guarantees issued by the Company on behalf of subsidiary companies for contractual obligations		
	Lupin Atlantis Holdings SA, Switzerland	-	5864.0

Related party transactions above 1% of revenue from operations are disclosed separately.

(₹ in million)

Compensation paid to Key Management Personnel*	For the year ended 31.03.2022	For the year ended 31.03.2021
Short-term employee benefits	130.9	123.2
Post-employment benefits	16.7	12.1
Share based payments	13.1	11.5
Total	**160.7**	**146.8**

*Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall Company basis and accordingly have not been considered in the above information.

Terms and conditions of transactions with related parties:

All related party transactions entered during the year were in ordinary course of business, on arm's length basis. Outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash.

Notes

Forming part of the Standalone Financial Statements

C. Balances due from/to the related parties:

(₹ in million)

Sr. No.	Balances	As at 31.03.2022	As at 31.03.2021
1.	Investments		
	Subsidiaries	86348.5	71976.2
2.	Deposits paid under Leave and License arrangement for premises		
	Others	29.0	29.0
3.	Trade Receivables		
	Subsidiaries	18901.2	22989.8
4.	Trade Payables		
	Subsidiaries	1286.6	848.6
	Others	9.3	6.4
5.	Expenses Payable		
	Subsidiaries	36.8	97.0
6.	Expenses Receivable		
	Subsidiaries	139.5	319.9
	Others	-	0.2
7.	Income/Interest Receivable		
	Subsidiaries	3469.6	58.6
8.	Deposits received under Leave and License arrangement for premises		
	Others	0.1	0.1
9.	Corporate guarantees issued by the Company to the bankers of subsidiary companies	32012.6	49702.5
10.	Guarantees issued by the Company on behalf of subsidiary companies for contractual obligations	5075.1	3399.6

Transactions and balances with Jointly Controlled Entity have been reported at full value.

55. In March 2017 the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules 2017 notifying amendments to Ind AS 7 'Statement of Cash Flows'. These amendments are in accordance with the amendments made by International Accounting Standards Board (IASB) to IAS 7 'Statement of Cash Flows'. The below disclosure is in line with such amendments suggested:

(₹ in million)

Particulars	April 1, 2021	Cash Flows	Non-Cash Changes			March 31, 2022
			Acquisition	Foreign Exchange Movement	Fair Value Changes	
Non-Current Borrowings						
Unsecured						
Deferred Sales Tax Loan from Government of Maharashtra	1.5	(1.5)	-	-	-	-
Current Borrowings						
Secured						
Loans from banks	507.9	(507.9)	-	-	-	-
Unsecured						
Loans from banks	2480.0	5424.7	-	-	-	7904.7
Current maturities of Non-Current Borrowings	1.6	(1.6)	-	-	-	-
Lease Liabilities (Refer Note 40)	1863.6	(593.4)	333.6	-	-	1603.8
Total Liabilities from financing activities	**4854.6**	**4320.3**	**333.6**	**-**	**-**	**9508.5**

Notes

Forming part of the Standalone Financial Statements

(₹ in million)

Particulars	April 1, 2020	Cash Flows	Non-Cash Changes			March 31, 2021
			Acquisition	Foreign Exchange Movement	Fair Value Changes	
Non-Current Borrowings						
Unsecured						
Deferred Sales Tax Loan from Government of Maharashtra	3.1	(1.6)	-	-	-	1.5
Current Borrowings						
Secured						
Loans from banks	52.9	455.0	-	-	-	507.9
Unsecured						
Loans from banks	-	2480.0	-	-	-	2480.0
Current maturities of Non-Current Borrowings	2.3	(0.7)	-	-	-	1.6
Interest accrued but not due on Borrowings	-	-	-	-	-	-
Lease Liabilities (Refer Note 40)	1426.6	(650.2)	1087.2	-	-	1863.6
Total Liabilities from financing activities	**1484.9**	**2282.5**	**1087.2**	**-**	**-**	**4854.6**

56. The Company evaluates events or transactions that occur after the balance sheet date but prior to the issuance of financial statements and concluded that no subsequent events have occurred through May 18, 2022 that require adjustment to or disclosure in the financial statements. On 01 April 2022, the Company has entered into a Brand Sale Agreement with Anglo-French Drugs and Industries Limited and its Associates to strengthen the company's India Formulation business portfolio of vitamins, minerals, supplements and neurological products. The acquisition was completed subsequent to the year end and accordingly, no impact of the said agreement has been given in these financial statements.

57. Additional disclosures required by Schedule III (amendments dated 24 March 2021) to the Companies Act, 2013;

(A) Trade receivable ageing

i) As at March 31, 2022

(₹ in million)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	**Total as at 31 March 2022**
(i) Undisputed Trade receivables – considered good	20380.8	6462.9	322.9	126.2	-	-	**27292.8**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables – credit impaired	-	6.5	4.6	52.9	29.5	33.0	**126.5**
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Total	20380.8	6469.4	327.5	179.1	29.5	33.0	**27419.3**
Less: Allowance for doubtful trade receivables							199.2
Total							**27220.1**

Notes

Forming part of the Standalone Financial Statements

ii) As at March 31, 2021

(₹ in million)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total as at 31 March 2021
(i) Undisputed Trade receivables – considered good	28635.6	2995.9	122.9	207.9	0.3	-	**31962.6**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables – credit impaired	-	8.3	17.9	66.9	9.8	66.2	**169.1**
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Total	28635.6	3004.2	140.8	274.8	10.1	66.2	**32131.7**
Less: Allowance for doubtful trade receivables							226.3
Total							**31905.4**

(B) Trade payable ageing

i) As at March 31, 2022

(₹ in million)

	Particulars	Outstanding for following periods from due date of payment					
		Not due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	**Total as at 31 March 2022**
(i)	MSME	802.4	39.9	-	2.1	3.5	**847.9**
(ii)	Others	5421.2	2605.7	1241.0	276.5	45.7	**9590.1**
(iii)	Disputed dues – MSME	-	-	-	-	-	**-**
(iv)	Disputed dues – other	-	-	-	-	2.3	**2.3**
(v)	Accrued Expenses	-	-	-	-	-	**3075.0**
	Total	**6223.6**	**2645.6**	**1241.0**	**278.6**	**51.5**	**13515.3**

ii) As at March 31, 2021

(₹ in million)

	Particulars	Outstanding for following periods from due date of payment					
		Not due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total as at 31 March 2021
(i)	MSME	662.0	192.5	37.0	10.1	10.6	912.2
(ii)	Others	864.8	6367.3	1066.8	-	179.8	8478.7
(iii)	Disputed dues – MSME	-	-	-	-	-	-
(iv)	Disputed dues – other	-	-	-	-	2.3	2.3
(v)	Accrued Expenses	-	-	-	-	-	2570.7
	Total	**1526.8**	**6559.8**	**1103.8**	**10.1**	**192.7**	**11963.9**

Notes

Forming part of the Standalone Financial Statements

(C) Capital Work- In- Progress (CWIP)

(a) Capital work-in-progress (CWIP) ageing

i) As at March 31, 2022

(₹ in million)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	**Total as at 31 March 2022**
Projects in progress	2825.0	1215.2	1562.5	2134.7	7737.4
Projects temporarily suspended	-	-	-	-	-
Total	**2825.0**	**1215.2**	**1562.5**	**2134.7**	**7737.4**

ii) As at March 31, 2021

(₹ in million)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total as at 31 March 2021
Projects in progress	1399.6	394.5	4217.6	1946.6	7958.3
Projects temporarily suspended	-	-	-	-	-
Total	**1399.6**	**394.5**	**4217.6**	**1946.6**	**7958.3**

(b) There are no CWIP where completion is overdue or cost has exceeded as compared to it's original plans as on March 31, 2022 and March 31, 2021, excluding plants that are not ready for intended use pending regulatory inspection and approvals.

(D) Intangible assets under development (IAUD)

(a) Intangible assets under development (IAUD) ageing

i) As at March 31, 2022

(₹ in million)

Particulars	Amount in IAUD for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	**Total as at 31 March 2022**
Projects in progress	76.3	195.6	191.3	1273.8	1737.0
Projects temporarily suspended	-	-	-	-	-
Total	**76.3**	**195.6**	**191.3**	**1273.8**	**1737.0**

ii) As at March 31, 2021

(₹ in million)

Particulars	Amount in IAUD for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total as at 31 March 2021
Projects in progress	213.5	63.1	-	1273.7	1550.3
Projects temporarily suspended	-	-	-	-	-
Total	**213.5**	**63.1**	**-**	**1273.7**	**1550.3**

(b) There are no IAUD where completion is overdue or cost has exceeded as compared to it's original plans as on March 31, 2022 and March 31, 2021.

Notes

Forming part of the Standalone Financial Statements

(E) Financial Ratios

Ratios	Numerator	Denominator	Current Period	Previous Period	% of Variances	Reason for Variances
Current Ratio	Total Current Asset	Total Current Liabilities	2.38	3.72	(36.02)	During the year, the Company has borrowed additional working loan
Debt-Equity Ratio	Total Debt=Non Current Borrowings+ Current Borrowings + Current Portion of NC Borrowings	Total Equity Attributable to owners	0.04	0.02	100.00	During the year, the Company has borrowed additional working loan
Debt service coverage ratio	Earnings available for Debt Service = Net Profit after taxes before OCI + Non-cash operating expenses like depreciation and other amortizations - Unrealised gain + Interest + loss on sale of Fixed assets	Debt service (Debt service =Interest & Lease Payments + Principal Repayments)	4.84	21.44	(77.43)	The increment is on account of additional working capital borrowed by the company and also on account of losses incurred attributed to Glumetza settlement
Return on equity ratio (ROE)	Net profits after taxes	Average Shareholder's Equity	(0.01)	0.07	(114.29)	The reduction is mainly on account of losses incured during the year attributed to Glumetza settlement
Inventory turnover ratio	Cost of Goods Sold	Average Inventory	1.52	1.61	(5.59)	
Trade receivables turnover ratio	Total sales	closing Trade receivable	4.14	3.42	21.05	
Trade payables turnover ratio	Total Purchases	Closing Trade Payables	4.04	4.06	(0.49)	
Net capital turnover ratio	Net sales	Working Capital = current assets minus current liabilities	2.30	1.55	48.39	The increment is on account of increase in Turnover and decrease in working capital

Notes

<table>
<tr><th>Ratios</th><th>Numerator</th><th>Denominator</th><th>Current Period</th><th>Previous Period</th><th>% of Variances</th><th>Reason for Variances</th></tr>
<tr><td>Net profit ratio</td><td>Net Profit after Tax</td><td>Revenue from Operations</td><td>(0.02)</td><td>0.11</td><td>(118.18)</td><td>The reduction is mainly on account of losses incured during the year attributed to Glumetza settlement</td></tr>
<tr><td>Return on capital employed (ROCE)</td><td>Earnings before interest and taxes</td><td>Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liability (net)</td><td>(0.00)</td><td>0.09</td><td>(100.00)</td><td>The reduction is mainly on account of losses incured during the year attributed to Glumetza settlement</td></tr>
<tr><td>Return on investment (ROI)</td><td rowspan="5">Income generated from investment (A)</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>1) Mutual Fund</td><td>Average Investment (B)</td><td>0.03</td><td>0.03</td><td>-</td><td></td></tr>
<tr><td>2) Financial Institution (CD)</td><td rowspan="3">Weighted Average Investment (B)</td><td>0.05</td><td>0.05</td><td>-</td><td></td></tr>
<tr><td>3) Commercial Paper</td><td>0.04</td><td>0.04</td><td>-</td><td></td></tr>
<tr><td>4) Non Convertible Debentures</td><td>0.05</td><td>-</td><td>-</td><td></td></tr>
</table>

(F) Title deeds of all immovable properties are held in the name of the company, except as follows:

(₹ in million)

Particulars of the land and building	Gross Block (as at 31 March 2022)	Net Block (as at 31 March, 2022)	Tittle deeds held in the name of	Whether in the name of promoter, director or their relative or employee	Period held (Date of Amalgamation)	Reason for not being held in the name of the Company
Freehold land located in Maharashtra admeasuring 7 Hectare and 70.91 Acre	29.6	29.6	Lupin Laboratories Limited	No	From 2001	The file is pending with local authorities for final approval for affecting in the name of Lupin Limited
Freehold building located in Maharashtra admeasuring 8038 sq. ft.	133.9	84.6	LUPIN LABORATORIES LIMITED	No	From 2001	Refer Note below

Note: The title deeds are in the name of erstwhile Company that was amalgamated with the Company pursuant to the Scheme of amalgamation sanctioned by the Hon'ble Bombay High Court. Further, since the society is yet to be formed, the transfer of title in the name of the company is pending.

Notes

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in Note No. 2 to the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement, except the following:

(₹ in million)

Particulars	Gross Block (as at 31 March 2022)	Net Block (as at 31 March, 2022)	Tittle deeds held in the name of	Whether in the name of promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company
Leasehold building located in Delhi admeasuring 1628 sq.ft	2.8	2.2	Lupin Laboratories Limited	No	From 2001	Refer note below

Note - The title deeds are in the name of the erstwhile Company that was amalgamated with the Company pursuant to the Scheme of amalgamation sanctioned by the Hon'ble Bombay High Court. Further, this being a lease agreement, the lessor has already changed the name of the company in all it's routine invoices.

In respect of immovable properties of land and buildings which are disclosed as fixed asset in the financial statements, the original documents are not available for verification, details of which are as given below:

Particulars	Gross Block (as at 31 March 2022)	Net Block (as at 31 March, 2022)	Tittle deeds held in the name of	Whether in the name of promoter, director or their relative or employee	Period held
Building located in Maharashtra	7.5	4.8	Lupin Laboratories Limited	No	From 2001
Land located in Uttarakhand	0.3	0.3	Lupin Laboratories Limited	No	From 2001

(G) The Company has not entered into any transactions with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 for the year ended 31 March 2022.

(H) The Company has not traded or invested in Crypto currency or Virtual Currency.

(I) The Company do not have any transaction not recorded in the books of account that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 for the year ended 31 March 2022 and 31 March 2021.

(J) There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.

(K) The Company has complied with number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(L) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

Notes

(M) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds), other than in the ordinary course of business by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

58. Previous period figures have been re-grouped/re-classified wherever necessary, to confirm to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective April 01, 2021.

Signature to note 1 to 58

In terms of our report attached
For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W – 100022

Venkataramanan Vishwanath
Partner
Membership No. 113156

For and on behalf of **Board of Directors of Lupin Limited**

Manju D. Gupta
Chairman
DIN: 00209461

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer

DIN: 00058631

Nilesh D. Gupta
Managing Director
DIN: 01734642

Ramesh Swaminathan
Executive Director, Global CFO & Head
Head Corporate Affairs
DIN: 01833346

R. V. Satam
Company Secretary
ACS – 11973

Place: Mumbai
Dated: May 18, 2022

GRI Standard Index

Classification				
Classification	**GRI Standards**	**Disclosures**	**Report Section/ Chapters**	**GRI index (reference pages)**
Organizational Profile	**102-1**	**Name of the organization**	About the Report	
	102-2	**Activities, brands, products & services**	About Lupin	14
	102-3	**Location of headquarters**	About Lupin	14
	102-4	**Location of operations**	Our Global Footprint	20-21
	102-5	**Ownership and legal form**	Corporate Governance Report	202-203
	102-6	**Markets served**	Our Global Footprint,	20-21
	102-7	**Scale of the organization**	Our Global Footprint	21-22
	102-8	**Information on employees and other workers**	Building High Performing Teams	91-92
	102-9	**Supply chain**	Reinforcing Trust and Collaboration	82
	102-11	**Precautionary Principle or approach**	Managing Risk s-An Integrated Approach	136-143
	102-13	**Membership of associations**	Stakeholder Engagement	146
Strategy	**102-14**	**Statement from Senior decision maker**	From the Leadership	9
	102-15	**Key impacts, risks, and opportunities**	Materiality Assessment, Managing Risks-An Integrated Approach	22-32,136-143
Ethics and Integrity	**102-16**	**Values, principles, standards, and norms of behavior**	Our Values, Building High Performance Teams, Our Approach to Corporate Governance	6-7,105, 152
	102-17	**Mechanisms for advice and concerns about ethics**	Building High Performance Teams, Principle 1 BRSR, Our Approach to Corporate Governance	95,214,152
Governance	**102-18**	**Governance structure**	Corporate Governance Report	187-188
	102-19	**Delegating authority**	Corporate Governance Report	187-188
	102-20	**Executive-level responsibility for economic, environmental, and social topics**	Corporate Governance	152-153
	102-21	**Consulting stakeholders on economic, environmental, and social topics**	Materiality Assessment	22-32
	102-22	**Composition of the highest governance body and its committees**	Corporate Governance Report	187-196
	102-23	**Chair of the highest governance body**	Corporate Governance Report	187
	102-24	**Nominating and selecting the highest governance body**	Corporate Governance Report	190
	102-25	**Conflicts of interest**	BRSR Principle 1	215

Classification	GRI Standards	Disclosures	Report Section/ Chapters	GRI index (reference pages)
	102-26	**Role of highest governance body in setting purpose, values, and strategy**	Our Approach to Corporate Governance	152
	102-27	**Collective knowledge of highest governance body**	Corporate Governance Report	188-189
	102-28	**Evaluating the highest governance body's performance**	Directors' Report	163
	102-29	**Identifying and managing economic, environmental, and social impacts**	Materiality Assessment, Stakeholder Engagement, Our Approach to Corporate Governance	22-3, 144-145, 152-153
	102-31	**Review of economic, environmental, and social topics**	Our Approach to Corporate Governance	152-153
	102-32	**Highest governance body's role in sustainability reporting**	About the Report	
	102-33	**Communicating critical concerns**	Corporate Governance Report	189-190
	102-35	**Remuneration policies**	Directors' Report	182
	102-36	**Process for determining remuneration**	Directors' Report	182
	102-38	**Annual total compensation ratio**	Building High Performing Teams	96
Stakeholder Engagement	**102-40**	**List of stakeholder groups**	Stakeholder Engagement	144-145
	102-42	**Identifying and selecting stakeholders**	Stakeholder Engagement	144-145
	102-43	**Approach to stakeholder engagement**	Materiality Assessment, Stakeholder Engagement	22-32,144-145
	102-44	**Key topics and concerns raised**	Materiality Assessment	22-32
Reporting Practice	**102-45**	**Entities included in the Total financial statements**	About the Report	
	102-46	**Defining report content and topic boundaries**	About the Report	
	102-47	**List of material topics**	Materiality Assessment	22-32
	102-49	**Changes in reporting**	About the Report	
	102-50	**Reporting period**	About the Report	
	102-51	**Date of most recent report**	About the Report	
	102-52	**Reporting cycle**	About the Report	
	102-53	**Contact point for questions regarding the report**	About the Report	
	102-54	**Contact point for questions regarding the report**	About the Report	
	102-55	**GRI content index**	GRI Index	417-42
Management Approach	**103-1**	**Explanation of the material topic and its boundary**	About the Report, Materiality Assessment	22-32
	103-2	**The management approach and its components**	Materiality Assessment	22-32

GRI 200 Economic Standard Series

Economic Performance

Indirect Economic Impact

GRI 201: Economic Performance	**201-1**	**Direct economic value generated and distributed**	Financial Performance	46
	201-3	**Defined benefit plan obligations and other retirement plans**	Building High Performing Teams	103

Procurement Practices

GRI 204: Procurement Practices	**204-1**	**Proportion of spending on local suppliers**	Reinforcing Trust and Collaboration	83

Anti-corruption

	205-2	**Communication and training about anti-corruption policies and procedures**	Building High Performing Teams	95
	205-3	**Confirmed incidents of corruption and actions taken**	Building High Performing Teams	104

Anti-competitive Behavior

GRI 206: Anti-competitive Behavior	**206-1**	**Legal actions for anti-competitive behavior, antitrust, and monopoly practices**	BRSR Principle 7	226

Tax

GRI 207: Tax	**207-1**	**Approach to Tax**	Financial Performance	48
	207-2	**Tax governance, control and risk management**	Financial Performance	49
	207-3	**Stakeholder engagement and management of concerns related to tax**	Financial Performance	49

GRI 300 Environmental Standards Series

Energy

GRI 302: Energy	**302-1**	**Energy consumption within the organization**	Protecting Our Environment	108-109
	302-3	**Energy intensity**	Protecting Our Environment	108-109

Water

GRI 303: Water	**303-1**	**Water withdrawal by source**	Protecting Our Environment	111-112
	303-2	**Water sources significantly affected by the withdrawal of water**	Protecting Our Environment	111-112
	303-3	**Water recycled**	Protecting Our Environment	111-112

Emissions

GRI 305: Emissions	**305-1**	**Direct (Scope 1) GHG emissions**	Protecting Our Environment	110
	305-2	**Energy indirect (Scope 2) GHG emissions**	Protecting Our Environment	110
	305-4	**GHG emissions intensity**	Protecting Our Environment	110
	305-5	**Reduction of GHG emissions**	Protecting Our Environment	110

Effluents and Waste				
GRI 306: Effluents and Waste	**306-1**	**Water discharge by quality and destination**	Protecting Our Environment	112-113
	306-2	**Waste by type and disposal method**	Protecting Our Environment	112-113
	306-5	**Water bodies affected by water discharges and/or runoff**	Protecting Our Environment	112-113
Environmental Compliance				
GRI 307: Environmental Compliance	**307-1**	**Non-compliance with environmental laws and regulations**	Protecting Our Environment	106
Supplier Environmental Assessment				
GRI 308: Supplier Environmental Assessment	**308-1**	**New suppliers that were screened using environmental criteria**	Reinforcing Trust and Collaboration	86

GRI 400 Social Standards Series

Employment				
GRI 401: Employment	**401-1**	**New employee hires and employee turnover**	Building High Performing Teams	93,100-101
	401-2	**Benefits provided to full-time employees that are not provided to temporary or part-time employees**	Building High Performing Teams	103
	401-3	**Parental leave**	Building High Performing Teams	103
Occupational Health and Safety				
GRI 403: Occupational Health and Safety	**403-2**	**Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities**	Building High Performing Teams	101-102
	403-3	**Workers with high incidence or high risk of diseases related to their occupation**	Building High Performing Teams	101-102
Training and Education				
GRI 404: Training and Education	**404-1**	**Average hours of training per year per employee**	Building High Performing Teams	94
	404-2	**Programs for upgrading employee skills and transition assistance programs**	Building High Performing Teams	94-95
	404-3	**Percentage of employees receiving regular performance and career development reviews**	Building High Performing Teams	94

Diversity and Equal Opportunity				
GRI 405: Diversity and Equal Opportunity	**405-1**	**Diversity of governance bodies and employees**	Building High Performing Teams	91-92, 99
Non-Discrimination				
GRI 406: Non-Discrimination	**406-1**	**Incidents of discrimination and corrective actions taken**	Building High Performing Teams	104
Child Labor				
GRI 408: Child Labor	**408-1**	**Operations and suppliers at significant risk for incidents of child labor**	Building High Performing Teams	105
Forced or Compulsory Labor				
GRI 409: Forced or Compulsory Labor	**409-1**	**Operations and suppliers at significant risk for incidents of forced or compulsory labor**	Building High Performing Teams	105
Human Rights Assessment				
GRI 412: Human Rights Assessment	**412-1**	**Operations that have been subject to human rights reviews or impact assessments**	Building High Performing Teams	105
Local Communities				
GRI 413: Local Communities	**413-1**	**Operations with local community engagement, impact assessments, and development programs**	Reinforcing Trust and Collaboration	74,76
Supplier Social Assessment				
GRI 413: Supplier Social Assessment	**414-1**	**New suppliers that were screened using social criteria**	Reinforcing Trust and Collaboration	86
Customer Health and Safety				
GRI 416: Customer Health and Safety	**416-1**	**Assessment of the health and safety impacts of product and service categories**	Section B, BRSR, Materiality Assessment, Risk Management-An Integrated Approach	211, 27,137
Marketing and Labeling				
GRI 417: Marketing and Labeling	**417-1**	**Requirements for product and service information and labeling**	BRSR Principle 9	229-231
Customer Privacy				
GRI 418: Customer Privacy	**418-1**	**Substantiated complaints concerning breaches of customer privacy and losses of customer data**	Enabling Innovation, BRSR Principle 9	69, 231