



LUPIN

LUPIN LIMITED

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STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

Particulars	(₹ in million)				
	3 Months Ended 31/03/2020 (Audited) (Refer note 14)	3 Months Ended 31/12/2019 (Unaudited)	3 Months Ended 31/03/2019 (Audited) (Refer note 14)	Accounting Year Ended 31/03/2020 (Audited)	Accounting Year Ended 31/03/2019 (Audited)
1) Revenue from operations					
a) Sales/income from operations	37,910.0	37,160.9	38,070.2	151,428.0	143,180.5
b) Other operating income	547.4	531.8	796.2	2,319.6	3,465.1
Total Revenue from operations	38,457.4	37,692.7	38,866.4	153,747.6	146,645.6
2) Other income	2,086.0	935.9	732.8	4,837.6	3,330.1
3) Total Income (1+2)	40,543.4	38,628.6	39,599.2	158,585.2	149,975.7
4) Expenses					
a) Cost of materials consumed	7,746.6	8,194.9	7,479.8	31,638.2	31,459.6
b) Purchases of stock-in-trade	5,732.2	5,623.5	4,908.0	22,582.3	20,045.8
c) Changes in Inventories of finished goods, work-in-progress and stock-in-trade [(increase)/decrease]	571.0	(225.3)	(563.4)	85.5	(2,044.5)
d) Employee benefits expense	7,635.5	7,407.1	7,081.5	29,868.4	27,701.7
e) Finance costs	1,073.8	886.0	843.0	3,629.8	3,024.9
f) Depreciation and amortisation expense	2,142.6	2,532.3	2,190.6	9,702.2	8,460.5
g) Other expenses	11,518.9	12,401.5	12,167.9	46,025.2	43,875.8
Total expenses	36,420.6	36,820.0	34,107.4	143,531.6	132,523.8
5) Profit before share of profit of jointly controlled entity and exceptional items (3-4)	4,122.8	1,808.6	5,491.8	15,053.6	17,451.9
6) Share of profit from jointly controlled entity	9.9	10.0	14.8	39.4	37.5
7) Profit before exceptional items and tax (5+6)	4,132.7	1,818.6	5,506.6	15,093.0	17,489.4
8) Exceptional Items Profit / (Loss) (Refer note 9)	830.9	(2,886.8)	22.4	(7,520.7)	(3,399.8)
9) Profit / (Loss) before tax (7-8)	4,963.6	(1,068.2)	5,529.0	7,572.3	14,089.6
10) Tax expense					
Current Tax (net)	965.1	3,589.6	3,104.4	6,869.7	8,496.8
Deferred Tax (net)	85.6	4,080.6	(161.7)	4,701.4	382.6
Total Tax Expense	1,050.7	7,670.2	2,942.7	11,571.1	8,879.4
11) Profit / (Loss) after tax from continuing operations (9-10)	3,912.9	(8,738.4)	2,586.3	(3,998.8)	5,210.2
12) (a) Profit / (Loss) before tax from discontinued operations	-	456.7	433.1	1,195.5	1,082.1
(b) Tax on discontinued operations	-	121.9	55.7	(105.5)	137.5
13) Profit / (Loss) after tax from discontinued operations [12(a) - 12(b)]	-	334.8	377.4	1,301.0	944.6
14) Profit / (Loss) after tax and before non-controlling interest (11+13)	3,912.9	(8,403.6)	2,963.7	(2,697.8)	6,154.8
15) Share of Profit / (Loss) attributable to non-controlling interest	16.6	(53.6)	68.1	(3.9)	89.3
16) Net Profit / (Loss) after taxes attributable to owners of the Company (14-15)	3,896.3	(8,350.0)	2,895.6	(2,693.9)	6,065.5
17) Other Comprehensive Income / (Loss)					
(a) (i) Items that will not be reclassified subsequently to profit or loss	(169.0)	(16.0)	36.5	(425.9)	(24.0)
(ii) Income tax relating to items that will not be reclassified subsequently to profit or loss	52.3	6.4	(14.2)	148.1	1.9
(b) (i) Items that will be reclassified subsequently to profit or loss	(5,424.9)	(522.5)	469.1	(5,928.9)	(2,452.2)
(ii) Income tax relating to items that will be reclassified subsequently to profit or loss	139.2	15.9	(89.2)	128.9	137.4
Other comprehensive Income / (Loss) for the year, net of tax	(5,402.4)	(516.2)	402.2	(6,077.8)	(2,336.9)
18) Share of comprehensive Income / (Loss) attributable to non-controlling interest	15.3	6.5	0.2	27.5	6.9
19) Other Comprehensive Income / (Loss) attributable to owners of the Company (17-18)	(5,417.7)	(522.7)	402.0	(6,105.3)	(2,343.8)
20) Total Comprehensive Income / (Loss) attributable to:					
Owners of the Company (16+19)	(1,521.4)	(8,872.7)	3,297.6	(8,799.2)	3,721.7
Non-Controlling Interest of the Company (15+18)	31.9	(47.1)	68.3	23.6	96.2
Total Comprehensive Income / (Loss) for the year	(1,489.5)	(8,919.8)	3,365.9	(8,775.6)	3,817.9

See accompanying notes to the financial results.

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Particulars	3 Months	3 Months	3 Months	Accounting	Accounting
	Ended 31/03/2020 (Audited) (Refer note 14)	Ended 31/12/2019 (Unaudited)	Ended 31/03/2019 (Audited) (Refer note 14)	Year Ended 31/03/2020 (Audited)	Year Ended 31/03/2019 (Audited)
21) Paid up equity share capital (Face value ₹ 2/- each)	906.0	905.8	905.0	906.0	905.0
22) Other Equity				124,461.0	136,517.3
23) Earnings Per Share for continuing operations (of ₹ 2/- each) (Not Annualised)					
a) Basic (in ₹)	8.64	(19.30)	5.72	(8.83)	11.52
b) Diluted (in ₹)	8.61	(19.30)	5.69	(8.83)	11.47
24) Earnings Per Share for discontinued operations (of ₹ 2/- each) (Not Annualised)					
a) Basic (in ₹)	-	0.74	0.83	2.87	2.09
b) Diluted (in ₹)	-	0.74	0.83	2.86	2.08
25) Earnings Per Share for continuing and discontinued operations after share of Profit / (Loss) attributable to non-controlling interest (of ₹ 2/- each) (Not Annualised)					
a) Basic (in ₹)	8.61	(18.45)	6.40	(5.95)	13.41
b) Diluted (in ₹)	8.57	(18.45)	6.37	(5.95)	13.36
See accompanying notes to the financial results.					

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NOTES:

- The above Consolidated Financial Results were reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors at their meeting held on May 28, 2020.
- The Consolidated Financial Results include the financial results of the subsidiaries, Lupin Pharmaceuticals, Inc. - U.S.A., Kyowa Pharmaceutical Industry Co., Limited - Japan (upto December 17, 2019), Lupin Australia Pty Limited - Australia, Lupin Holdings B.V. - Netherlands (now known as Nanomi B.V.), Pharma Dynamics (Proprietary) Limited - South Africa, Hormosan Pharma GmbH - Germany, Multicare Pharmaceuticals Philippines Inc. - Philippines, Lupin Atlantis Holdings SA - Switzerland, Lupin Healthcare (UK) Limited - U.K., Lupin Pharma Canada Limited - Canada, Generic Health Pty Limited - Australia, Bellwether Pharma Pty Limited - Australia, Lupin Mexico S.A. de C.V. - Mexico, Lupin Philippines Inc. - Philippines, Lupin Healthcare Limited - India, Generic Health SDN. BHD. - Malaysia, Kyowa CritiCare Co., Limited - Japan (upto September 30, 2019), Lupin Middle East FZ-LLC - U.A.E., Lupin Inc. - U.S.A., Lupin GmbH - Switzerland, Nanomi B.V. - Netherlands (upto October 2, 2019), Laboratorios Grin S.A. de C.V. - Mexico, Medquimica Industria Farmaceutica LTDA - Brazil, Lupin Pharma LLC - Russia (upto April 09, 2019), Gavis Pharmaceuticals, LLC - U.S.A. (upto March 26, 2019), Novel Laboratories, Inc.- U.S.A., Lupin Research Inc. - U.S.A., Lupin Ukraine LLC - Ukraine (upto February 07, 2019), Lupin Latam, Inc. - U.S.A., Lupin Japan & Asia Pacific K.K. - Japan, Symbiomix Therapeutics, LLC - U.S.A.(upto December 30, 2019), Lupin Management Inc. - U.S.A (formerly known as Lupin IP Ventures Inc.), Lupin Europe GmbH - Germany and jointly controlled entity, YL Biologics Limited - Japan.
- The Consolidated Financial Statements are prepared in accordance with Ind AS 110 "Consolidated Financial Statements" and Ind AS 28 "Investments in Associates and Joint Ventures".
- Consolidated Balance Sheet:

Particulars		(₹ in million)	
		As at 31/03/2020 (Audited)	As at 31/03/2019 (Audited)
A.	ASSETS		
	1. Non-Current Assets		
	a. Property, Plant and Equipment	43,655.5	49,115.3
	b. Capital Work-in-Progress	7,581.6	10,185.9
	c. Goodwill on Consolidation	18,514.8	23,803.2
	d. Other Intangible Assets	17,210.8	37,948.6
	e. Intangible Assets Under Development	1,814.6	6,211.2
	f. Investments accounted for using equity method	305.0	251.8
	g. Financial Assets		
	(i) Non-Current Investments	55.7	1,604.5
	(ii) Non-Current Loans	476.3	814.6
	(iii) Other Non-Current Financial Assets	705.1	433.5
	h. Deferred Tax Assets (Net)	1,743.1	7,340.0
	i. Non-Current Tax Assets (Net)	1,185.6	1,424.1
	j. Other Non-Current Assets	2,458.3	1,825.2
	Sub-total - Non-Current Assets	95,706.4	140,957.9
	2. Current Assets		
	a. Inventories	34,568.7	38,367.7
	b. Financial Assets		
	(i) Current Investments	23,382.5	21,098.6
	(ii) Trade Receivables	54,459.3	51,498.0
	(iii) Cash and Cash Equivalents	22,148.5	5,722.1
	(iv) Other Bank Balances	2,394.5	4,149.9
	(v) Current Loans	370.1	248.4
	(vi) Other Current Financial Assets	3,895.5	6,393.4
	c. Current Tax Assets (Net)	306.1	296.8
	d. Other Current Assets	12,606.9	10,760.9
	Sub-total - Current Assets	154,132.1	138,535.8
	TOTAL - ASSETS	249,838.5	279,493.7
B.	EQUITY AND LIABILITIES		
	1. Equity		
	a. Equity Share Capital	906.0	905.0
	b. Other Equity	124,461.0	136,517.3
	c. Non-Controlling Interest	444.6	468.6
	Sub-total - Equity	125,811.6	137,890.9
	Liabilities		
	2. Non-Current Liabilities		
	a. Financial Liabilities		
	(i) Non-Current Borrowings	17,932.8	66,417.2
	(ii) Trade Payables		
	- Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
	- Total outstanding dues of other than Micro Enterprises and Small Enterprises	-	22.8
	(iii) Other Non-Current Financial Liabilities	7,247.3	4,128.6
	b. Non-Current Provisions	2,962.9	3,707.9
	c. Deferred Tax Liabilities (Net)	1,995.4	2,882.8
	d. Other Non-Current Liabilities	1,636.5	3,144.8
	Sub-total - Non-Current Liabilities	31,774.9	80,304.1
	3. Current Liabilities		
	a. Financial Liabilities		
	(i) Current Borrowings	24,927.5	15,802.1
	(ii) Trade Payables		
	- Total outstanding dues of Micro Enterprises and Small Enterprises	989.4	1,046.1
	- Total outstanding dues of other than Micro Enterprises and Small Enterprises	23,133.6	23,935.7
	(iii) Other Current Financial Liabilities	28,759.8	10,885.3
	b. Other Current Liabilities	2,482.5	1,912.9
	c. Current Provisions	9,077.1	7,274.5
	d. Current Tax Liabilities (Net)	2,882.1	442.1
	Sub-total - Current Liabilities	92,252.0	61,298.7
	TOTAL - EQUITY AND LIABILITIES	249,838.5	279,493.7

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5. Consolidated Statement of Cash Flows:

Particulars	(₹ in million)	
	For the Current year ended 31/03/2020	For the Previous year ended 31/03/2019
	(Audited)	(Audited)
A. Cash Flow from Operating Activities		
Profit before Tax		
Continuing Operations	7,572.3	14,089.6
Discontinued Operations	1,195.5	1,082.1
Adjustments for:		
Depreciation and Amortisation Expense	11,595.8	10,850.1
Loss / (Profit) on sale / write-off of Property, Plant and Equipment / Intangible Assets (Net)	(1.9)	0.2
Finance Costs	3,629.8	3,078.3
Net Gain on Sale of Mutual Fund Investments	(1,063.1)	(123.9)
Interest on Deposits with Banks and Others	(1,290.5)	(620.7)
Dividend on Mutual Fund Investments	(145.6)	(420.9)
Doubtful Trade Receivables / Advances / Deposits written off and provided	299.4	212.4
Unrealised Loss/ (Gain) on Mutual Fund Investments (net)	(4.8)	(121.2)
Provisions / Credit balances no longer required written back	0.7	(165.0)
Share Based Payment Expense	532.8	617.2
Loss / (Profit) on divestment of subsidiary	(12,164.3)	-
Impairment of Intangible Assets / Intangible Assets Under Development	15,900.0	7.7
Impairment in value of Non-Current investments	-	30.1
Share of Profit from Jointly Controlled Entities	(39.4)	(37.5)
Provision for fine (European Commission)	-	3,399.8
Unrealised Exchange loss / (gain) on revaluation (net)	(1,506.0)	(822.5)
Operating Cash flows before Working Capital Changes	24,510.7	31,055.8
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Non-Current Loans	176.2	(11.0)
Other Non-Current Financial Assets	(271.6)	(391.6)
Other Non-Current Assets	(77.5)	29.1
Inventories	(4,795.9)	(2,948.0)
Trade Receivables	(10,435.2)	(556.1)
Current Loans	(137.8)	107.8
Other Current Financial Assets	2,115.3	(2,012.6)
Other Current Assets	(2,548.9)	1,481.2
Adjustments for increase / (decrease) in operating liabilities:		
Non-Current Trade Payables	(22.8)	(14.3)
Other Non-Current Financial liabilities	1,210.9	303.9
Non-Current Provisions	424.9	279.1
Other Non-Current liabilities	(462.4)	1,499.3
Trade Payables	5,639.4	(1,627.9)
Other Current Financial liabilities	493.8	(221.1)
Other Current liabilities	1,706.2	(435.3)
Current Provisions	2,275.1	(484.4)
Cash Generated from Operations	19,800.5	26,053.9
Net Income tax paid	(5,112.1)	(9,394.2)
Net Cash Flow generated / (used in) from Operating Activities	14,688.4	16,659.7
B. Cash Flow from Investing Activities		
Capital expenditure on Property, Plant and Equipment, including capital advances	(6,731.3)	(9,853.5)
Proceeds from sale of Property, Plant and Equipment / Intangible Assets	18.5	254.8
Purchase of Non-Current Investments	1,038.6	(1,619.3)
Purchase of Current Investments	(141,257.2)	(89,966.9)
Proceeds from sale of Current Investments	139,026.9	71,340.8
Proceeds from Divestment of subsidiary	15,782.9	-
Bank balances not considered as Cash and Cash Equivalents (net)	1,755.4	(4,022.2)
Interest on Deposits with Banks and Others	1,290.5	620.7
Dividend on Mutual Fund Investments	145.6	420.9
Net Cash Flow generated / (used in) from Investing Activities	11,069.9	(32,824.7)
C. Cash Flow from Financing Activities		
Proceeds from / (Repayment of) Non-Current Borrowings (net)	(9,892.3)	1,579.2
Proceeds from / (Repayment of) Current Borrowings (net)	8,388.2	11,342.4
Proceeds from issue of equity shares (ESOPs)	1.0	0.8
Securities Premium Received (ESOPs)	58.7	36.2
Payment of Lease liabilities	(1,169.9)	-
Finance Costs	(3,561.7)	(2,804.2)
Dividend paid	(2,264.6)	(2,248.4)
Corporate Tax on Dividend	(465.2)	(464.7)
Net Cash Flow generated / (used in) from Financing Activities	(8,905.8)	7,441.3
Net increase / (decrease) in Cash and Cash Equivalents	16,852.5	(8,723.7)
Cash and Cash Equivalents as at the beginning of the year	5,440.6	14,164.3
Cash and Cash Equivalents as at the end of the reporting period	22,293.1	5,440.6
Reconciliation of Cash and Cash Equivalents with the Balance Sheet		
Cash and Cash Equivalents as per Balance Sheet	22,148.5	5,722.1
Unrealised loss / (gain) on foreign currency Cash and Cash Equivalents	144.6	(281.5)
Cash and Cash Equivalents as at the end of the reporting period	22,293.1	5,440.6

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6. The Board of Directors has, at its meeting held on May 28, 2020 recommended a dividend of ₹ 6/- per equity share of the face value of ₹ 2/- each aggregating ₹ 2,718.4 million. The recommended dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting.
7. During the quarter, 91,367 (year-to-date 504,424) equity shares of ₹ 2/- each, fully paid-up, were allotted upon exercise of the vested stock options pursuant to the Lupin Employees Stock Option Plans (ESOPs), resulting in an increase in the paid-up share capital by ₹ 0.2 million (year-to-date ₹ 1.0 million) and securities premium account by ₹ 92.1 million (year-to-date ₹ 531.2 million).
8. Effective April 01, 2019, the Company adopted Ind AS 116 "Leases" and applied the same to the lease contracts existing on April 01, 2019 using the modified retrospective approach, recognising right-of-use asset and adjusted lease liability. Accordingly, comparatives for the quarter and year ended March 31, 2019 have not been retrospectively adjusted. The effect of the adoption is not significant to the profit for the period.
9. Exceptional items for the year ended March 31, 2020 pertains to impairment of ₹ 15,893.2 million (comprising of ₹ 95.5 million during the quarter ended March 31, 2020 and ₹ 15,797.7 million during the quarter ended December 31, 2019) related to certain acquired IPs, profit of ₹ 14,121.0 million (comprising of ₹ 1,210.1 million during the quarter ended March 31, 2020 and ₹ 12,910.9 million during the quarter ended December 31, 2019) on divestment of the Company's entire stake in Kyowa Pharmaceutical Industry Co., Limited - Japan, settlement amount of ₹ 3,791.8 million in respect of State of Texas lawsuit in the USA and loss of ₹ 1,956.7 million (including ₹ 283.7 million during the quarter ended March 31, 2020) on divestment of the Company's entire stake in Kyowa CritiCare Co., Limited, Japan. The exceptional items for the periods ended March 31, 2019 pertains to provision for fine to European commission.
10. The Ministry of Corporate Affairs, vide notification dated March 30, 2019, inserted Appendix C "Uncertainty over Income Tax Treatments" to Ind AS 12 "Income Taxes", applicable from April 01, 2019. The company opted the transition provision provided in this Appendix C and accordingly based on its probability assessment of the uncertain tax treatment, the Company recognised tax provision of ₹ 804.5 million as an adjustment to the opening balance of retained earnings on April 01, 2019.
11. In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption including remote working, maintaining social distancing, sanitization of work spaces etc. The Company has considered internal and external information while finalizing various estimates in relation to its financial statement upto the date of approval of the financial statements by the Board of Directors and has not identified any material impact on the carrying value of assets, liabilities or provisions. Considering that the Company deals with pharmaceutical drugs that are classified as essentials, there has been minimal disruption with respect to operations including production and distribution activities. The Company also has not experienced any difficulties with respect to market demand, collections or liquidity. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID-19 situation evolves in India and globally. The Company will continue to closely monitor any material changes to future economic conditions.
12. The Company operates in one reportable business segment i.e. "Pharmaceuticals".
13. Standalone Results are as under:

(₹ in million)

Particulars	3 Months Ended 31/03/2020 (Audited)	3 Months Ended 31/12/2019 (Unaudited)	3 Months Ended 31/03/2019 (Audited)	Accounting Year Ended 31/03/2020 (Audited)	Accounting Year Ended 31/03/2019 (Audited)
Total Revenue from Operations	24,838.8	27,159.0	29,718.6	110,256.6	113,563.2
Profit / (Loss) Before Tax (before Exceptional items)	3,091.6	3,345.0	8,387.5	18,114.6	26,823.5
Profit / (Loss) Before Tax (after Exceptional items)	3,091.6	(455.3)	8,409.9	10,522.5	23,423.7
Profit / (Loss) After Tax (after Exceptional items)	2,252.9	(814.7)	5,427.8	7,275.5	15,388.3

14. The figures for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between audited figures in respect of the full financial year and the unaudited published year-to-date figures upto the third quarter ended December 31, 2019 and December 31, 2018 respectively.
15. Figures for the previous periods have been regrouped, wherever necessary, to correspond with the figures of the current period.

By order of the Board
For Lupin Limited

**NILESH
DESHBAN
DHU
GUPTA**

Digitally signed by NILESH
DESHBANDHU GUPTA
DN: c=IN, o=Personal,
postalCode=400049,
st=Maharashtra,
2.5.4.20=109981f538c96597d8e12
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serialNumber=7a16dca8b43492f4
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Date: 2020.05.28 19:47:13 +05'30'

Place : Mumbai
Dated : May 28, 2020

Nilesh Deshbandhu Gupta
Managing Director
DIN: 01734642