

Lupin Middle East FZ-LLC
(Under liquidation)
Dubai, UAE

Financial statements
Year ended 31 March 2020

Lupin Middle East FZ-LLC
(Under liquidation)

Financial statements
Year ended 31 March 2020

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Lupin Middle East FZ-LLC
(Under liquidation)

Directors' report
Year ended 31 March 2020

We submit our report and the audited financial statements for the year ended 31 March 2020.

Review of business and performance

The Company's licenced activity is imports and re-exports, marketing and sales promotion and support services. However, no commercial activity was carried out during the year.

Events during the year

The Directors of the Parent company have passed a resolution to liquidate the Company.

Shareholders and their interests

The Company is wholly-owned subsidiary of Lupin Atlantis Holdings S.A., Switzerland, which holds the entire share capital of the Company of 2,000 shares of AED 1,000 each.

Management responsibilities

The Dubai Development Authority Regulations issued under Law No. (15) of 2014 and Law No. (10) of 2018, read with the applicable provisions of the UAE Federal Law No. (2) of 2015 Concerning Commercial Companies, requires the Directors to prepare the financial statements in accordance with the International Financial Reporting Standards which give a true and fair view of the state of affairs of the Company and of profit or loss for each financial year. We confirm that we are responsible for these financial statements, which have been prepared in conformity with the statutory requirements and the International Financial Reporting Standards, including selecting the accounting policies and making the judgements underlying them. We confirm that we have made available all relevant accounting records and information for compilation of these financial statements.

Sunil Makharia
Director

Thierry Volle
Director

**Independent Auditor's report
to the shareholder of Lupin Middle East FZ-LLC (Under liquidation)
on the audit of the financial statements
for the year ended 31 March 2020**

Opinion

We have audited the financial statements of **Lupin Middle East FZ-LLC (the Company under liquidation), Dubai, UAE**, which comprise the statement of financial position as at **31 March 2020**, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes set out on pages 4 to 15.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Company under liquidation as of 31 March 2020 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA code) and have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note 2 (c) to the financial statements which states that the financial statements have been prepared on a discontinuance basis.

Our opinion is not modified in respect of this matter.

Key audit matters

We have determined that there are no key audit matters other than those emphasised above.

Responsibilities of management and those charged with governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, requirements of The DCC Private Companies Regulations 2016 issued under Law No. (15) of 2014 Concerning the Creative Clusters in the Emirate of Dubai, read with the UAE Federal Law No. (2) of 2015 Concerning Commercial Companies and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company, or to cease operations, or has no realistic alternative but to do so.

Management and those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the 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 ISAs 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 reasonable be expected to influence the economic decisions of users taken on the basis of these financial statements.

Report on other legal and regulatory requirements

As required by the requirements of Dubai Development Authority Regulations issued under Law No. (15) of 2014 and Law No. (10) of 2018, read with the applicable provisions of the UAE Federal Law No. (2) of 2015 Concerning Commercial Companies, we further report that:

- i) we have obtained all the information and explanations as we considered necessary for the purpose of our audit;
- ii) the financial statements have been prepared and comply, in all material respects, with the aforesaid Laws;
- iii) proper books of account have been kept by the Company under liquidation;
- iv) the financial information contained in the Directors' report, in so far as it relates to these financial statements is consistent with the books of account of the Company under liquidation;
- v) Note 21 to the financial statements discloses material related party transactions and the terms under which they were transacted; and
- vi) based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Company has contravened during the financial year under audit any of the aforesaid Laws or of its Memorandum and Articles of Association, which would have had a material effect on the business of the Company under liquidation or on its financial position as at 31 March 2020.

Vasant Lad
Registration No. 299
Partner
Behl, Lad & Al Sayegh
Dubai, United Arab Emirates

9 May 2020

Lupin Middle East FZ-LLC
(Under liquidation)

Statement of profit or loss and other comprehensive income
Year ended 31 March 2020

	Notes	31 March 2020 USD	31 March 2019 USD
Sales	5	-	1,993,688
Cost of sales	6	-	(996,869)
Gross profit		-	996,819
Other income	7	251,547	13,050
Selling expenses	8	(37,006)	(712,634)
Administrative expenses	9	(170,705)	(804,990)
Other expenses	10	(660,799)	(1,570,728)
Finance costs	11	(32,025)	(20,433)
Loss for the year		(648,988)	(2,098,916)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		(648,988)	(2,098,916)

The accompanying notes on pages 8 to 15 form an integral part of these financial statements.

The independent Auditor's report is set forth on pages 2 & 3.

These financial statements were approved by the Board of Directors of the Parent company and authorised for issue on 8 May 2020 and signed on its behalf by the Directors.

Sunil Makharia
Director

Thierry Volle
Director

Lupin Middle East FZ-LLC
(Under liquidation)

Statement of financial position
As at 31 March 2020

	Notes	31 March 2020 USD	31 March 2019 USD
Non-current assets			
Property and equipment	12	-	19,861
Intangible assets	13	-	275,461
Financial assets at amortised cost	15	-	2,721
		<u>-</u>	<u>298,043</u>
Current assets			
Financial assets at amortised cost	15	13,895	38,374
Prepayments		-	12,631
Cash and cash equivalents	16	47,469	772,475
		<u>61,364</u>	<u>823,480</u>
Total assets		<u>61,364</u>	<u>1,121,523</u>
Shareholder's equity			
Share capital	17	544,218	544,218
Accumulated losses		<u>(3,677,340)</u>	<u>(3,028,352)</u>
Deficit		<u>(3,133,122)</u>	<u>(2,484,134)</u>
Non-current liabilities			
Provision for staff end-of-service gratuity	18	-	3,708
Current liabilities			
Borrowings	19	3,190,000	2,100,000
Trade and other payables	20	4,486	1,501,949
		<u>3,194,486</u>	<u>3,601,949</u>
Total liabilities		<u>3,194,486</u>	<u>3,605,657</u>
Total liabilities less deficit on shareholder's equity		<u>61,364</u>	<u>1,121,523</u>

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These financial statements were approved by the Board of Directors of the Parent company and authorised for issue on 8 May 2020 and signed on its behalf by the Directors.

Sunil Makharia
Director

Thierry Volle
Director

Lupin Middle East FZ-LLC
(Under liquidation)

Statement of changes in equity
Year ended 31 March 2020

	Share capital USD	Accumulated losses USD	Total USD
As at 31 March 2018	544,218	(929,436)	(385,218)
Loss for the year	<u>-</u>	<u>(2,098,916)</u>	<u>(2,098,916)</u>
As at 31 March 2019	544,218	(3,028,352)	(2,484,134)
Loss for the year	<u>-</u>	<u>(648,988)</u>	<u>(648,988)</u>
As at 31 March 2020	<u>544,218</u>	<u>(3,677,340)</u>	<u>(3,133,122)</u>

The accompanying notes on pages 8 to 15 form an integral part of these financial statements.
The independent Auditor's report is set forth on pages 2 & 3.

Lupin Middle East FZ-LLC
(Under liquidation)

Statement of cash flows
Year ended 31 March 2020

	31 March 2020	31 March 2019
	Notes	USD
		USD
Cash flows from operating activities		
Loss for the year		(648,988) (2,098,916)
Adjustments for:		
Depreciation of property and equipment	9	19,861 3,853
Amortisation on intangible assets	10	- 29,778
Loss on intangible assets written off	10	275,461 -
Provision for doubtful debts	10	- 1,536,844
Finance costs	11	32,025 20,433
Operating loss before changes in operating assets and liabilities		(321,641) (508,008)
Decrease in trade receivables	14	- 506,315
Decrease/(increase) in financial assets at amortised cost	15	27,200 (4,221)
Decrease/(increase) in prepayments		12,631 (1,229)
Decrease in trade and other payables	20	(1,481,711) (1,362,920)
Decrease in staff end-of-service gratuity provision (net)	18	(3,708) (27,398)
Cash used in operations		(1,767,229) (1,397,461)
Finance costs paid	11 & 20	(47,777) (5,457)
Net cash used in operating activities (A)		(1,815,006) (1,402,918)
Cash flows from investing activities		
Purchase of property and equipment	12	- (1,095)
Payments for intangible assets	13	- (89,160)
Net cash used in investing activities (B)		- (90,255)
Cash flows from financing activities		
Proceeds from long-term loans (net)	19	1,090,000 2,000,000
Net cash from financing activities (C)		1,090,000 2,000,000
Net (decrease)/increase cash and cash equivalents (A+B+C)		(725,006) 506,827
Cash and cash equivalents at beginning of the year		772,475 265,648
Cash and cash equivalents at end of the year	16	47,469 772,475

The accompanying notes on pages 8 to 15 form an integral part of these financial statements.
The independent Auditor's report is set forth on pages 2 & 3.

Lupin Middle East FZ-LLC

(Under liquidation)

Notes to the financial statements

Year ended 31 March 2020

1 Legal status and business activities

- a) **Lupin Middle East FZ-LLC** (the **Company under liquidation**) is registered on 13 June 2012 as a free zone company with limited liability under Commercial Licence No. 91072 issued under Dubai Development Authority Authority Regulations issued under Law No. (15) of 2014 and Law No. (10) of 2018, read with the UAE Federal Law No. (2) of 2015 Concerning Commercial Companies, Dubai, United Arab Emirates. The address of the registered office of the Company is Executive office No. 109, Floor No. 1, Building 3, Dubai International Academic City, Dubai, UAE.
- b) The licensed activity of the Company are imports and re-exports, marketing and sales promotion and support services. However, the Company had traded in pharmaceuticals products. During the year, the Company has not carried out any commercial activities.
- c) The Company is a wholly-owned subsidiary of M/s. Lupin Atlantis Holdings S.A. (the Parent company), a limited liability Company registered in the Switzerland. The address of the registered office of the Parent company is at Landis + Gyr-Strasse 1, 6300 Zug, Switzerland.
- d) The Ultimate Holding company is Lupin Limited, India, with its registered office at Kalpataru Inspire, 3rd Floor, Off Western Express Highway, Santacruz (East), Mumbai 400055, India.

2 Basis of preparation

a) Statement of compliance

i) Compliance with IFRS

These financial statements are prepared on an accrual basis and under the historical cost convention. The financial statements comply with the International Financial Reporting Standards and interpretations issued by the IFRS Interpretations Committee (IFRSIC) as issued by the International Accounting Standards Board (IASB) and the requirement of the Regulations No. 1/03 of Dubai Multi Commodities Centre Authority, read with the applicable requirements of the UAE Federal Law No. (2) of 2015 Concerning Commercial Companies.

ii) New and amended standards adopted by the Company, where applicable

The following standards and amendments are effective for the first time from the current year.

- IFRS 16 - Leases
- Prepayments Features with Negative Compensation - Amendments to IFRS 9 - Effective date 1 January 2019 - Not Applicable
- Long-term Interests in Associates and Joint Ventures - Amendments to IAS 28 - Not Applicable
- Annual Improvements to IFRS Standards 2015 - 2018 Cycle - Not Applicable
- Plan Amendment, Curtailment or Settlement - Amendments to IAS 19 - Not Applicable
- Interpretation 23 Uncertainty on Income Tax Treatments - Not Applicable

iii) New standards and interpretations not yet adopted as not yet mandatory

The Company intends to adopt the following new standards, if applicable when they become effective.

- IFRS 17 - Insurance Contracts - Effective date 1 January 2021 (likely to be extended to 1 January 2022)
- Definition of Material - Amendments to IAS 1 and IAS 8 - Effective date - 1 January 2020.
- Definition of a Business - Amendment to IFRS 3 - Effective date - 1 January 2020.
- Revised Conceptual Framework for Financial Reporting - Effective date - 1 January 2020.
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28 - The applicable date is deferred.

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Notes to the financial statements
Year ended 31 March 2020

2 Basis of preparation (Continued)

b) Functional and presentation currency

Though the functional currency of the Company is US Dollar (USD), these financial statements are presented in US Dollar (USD). The amounts in UAE Dirham (AED) have been translated into USD at the fixed parity are of 1 USD = 3.675 AED.

The figures have been rounded off to the nearest US Dollar.

c) Going concern basis of accounting

As at the end of the reporting period, the Company under liquidation had accumulated losses of USD 3,677,340 which have eroded the entire share capital of the Company, its equity was negative at USD 3,133,122. Under such a situation Article 301 of the UAE Federal Law No. (2) of 2015 Concerning Commercial Companies stipulates that the Managing Directors may propose before the General Assembly of shareholder to dissolve the Company. The shareholders have passed a special resolution to liquidate the Company. Accordingly, these financial statements have been prepared on a discontinuance basis.

d) Accrual basis of accounting

The financial statements are prepared, except for cash flows information, using the accrual basis of accounting i.e. all items of assets, liabilities, equity, income and expenses are recognised as they arise.

e) Use of significant estimates, assumptions and judgments

Based on the historical experience and reasonable expectations of future events, the management makes judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses and disclosure of contingencies and commitments.

Impairment of assets

At each reporting date, financial assets are assessed to determine whether there is any evidence of impairment judged by default or delinquency by a debtor, its creditworthiness, the age of the debts and the management experience.

3 Summary of significant accounting policies

The significant accounting policies adopted and which have been consistently applied are as follows:

a) Sale of goods

The revenue is derived from trading in pharmaceuticals products and is recognised at a point in time at the time of delivery when the control and ownership are transferred to the customer, net of discounts with no other promises in the contract that are separate performance obligation. The sales are also on transshipment basis i.e. the supplier ships goods directly to the customer.

b) Taxation

As the Company under liquidation is not engaged in production of oil & gas or extraction of other natural resources in the UAE and it does not belong to the banking sector, it is not liable to income-tax as there is no Corporate Taxation in the UAE.

c) Leases

Payments made under short-term operating lease in respect of the office premises are charged to the statement of profit or loss on a straight-line basis and included under 'Administrative expenses'.

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Notes to the financial statements
Year ended 31 March 2020

3 Summary of significant accounting policies (Continued)

d) Foreign currency transactions and balances

Transactions in foreign currencies are translated into the functional currency of US Dollar (USD) at the rate of exchange ruling on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items of assets and liabilities denominated in foreign currency at year-end exchange rates are recognised in the statement of profit or loss on net basis as foreign exchanges gains or foreign exchange losses as part of other income or other expenses respectively.

e) Cash and cash equivalents

Cash and cash equivalents comprise cash and balance in bank current accounts and bank deposits free of encumbrance with a maturity date of three months or less from the date of deposit.

f) Accruals

Provisions are recognised when there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

g) Statement of cash flows

Statement of cash flows is prepared segregating the cash flows from operating, investing and financing activities based on the nature of items. Cash flows under the operating activities are reported using the indirect method, whereby profit/(loss) is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals or past or future of cash receipts and payments and for items of income and expenses which are reflected in investing or financial activities.

h) Non-derivative financial assets and liabilities

Non-derivative financial assets

The non-derivative financial assets comprise bank balances and VAT receivable.

Non-derivative financial liabilities

The non-derivative financial liabilities comprise accruals.

Derecognition of financial assets and liabilities

The Company derecognizes a financial asset when the contractual rights to the cash flow from the assets cease and any interest in such derecognised financial assets that is created or retained by the Company is recognised as a separate asset. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

i) Value-added tax (VAT)

VAT input credits are accounted as VAT receivable and the VAT amounts charged to customers are accounted as VAT payable. The net amount of VAT payable after offsetting the VAT receivable is paid to the Government within the stipulated time of 28 days from the end of the Tax Period as allocated to the Company and is classified as VAT payable under trade and other payables. If the net amount is receivable, it is classified as VAT receivable.

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Notes to the financial statements
Year ended 31 March 2020

4 Risk management

The Company's activities expose to a variety of financial risks such as credit and liquidity risks as follows:

a) **Credit risk**

This is the risk of financial loss if a customer or a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the bank. The credit risk, where relevant is explained in the notes on the related account balances, namely bank balances (Note 16).

b) **Market risk**

These are the risks arising from changes in market prices, such as foreign exchange rates, which would affect the Company's income or the value of its holdings of financial instruments. The management strives to manage market risk exposures within acceptable parameters, while optimizing the return.

- **Currency risk**

The currency risk, where relevant is explained in the notes on the related account balances, namely bank balances (Note 16).

5 Revenue

In the previous year, the Company derived its revenue by trading in pharmaceutical products directly and on trans-shipment basis to various customers at a point in time recognised upon delivery of goods when the control and ownership thereof are transferred to customers.

	31 March 2020	31 March 2019
	USD	USD
6 Cost of sales		
Purchases (including direct expenses) - (Note 21)	-	996,869
7 Other income		
Products promotion charges received from a distributor	258	7,758
Provision for commission written back	251,289	-
Products profit share from a distributor	-	5,292
	<u>251,547</u>	<u>13,050</u>
8 Selling expenses		
Business promotion expenses (Note 21)	37,006	428,278
Sales commission	-	284,356
	<u>37,006</u>	<u>712,634</u>
9 Administrative expenses		
Staff salaries and benefits	44,167	362,180
Provision for staff end-of-service gratuity (Note 18)	906	11,826
Rent	24,852	31,883
Depreciation (Note 12)	19,861	3,853
Service charges (Note 21)	25,363	122,249
Legal & consultancy charges (Note 21)	16,807	62,637
Other administrative expenses (Note 21)	38,749	210,362
	<u>170,705</u>	<u>804,990</u>

Lupin Middle East FZ-LLC
(Under liquidation)

Notes to the financial statements
Year ended 31 March 2020

	31 March 2020		31 March 2019	
	USD		USD	
10 Other expenses				
Provision for doubtful debts (Note 14)	-		1,536,844	
Amortisation on intangible asset (Note 13)	-		29,778	
Loss on intangible assets written off (Note 13)	275,461		-	
Business compensation expenses	385,338		-	
Foreign exchange losses (net)	-		4,106	
	<u>660,799</u>		<u>1,570,728</u>	
11 Finance costs				
Interest on long-term loans (Notes 19 & 21)	<u>32,025</u>		<u>20,433</u>	
12 Property and equipment				
	Furniture & fixtures	Office equipment	Computer software	Total
As at 31 March 2019	USD	USD	USD	USD
Cost	29,608	3,340	1,275	34,223
Accumulated depreciation	<u>(11,480)</u>	<u>(2,397)</u>	<u>(485)</u>	<u>(14,362)</u>
Net book value	<u>18,128</u>	<u>943</u>	<u>790</u>	<u>19,861</u>
As at 31 March 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Reconciliation of net book values				
As at 31 March 2018	12,409	1,486	361	14,256
Additions during the year	8,363	459	636	9,458
Depreciation for the year (Note 9)	<u>(2,644)</u>	<u>(1,002)</u>	<u>(207)</u>	<u>(3,853)</u>
As at 31 March 2019	18,128	943	790	19,861
Assets written off during the year				
- Cost	(29,608)	(3,340)	(1,275)	(34,223)
- Accumulated depreciation	29,608	3,340	1,275	34,223
Depreciation for the year (Note 9)	<u>(18,128)</u>	<u>(943)</u>	<u>(790)</u>	<u>(19,861)</u>
As at 31 March 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
13 Intangible assets				
Cost			-	305,239
Accumulated amortisation			<u>-</u>	<u>(29,778)</u>
Net book value			<u>-</u>	<u>275,461</u>
Reconciliation of net book value				
Opening balance			275,461	216,079
Purchased during the year			-	89,160
Amortisation for the year (Note 10)			-	(29,778)
Written off during the year (Note 10)			<u>(275,461)</u>	<u>-</u>
Closing balance			<u>-</u>	<u>275,461</u>

These were represented licence fees paid for product brands.

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Year ended 31 March 2020

	31 March 2020	31 March 2019
	USD	USD
14 Trade receivables		
Gross amounts due from cutomers	-	1,536,844
Less: Provision for doubtful debts (Note 10)	-	(1,536,844)
Net	<u>-</u>	<u>-</u>
<p>a) During the year, the Company has utilised AED 1,536,844 against the provision for doubtful debts.</p> <p>b) In the previous year, the entire trade receivables was outstanding for less than eleven months as at the end of the reporting period, was due from a single customer situated in UAE.</p>		
15 Financial assets at amortised cost		
Non-current		
Staff visa deposits (refer Note below)	<u>-</u>	<u>2,721</u>
Current		
Advance to a supplier	-	1,210
Advances to staff	-	841
VAT receivable	13,895	8,494
Deposits	-	2,721
Other receivables (Note 21)	-	25,108
	<u>13,895</u>	<u>38,374</u>
<p>Staff visa deposits were kept as security for staff employment visas and are intended to be held for a period longer than one year from the end of the reporting period.</p>		
16 Cash and cash equivalents		
Balances in current accounts with banks	<u>47,469</u>	<u>772,475</u>
<p>The Company places its bank accounts with reputed banks.</p>		
17 Share capital		
2,000 shares of AED 1,000 each (converted at 1 USD = AED 3.675)	<u>544,218</u>	<u>544,218</u>
18 Provision for staff end-of-service gratuity		
Opening balance	3,708	31,106
Provision for the year (Note 9)	906	11,826
Paid during the year	<u>(4,614)</u>	<u>(39,224)</u>
Closing balance	<u>-</u>	<u>3,708</u>
19 Borrowings		
(Current)		
Loan from the Parent company	<u>3,190,000</u>	<u>2,100,000</u>
<p>Loan from the Parent company carries an interest of 3% per annum. For interest expense, refer Note 11.</p>		

Lupin Middle East FZ-LLC
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Notes to the financial statements
Year ended 31 March 2020

	31 March 2020	31 March 2019
	USD	USD
19 Borrowings (Continued)		
Movements during the year:		
Opening balance	2,100,000	100,000
Received during the year	1,090,000	2,100,000
Repaid during the year	-	(100,000)
Closing balance	<u>3,190,000</u>	<u>2,100,000</u>
20 Trade and other payables		
Trade payables (Note 21)	-	1,167,960
Interest payable (Note 21)	-	15,752
Accruals	4,486	318,237
	<u>4,486</u>	<u>1,501,949</u>
21 Related parties		
Related parties which fall within the definition of a related party as contained in International Accounting Standard 24 comprise Ultimate Holding company, the Parent company, fellow subsidiaries, Shareholders and Directors of the Company. Significant balances with related parties were as follows:		
Ultimate Holding company		
Included in trade receivables (Note 14)	-	25,108
Included in trade payables (Note 20)	-	338,663
Parent company		
Disclosed as borrowing (Note 19)	3,190,000	2,100,000
Included in trade payables (Note 20)	-	258,103
Disclosed as interest payable (Note 20)	-	15,752
Fellow subsidiaries		
(Pharma Dynamics, South Africa)		
Included in trade payables (Note 20)	-	138,219
Significant transactions with related parties during the year, which the management considers to be in the normal course of business and at terms which correspond with the terms with third parties, were as follows:		
Ultimate Holding company		
Purchases (Note 6)	-	457,877
Legal & consultancy charges (Note 9)	-	57,004
Parent company		
Service charges (Note 9)	25,363	122,249
Interest expense (Note 11)	32,025	17,850
Borrowings (Note 19)	<u>1,090,000</u>	<u>2,100,000</u>

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Notes to the financial statements
Year ended 31 March 2020

21 Related parties (Continued)

Significant transactions with related parties (Continued):

	31 March 2020	31 March 2019
	USD	USD
Fellow subsidiaries		
(Lupin Holdings B.V., Netherlands)		
Interest expense (Note 11)	<u>-</u>	<u>2,583</u>
(Pharma Dynamics, South Africa)		
Included in business promotion expenses (Note 8)	61,379	41,523
Included in other administrative expenses (Note 9)	<u>6,304</u>	<u>96,696</u>

22 Fair values of financial instruments

The fair value of a financial instrument is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The fair value of the financial assets and financial liabilities which are required to be carried at cost or at amortised cost approximates to their carrying amounts.

23 Approval of financial statements

These financial statements were approved by the Board of Directors of the Parent company and authorised for issue on 8 May 2020.

Sunil Makharia
Director

Thierry Volle
Director