ARORA & ARORA
CHARTERED ACCOUNTANTS
105 Kadamgiri Apartments, Hanuman Road, Vile Parle (E), Mumbai 400 057
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Independent Auditor's Report

To the Board of Directors of
Medquimica Industria Farmaceutica Ltda
Juiz de Fora
Minas Gerias
Brazil

Report on the Financial Statements

We have audited the accompanying Ind AS financial statements of **MEDQUIMICA INDUSTRIA FARMACEUTICA LTDA** ('the Company') which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

These financial statement have been prepared only to facilitate the preparation of the consolidated financial statements of the Ultimate Holding Company – Lupin Limited, India in terms of Section 129(3) of the Indian Companies Act, 2013 ('the Act') and they are prepared in accordance with the requirements of Schedule III to the Act.

These financial statements are "special purpose financial statements" and do not constitute a set of statutory financial statements in accordance with the local laws in which the Company is incorporated and cannot be used for any purpose other than the aforesaid.

Management's Responsibility for the Financial Statements

The Ultimate Holding Company and Company's Board of Directors (hereinafter jointly referred to as Management) are responsible for the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India and in particular SA 800 'Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks'. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management , as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements 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 March 31, 2020, and its results of operations (loss) including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matter in the Notes to the financial statements.

Note 1B (read with note 1A) to the financial statements which indicate that the Company has incurred losses during the current year and previous year. Further, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

We report 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 purpose of our audit.

(b) In our opinion, proper books of account as required for preparation of these financial statements have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion and to the best of our information and according to the explanations given to us:

(i) The Company does not have any pending litigations which would impact its financial position.

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) The provisions relating to the Investor Education and Protection Fund are not applicable to the Company.

Other Matters

1. This report is issued for the purpose of consolidation of financial statements of the Company's ultimate holding Company Lupin Limited, India and to comply with the provisions of Section 129 (3) of the Companies Act, 2013 and should not be used for any other purposes.
2. The comparative financial information of the Company for the year ended 31 March 2019, included in these Ind AS financial statements, are not audited by us. They have been provided by the management of the Company and the Ultimate holding Company and accepted by us.
3. Due to the COVID-19 related issues, for the year end physical verification of inventory , we have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence - Specific Considerations for Selected Items" and have obtained sufficient appropriate audit evidence to issue our opinion on these Financial Results.

Our opinion is not modified in respect of these matters.

For Arora & Arora
Chartered Accountants
Firm's Registration No: 100544W

Girish Arora
Partner
Membership No.: 41019
UDIN : 20041019AAAABB3099
Mumbai, 27 May, 2020

MEDQUIMICA INDUSTRIA FARMACEUTICA LTDA

AUDITED ACCOUNTS
FOR THE PERIOD ENDED
MARCH 31, 2020

City of Juiz De Fora, State of Minas Gerias, at Rua Otacilio Esteves da Silva, n°40, Granjas Betania, CEP 36047-400

MEDQUIMICA INDUSTRIA FARMACEUTICA LTDA

BALANCE SHEET AS AT MARCH 31, 2020

	Note	As at 31.03.2020 BRL	As at 31.03.2020 INR	As at 31.03.2019 BRL	As at 31.03.2019 INR
ASSETS					
Non-Current Assets					
a. Property, Plant and Equipment	2	71,696,482	1,032,214,247	72,344,854	1,280,359,227
b. Capital Work-in-Progress		7,332,161	105,561,122	3,605,927	63,817,696
c. Intangible Assets		100,445,672	1,446,116,340	105,167,620	1,861,256,539
d. Intangible Assets Under Development		-	-	2,255,237	39,913,184
		179,474,315	2,583,891,709	183,373,638	3,245,346,646
e. Financial Assets					
Non-Current Financial Assets	3	1,900,515	27,361,713	1,880,947	33,289,000
f. Other Non-Current Assets	4	19,628,527	282,591,904	19,870,209	351,662,958
		201,003,357	2,893,845,326	205,124,794	3,630,298,604
Current Assets					
a. Inventories	5	57,792,344	832,036,377	45,922,175	812,730,652
b. Financial Assets					
(i) Trade Receivables	6	57,322,778	825,276,035	46,354,278	820,378,012
(ii) Cash and Cash Equivalents	7	9,662,069	139,104,807	4,594,384	81,311,408
(iii) Other Current Financial Assets	8	8,678,916	124,950,354	187,225	3,313,508
c. Current Tax Assets (Net)	9	1,099,389	15,827,903	803,333	14,217,387
d. Other Current Assets	10	21,887,627	315,116,165	7,791,432	137,892,764
		156,443,123	2,252,311,641	105,652,827	1,869,843,731
	TOTAL	**357,446,480**	**5,146,156,967**	**310,777,621**	**5,500,142,335**
EQUITY AND LIABILITIES					
Equity					
a. Equity Share Capital	11	269,738,261	5,055,804,881	208,800,161	3,994,620,368
b. Other Equity	12	(171,921,219)	(3,651,629,489)	(111,731,948)	(2,277,536,020)
		97,817,042	1,404,175,392	97,068,213	1,717,084,348
Liabilities					
Non-Current Liabilities					
a. Financial Liabilities					
(i) Non-Current Borrowings	13	488,813	7,037,440	17,806,576	315,962,939
(ii) Other Non Current Financial Liabilities	14	17,250,192	248,351,015	20,999,462	371,648,479
Deferred Tax Liabilities (net)		11,073,584	159,426,389	12,911,126	228,501,108
		28,812,589	414,814,844	51,717,164	916,112,526
Current Liabilities					
a. Financial Liabilities					
(i) Current Borrowings	15	162,274,404	2,340,361,174	118,657,566	2,100,001,603
(ii) Trade Payables	16	54,821,276	789,261,886	30,913,489	547,106,926
b. Other Financial Liabilities	17	8,724,032	125,599,889	8,407,677	148,805,797
c. Other Current Liabilities	18	4,997,137	71,943,782	4,013,512	71,031,135
		230,816,849	3,327,166,731	161,992,244	2,866,945,461
	TOTAL	**357,446,480**	**5,146,156,967**	**310,777,621**	**5,500,142,335**
		-		-	-

As per our report of even date

For Arora & Arora
Chartered Accountants
Registration No.100544W

For **MEDQUIMICA INDUSTRIA FARMACEUTICA LTDA**

Girish Arora	**Ricardo Lourenco**	**Sunil Makharia**
Partner	Director	Director
Membership No 41019		
Place : Mumbai	Place : Juiz de Fora	Place : Mumbai
Dated :	Dated : 25.05.2020	Dated :

MEDQUIMICA INDUSTRIA FARMACEUTICA LTDA

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

	Note	For the Current Year ended 31.03.2020 BRL	For the Current Year ended 31.03.2020 INR	For the Previous Year ended 31.03.2019 BRL	For the Previous Year ended 31.03.2019 INR
INCOME:					
Revenue from Operations	19	176,813,526	3,049,856,511	144,828,961	2,669,052,922
Other Income	20	9,418,527	162,460,173	2,244,771	41,368,885
Total Income		**186,232,053**	**3,212,316,684**	**147,073,732**	**2,710,421,807**
EXPENSES:					
Cost of Raw and Packing Materials Consumed	21	75,606,088	1,304,129,412	85,861,107	1,582,334,341
Purchases of Stock-in-Trade		1,572,856	27,130,193	1,608,745	29,647,562
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	22	13,799,120	291,563,398	(18,881,359)	(316,085,091)
Employee Benefits Expense	23	64,147,828	1,106,320,065	62,030,443	1,143,044,310
Finance Costs	24	12,334,175	212,752,184	10,488,403	193,290,780
Depreciation and Amortisation Expense	2	11,212,006	193,395,891	9,359,277	172,482,116
Other Expenses	25	69,436,168	1,197,704,464	62,948,947	1,160,086,143
Total Expenses		**248,108,241**	**4,332,995,607**	**213,415,563**	**3,964,800,161**
Profit/ (Loss) before Tax		**(61,876,188)**	**(1,120,678,923)**	**(66,341,831)**	**(1,254,378,354)**
Tax Expense / (Benefit) :					
- Current Tax Expense		-	-	-	-
- Deferred Tax (net)		(1,786,328)	(30,812,372)	(1,784,965)	(32,895,120)
Profit/ (Loss) for the period		**(60,089,860)**	**(1,089,866,551)**	**(64,556,866)**	**(1,221,483,234)**
Other Comprehensive Income					
A (i) Items that will not be reclassified to profit or loss		-	-	-	-
(ii) Income tax relating to item that will not be reclassified to profit or loss		-	-	-	-
B (i) Items that will be reclassified to profit or loss		-	(282,467,515)	-	(237,995,693)
(ii) Income tax relating to item that will not be reclassified to profit or loss		-	-	-	-
Total Other Comprehensive Income (net of tax)		**-**	**(282,467,515)**	**-**	**(237,995,693)**
Total Comprehensive Income for the year		**(60,089,860)**	**(1,372,334,066)**	**(64,556,866)**	**(1,459,478,927)**
Earnings per Ordinary Share:					
Basic		**(0.25)**	**(4.58)**	**(0.31)**	**(5.85)**
Diluted		**(0.25)**	**(4.58)**	**(0.31)**	**(5.85)**

Ordinary shares with no par value

As per our report of even date

For Arora & Arora Chartered Accountants Registration No.100544W	For **MEDQUIMICA INDUSTRIA FARMACEUTICA LTDA**	
Girish Arora Partner Membership No 41019	**Ricardo Lourenco** Director	**Sunil Makharia** Director
Place : Mumbai Dated :	Place: Juiz de Fora Dated: 25.05.2020	Place : Mumbai Dated :

MEDQUIMICA INDUSTRIA FARMACEUTICA LTDA

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

(a) Equity share capital

		BRL	INR
	No. of Shares	**Amount**	**Amount**
Balance at April 1, 2018	208,800,161	208,800,161	3,994,620,368
Changes in equity share capital during 2018-19	-	-	-
Balance at March 31, 2019	208,800,161	208,800,161	3,994,620,368
Changes in equity share capital during 2019-20	60,938,100	60,938,100	1,061,184,513
Balance at March 31, 2020	**269,738,261**	**269,738,261**	**5,055,804,881**

(b) Other equity

Particulars	Reserves & Surplus				Other Comprehensive		Total Other Equity	
	Capital Reserve	**Capital Reserve**	**Surplus in Statement of Profit and Loss**	**Surplus in Statement of Profit and Loss**	**Foreign Currency Translation Reserve**	**Foreign Currency Translation Reserve**		
	BRL	**INR**	**BRL**	**INR**	**BRL**	**INR**	**BRL**	**INR**
Balance at March 31, 2018	**3,851,834**	**73,703,445**	**(51,026,916)**	**(994,328,314)**	**-**	**102,567,776**	**(47,175,082)**	**(818,057,093)**
Add : Profit/ (Loss) for the period	-	-	(64,556,866)	(1,221,483,234)	-	-	(64,556,866)	(1,221,483,234)
Add: (Debited) / Credited during the period	-	-	-	-	-	(237,995,693)	-	(237,995,693)
Balance at March 31, 2019	**3,851,834**	**73,703,445**	**(115,583,782)**	**(2,215,811,548)**	**-**	**(135,427,917)**	**(111,731,948)**	**(2,277,536,020)**
Add: Adjustments for transition to IND AS 116 "Leases"	-	-	(99,411)	(1,759,403)	-	-	(99,411)	(1,759,403)
Add : Profit/ (Loss) for the period	-	-	(60,089,860)	(1,089,866,551)	-	-	(60,089,860)	(1,089,866,551)
Add: (Debited) / Credited during the period	-	-	-	-	-	(282,467,515)	-	(282,467,515)
Balance at March 31, 2020	**3,851,834**	**73,703,445**	**(175,773,053)**	**(3,307,437,502)**	**-**	**(417,895,432)**	**(171,921,219)**	**(3,651,629,489)**

As per our report of even date

For Arora & Arora	**For MEDQUIMICA INDUSTRIA FARMACEUTICA LTDA**
Chartered Accountants	
Registration No.100544W	

Girish Arora	**Ricardo Lourenco**	**Sunil Makharia**
Partner	Director	Director
Membership No 41019		
Place : Mumbai	Place: Juiz de Fora	Place: Mumbai
Dated :	Dated: 25.05.2020	Dated :

MEDQUIMICA INDUSTRIA FARMACEUTICA LTDA

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

		For the Current Year ended 31.03.2020 BRL	For the Current Year ended 31.03.2020 INR	For the Previous Year ended 31.03.2019 BRL	For the Previous Year ended 31.03.2019 INR
A.	**Cash Flow from Operating Activities**				
	Net Profit before Tax	(61,876,188)	(1,120,678,923)	(66,341,831)	(1,254,378,354)
	Adjustments for:				
	Depreciation and Amortisation	11,212,006	193,395,891	9,359,277	172,482,116
	Loss on sale/discard of Fixed Assets (net)	3,350	57,784	-	-
	Interest and Finance Charges	12,334,175	212,752,184	10,488,403	193,290,780
	Bad Trade Receivables / Advances written off	527,696	9,102,228	243	4,478
	Operating Profit before Working Capital Changes	(37,798,961)	(705,370,836)	(46,493,908)	(888,600,980)
	Changes in Working Capital:				
	Adjustments for (increase) / decrease in operating assets:				
	Inventories	(11,870,169)	(177,221,165)	(18,343,919)	(324,650,679)
	Trade Receivables	(10,968,500)	(164,188,433)	3,967,336	70,213,912
	Other Current Financial Assets	(8,491,691)	(123,204,928)	(140,897)	(2,493,595)
	Other Non Current Assets	241,682	2,128,615	(379,500)	(6,716,391)
	Other Current Assets	(14,096,195)	(202,942,919)	(3,420,089)	(60,528,735)
	Current Tax	296,056	4,262,318	(800,376)	(14,165,054)
	Non Current Financial Assets	(19,568)	(281,719)	(207,688)	(3,675,662)
	Adjustments for increase / (decrease) in operating liabilities:				
	Trade Payables	23,907,787	344,200,390	9,428,701	166,869,150
	Other Non Current Liabilities	51,214	74,816,249		
	Other Current Liabilities	983,625	14,161,251	(259,059)	(4,584,826)
	Other Long-Term Liabilities	(3,749,270)	(53,978,238)	(472,872)	(8,368,889)
	Other Non Current Financial Liabilities			727,658	12,878,091
	Cash Generated / Used from Operations	**(61,513,990)**	**(987,619,415)**	(56,394,613)	(1,063,823,658)
	Net Cash generated from Operating Activities	**(61,513,990)**	**(987,619,415)**	**(56,394,613)**	(998,071,862)
B.	**Cash Flow from Investing Activities**				
	Additions to Fixed Assets / Capital work in progress	(8,637,680)	(117,137,566)	(9,490,617)	(167,964,940)
	Sale of Fixed Assets	-	-	591,545	10,469,163
	Net Cash used in Investing Activities	**(8,637,680)**	**(117,137,566)**	**(8,899,072)**	(157,495,776)
C.	**Cash Flow from Financing Activities**				
	Repayment of Long Term Borrowings	(17,317,763)	(307,311,927)	2,006,636	35,513,444
	Proceeds from Short Term Borrowings	43,616,838	632,048,205	76,242,373	1,349,337,518
	Increase in Share Capital	60,938,100	1,061,184,513	-	-
	Other current financial liabilities	316,355	4,547,835	708,710	12,542,750
	Interest paid on loan	(12,334,175)	(212,752,184)	(10,488,403)	(185,623,756)
	Net Cash used in Financing Activities	**75,219,355**	**1,177,716,442**	**68,469,316**	**1,211,769,955**
	Net increase in Cash and Cash equivalents	**5,067,685**	**72,959,461**	**3,175,631**	**56,202,317**
	Cash and Cash equivalents as at the beginning of the year	4,594,384	81,311,408	1,418,753	27,878,496
	Cash and Cash equivalents as at the end of the year	**9,662,069**	**154,270,869**	4,594,384	84,080,813

Notes:

1.Cash and Cash equivalents include

Cash and Cash Equivalents (Refer note 6)	9,662,069	139,104,807	4,594,384	81,311,408
Unrealised (gain)/loss on foreign currency cash and cash equivalents		15,166,062		2,769,405
Total Cash and Cash equivalents	9,662,069	154,270,869	4,594,384	84,080,813

2. Additions to Fixed Assets are considered as a part of investing activities.
3. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting
3. The above Cash Flow Statements has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 "Statement of Cash flows"

As per our report of even date

For Arora & Arora Chartered Accountants Registration No.100544W	For **MEDQUIMICA INDUSTRIA FARMACEUTICA LTDA**	
Girish Arora Partner Membership No 41019	**Ricardo Lourenco** Director	**Sunil Makharia** Director
Place : Mumbai Dated :	Place: Juiz de Fora Dated : 25.05.2020	Place : Mumbai Dated :

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1A. OVERVIEW:

Medquímica Indústria Farmacêutica Ltda. ("Medquímica" or "Company"), is a limited company having its registered office in the municipality of Juiz de Fora – Mgand, Brazil has been operating in the pharmaceutical segment for more than 40 years. On June 23, 2015 it became a part of Lupin Group, a global company in the pharmaceutical segment specializing in the production of active ingredients, generic medications, biosimilars, specialty and biotechnology products. Based in Mumbai, India, Lupin operates in the main global markets.

The Company is taking a series of strategic measures which aim to reverse the losses generated in operations, reduce the liquidity risk, and improve working capital management, which include:

(1) Improving the cost management process;

(2) Developing effective sales strategies and introducing more profitable products;

(3) Enhancement of plant's process control procedures;

(4) Improving production efficiency and reviewing processes; and

(5) Pursuing improvements to sales contracts to obtain better margins with distributors and customers.

Management attributes the losses for the year ended 3/31/2020 to the time taken for new products to mature in Medquimica's sector and initiatives to expand the market which will yield returns in the future.

1B. The Company has incurred a loss during the year and in the previous year. The Company is taking a series of strategic measures which aim to reverse the losses as stated in note 1A above. Further, the holding company guarantees the funds necessary for the Company to continue as a going concern. The financial statements have been prepared on the assumption that the Company will continue as a going concern and do not include any adjustments related to this matter.

1C. SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of accounting and preparation of Financial Statements:

Basis of preparation

i) These 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.

ii) *Functional and Presentation Currency* -
These financial statements are presented in Reais (R$), which is the functional currency of the Company.

Basis of measurement

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

Use of Estimates and Judgements

iv) The preparation of the 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 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 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 accounting policies.

- Measurement and likelihood of occurrence of provisions and contingencies (Refer note k)
- Recognition of deferred tax assets (Refer note g)
- Useful lives of property, plant and equipment and intangibles (Refer note b & c)
- Impairment of assets (Refer note d)
- Impairment of financial assets (Refer note f)

b) Property, Plant and Equipment & Depreciation:

I. Recognition and Measurement:

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 which 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
Buildings	33 to 46 Years
Plant & Equipment	5 to 20 years
Furniture & Fixtures	10 Years
Office Equipment	5 to 10 years
Leased Vehicles	Lower of lease period & useful life
Vehicles	5 years

Depreciation method, useful live 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).

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. Amortisation

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

Particulars	Estimated Useful Life
Computer Software	5 years
Distributor relationships	13 years
ANVISA Registrations	12 years
Trademark and Licenses	Indefinite
Noncompetition agreement	5 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) Impairment of assets:

The carrying values of assets/cash generating units 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
ii) an intangible asset that is having indefinite useful life.

If the carrying amount of the 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.

e) 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 at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the Statement of Profit and Loss in the period in which they arise.
iv) Exchange differences arising on translating monetary items 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 other comprehensive income / loss and presented with equity as part of Foreign Currency Translation Reserve.

f) Financial Instruments:

I. Financial Assets

<u>Classification</u>

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.

<u>Initial recognition and measurement</u>

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.

<u>Financial assets at amortised cost</u>

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) 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.

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:

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.

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.

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).

g) Income tax:

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity or in OCI.

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.

h) Inventories:

Inventories of all procured materials and Stock-in-Trade are valued at the lower of cost (on moving weighted average cost basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost 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. Work-in-process and finished goods include appropriate proportion of overheads

i) 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 and risks and rewards of ownership 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, VAT and applicable trade discounts and allowances. Revenue includes shipping and handling costs billed to the customer.

Interest income

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

j) 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. This policy is applied to contracts entered into, on or after 1st April 2019.

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.

Transition to Ind AS 116

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

Operating Lease:

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by- lease basis. The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right of use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Company has used a single discount rate to a portfolio of leases with similar characteristics.
On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

The difference between the future minimum lease rental commitments towards non-cancellable operating leases and finance leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedient as per the standard.

k) 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 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
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.

l) 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.

m) 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.

n) 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.

o) Segment reporting:

The Company operates in one reportable business segment i.e. "Pharmaceuticals".

p) 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.

1C. RECENT ACCOUNTING PRONOUNCEMENTS:

The MCA has notified below amendments which are effective from 1st April 2020 or after:

- Ind AS 117, Insurance Contracts (Effective Date is likely to be 1st April 2021)
- Definition of Material - Amendments to Ind AS 1 and Ind AS 8 (Effective date – 1st April 2020)
- Definition of a Business - Amendment to Ind AS 103 (Effective date – 1st April 2020)
- Revised Conceptual Framework for Financial Reporting (Effective date – 1st April 2020)
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to Ind AS 110 and Ind AS 28 (The applicable date is deferred)

2. FIXED ASSETS

BRL

Particulars	Gross Block					Accumulated Depreciation And Amortisation				Net Block
	As at 01.04.2019	Additions For the period	Additions on merger	Deductions For the period	**As at 31.03.2020**	As at 01.04.2019	For the Period	Deductions	**As at 31.03.2020**	**As at 31.03.2020**
Tangible Assets										
Freehold Land	**17,315,000**	**-**	**-**	**-**	**17,315,000**	**-**	**-**	**-**	**-**	**17,315,000**
	17,315,000	*-*		*-*	*17,315,000*	*-*	*-*	*-*	*-*	*17,315,000*
Buildings	**30,528,932**	**-**	**-**	**2,910,342**	**27,618,590**	**2,878,431**	**805,876**	**764,953**	**2,919,354**	**24,699,236**
	25,820,204	*4,708,728*	*-*	*-*	*30,528,932*	*1,771,762*	*1,106,669*	*-*	*2,878,431*	*27,650,501*
Plant and Equipment	**31,489,424**	**6,444,767**	**-**	**-**	**37,934,191**	**8,024,269**	**3,888,607**	**-**	**11,912,876**	**26,021,315**
	29,401,208	*2,469,203*	*-*	*380,987*	*31,489,424*	*5,591,529*	*2,485,756*	*53,016*	*8,024,269*	*23,465,155*
Furniture and Fixtures	**1,483,710**	**-**	**-**	**13,708**	**1,470,002**	**560,612**	**153,717**	**-**	**714,329**	**755,673**
	1,462,882	*23,313*	*-*	*2,485*	*1,483,710*	*391,856*	*170,963*	*2,207*	*560,612*	*923,098*
Vehicles	**2,004,407**	**-**	**-**	**1,026,887**	**977,520**	**706,577**	**334,077**	**763,959**	**276,695**	**700,825**
	2,205,626	*347,081*	*-*	***548,300***	*2,004,407*	*635,835*	*414,936*	*344,194*	*706,577*	*1,297,830*
Office Equipment	**2,535,818**	**-**	**-**	**184,135**	**2,351,683**	**842,548**	**489,710**	**218,603**	**1,113,655**	**1,238,028**
	1,804,075	*837,558*	*-*	*105,815*	*2,535,818*	*459,345*	*445,177*	*61,974*	*842,548*	*1,693,270*
Assets under Lease *										
Buildings	**494,029**	**24,140**	**-**	**-**	**518,169**	**-**	**444,145**	**-**	**444,145**	**74,024**
	-	-	-	-	-	-	-	-	-	-
Vehicles	**1,250,149**	**718,375**	**-**	**-**	**1,968,524**	**-**	**1,076,143**	**-**	**1,076,143**	**892,381**
	-	-	-	-	-	-	-	-	-	-
Total - Tangible Assets (A)	**87,101,469**	**7,187,282**	**-**	**4,135,072**	**90,153,679**	**13,012,437**	**7,192,275**	**1,747,515**	**18,457,197**	**71,696,482**
	78,008,995	*8,385,883*	*-*	*1,037,587*	*85,357,291*	*8,850,327*	*4,623,501*	*461,391*	*13,012,437*	*72,344,854*
Intangible Assets - Acquired										
Computer Software	**93,386**	**-**	**-**	**54,961**	**38,425**	**65,393**	**12,584**	**43,649**	**34,328**	**4,097**
	127,785	*-*	*-*	*34,399*	*93,386*	*64,440*	*20,003*	*19,050*	*65,393*	*27,993*
Goodwill on merger	**61,732,712**		**-**	**-**	**61,732,712**	**-**	**-**	**-**	**-**	**61,732,712**
	61,732,712		*-*	*-*	*61,732,712*	*-*	*-*	*-*	*-*	*61,732,712*
Trademarks and Licences	**19,600,000**	**9,132**		**-**	**19,609,132**	**4,713,999**	**1,250,520**	**-**	**5,964,519**	**13,644,613**
	19,600,000	*-*	*-*	*-*	*19,600,000*	*3,463,479*	*1,250,520*	*-*	*4,713,999*	*14,886,001*
Marketing Rights	**71,700,000**	**-**		**-**	**71,700,000**	**43,179,086**	**3,456,664**	**-**	**46,635,750**	**25,064,250**
	71,700,000	*-*	*-*	*-*	*71,700,000*	*39,713,833*	*3,465,253*	*-*	*43,179,086*	*28,520,914*
Total - Intangible Assets (B)	**153,126,098**	**9,132**	**-**	**54,961**	**153,080,269**	**47,958,478**	**4,719,768**	**43,649**	**52,634,597**	**100,445,672**
	153,160,497	*-*	*-*	*34,399*	*153,126,098*	*43,241,752*	*4,735,776*	*19,050*	*47,958,478*	*105,167,620*
Total (A+B)	**240,227,567**	**7,196,414**	**-**	**4,190,033**	**243,233,948**	**60,970,915**	**11,912,043**	**1,791,164**	**71,091,794**	**172,142,154**
	231,169,492	*8,385,883*	*-*	*1,071,986*	*238,483,389*	*52,092,079*	*9,359,277*	*480,441*	*60,970,915*	*177,512,474*
Capital Work-in-Progress										**7,332,161**
										3,605,927
Intangible Assets Under Development										**-**
										2,255,237
Total										**179,474,315**
										183,373,638

1) Previous period figures are given in italics below current period figures in each class of assets.

* Refer note 28

FIXED ASSETS

INR

Particulars	Gross Block: As at 01.04.2019	Gross Block: Additions For the period	Gross Block: Additions on merger	Gross Block: Translation Adjustments	Gross Block: Deductions	Gross Block: As at 31.03.2020	Accumulated Depreciation And Amortisation: As at 01.04.2019	Accumulated Depreciation And Amortisation: Fair Value Adjustements	Accumulated Depreciation And Amortisation: For the Period	Accumulated Depreciation And Amortisation: Additions on merger	Accumulated Depreciation And Amortisation: Translation Adjustments	Accumulated Depreciation And Amortisation: Deductions	Accumulated Depreciation And Amortisation: As at 31.03.2020	Net Block: As at 31.03.2020
Tangible Assets														
Freehold Land	**306,440,870**	-	-	**-57,156,815**	-	**249,284,055**	-	-	-	-	-	-	-	**249,284,055**
	340,239,750	-	-	*-33,798,880*	-	*306,440,870*	-	-	-	-	-	-	-	*306,440,870*
Buildings	**540,301,031**	-	-	**-92,475,708**	**50,200,489**	**397,624,834**	**50,942,472**	-	**13,900,555**	-	**-9,618,413**	**13,194,674**	**42,029,940**	**355,594,894**
	507,367,000	*86,777,148*	-	*-53,843,117*	-	*540,301,031*	*34,815,123*	-	*20,394,803*	-	*-4,267,454*	-	*50,942,472*	*489,358,559*
Plant and Equipment	**557,299,833**	**111,165,786**	-	**-122,327,066**	-	**546,138,553**	**142,013,513**	-	**67,074,582**	-	**-37,578,419**	-	**171,509,676**	**374,628,877**
	577,733,745	*45,504,942*	-	*-58,917,645*	*7,021,209*	*557,299,833*	*109,873,545*	-	*45,809,997*	-	*-12,692,997*	*977,032*	*142,013,513*	*415,286,320*
Furniture and Fixtures	**26,258,700**	-	-	**-4,858,632**	**236,449**	**21,163,619**	**9,921,711**	-	**2,651,465**	-	**-2,288,981**	-	**10,284,195**	**10,879,424**
	28,745,632	*429,635*	-	*-2,870,771*	*45,796*	*26,258,700*	*7,699,970*	-	*3,150,677*	-	*-888,263*	*40,673*	*9,921,711*	*16,336,989*
Vehicles	**35,473,989**	-	-	**-3,687,864**	**17,712,774**	**14,073,351**	**12,505,000**	-	**5,762,494**	-	**-1,106,387**	**13,177,529**	**3,983,578**	**10,089,773**
	43,340,545	*6,396,356*	-	*-4,158,291*	*10,104,621*	*35,473,989*	*12,494,158*	-	*7,646,856*	-	*-1,292,863*	*6,343,151*	*12,505,000*	*22,968,989*
Office Equipment	**44,878,915**	-	-	**-7,845,584**	**3,176,145**	**33,857,186**	**14,911,415**	-	**8,447,008**	-	**-3,554,449**	**3,770,683**	**16,033,291**	**17,823,895**
	35,450,082	*15,435,356*	-	*-4,056,458*	*1,950,065*	*44,878,915*	*9,026,129*	-	*8,204,167*	-	*-1,176,762*	*1,142,119*	*14,911,415*	*29,967,500*
Assets under Lease *														
Buildings	**8,743,325**	**416,391**	-	**-1,699,637**	-	**7,460,079**	-	-	**7,661,057**	-	**-1,266,701**	-	**6,394,356**	**1,065,723**
	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles	**22,125,137**	**12,391,250**	-	**-6,175,547**	-	**28,340,840**	-	-	**18,562,391**	-	**-3,069,160**	-	**15,493,231**	**12,847,609**
					-	-							-	-
Total - Tangible Assets (A)	**1,541,521,800**	**123,973,427**	-	**-296,226,853**	**71,325,857**	**1,297,942,517**	**230,294,111**	-	**124,059,552**	-	**-58,482,510**	**30,142,886**	**265,728,267**	**1,032,214,247**
	1,532,876,754	*154,543,437*	-	*-157,645,162*	*19,121,691*	*1,510,653,338*	*173,908,925*	-	*85,206,500*	-	*-20,318,339*	*8,502,975*	*230,294,111*	*1,280,359,227*
Intangible Assets - Acquired														
Computer Software	**1,652,745**	-		**-151,518**	**948,022**	**553,205**	**1,157,325**	-	**217,061**	-	**-127,264**	**752,902**	**494,220**	**58,985**
	2,510,975	-		*-224,291*	*633,939*	*1,652,745*	*1,266,246*	-	*368,635*	-	*-126,484*	*351,072*	*1,157,325*	*495,420*
Goodwill Acquired	**1,092,545,537**	-	-	**-203,779,682**	-	**888,765,855**	-	-	-		-	-	-	**888,765,855**
	1,213,047,791	-	-	*-120,502,254*	-	*1,092,545,537*	-	-	-	-	-	-	-	*1,092,545,537*
Trademarks and Licences	**346,880,800**	**157,518**		**-64,725,645**		**282,312,673**	**83,428,354**	-	**21,570,219**	-	**-19,127,393**	-	**85,871,180**	**196,441,493**
	385,140,000	-		*-38,259,200*		*346,880,800*	*68,057,362*	-	*23,045,833*	-	*-7,674,841*	-	*83,428,354*	*263,452,446*
Marketing Rights	**1,268,946,600**	-		**-236,681,700**	-	**1,032,264,900**	**764,183,464**	-	**59,623,997**	-	**-152,392,568**	-	**671,414,893**	**360,850,007**
	1,408,905,000	-		*-139,958,400*	-	*1,268,946,600*	*780,376,818*	-	*63,861,148*	-	*-80,054,502*	-	*764,183,464*	*504,763,136*
Total - Intangible Assets (B)	***2,710,025,682***	**157,518**	-	**-268,656,845**	**948,022**	**2,203,896,633**	**848,769,143**	-	**81,411,277**	-	**-171,647,225**	**752,902**	**757,780,293**	**1,446,116,340**
	3,009,603,766	-	-	*-298,944,145*	*633,939*	*2,710,025,682*	*849,700,426*	-	*87,275,616*	-	*-87,855,827*	*351,072*	*848,769,143*	*1,861,256,539*
Total (A+B)	**4,251,547,482**	**124,130,945**	-	**-564,883,698**	**72,273,879**	**3,501,839,150**	**1,079,063,254**	-	**205,470,829**	-	**-230,129,735**	**30,895,788**	**1,023,508,560**	**2,478,330,587**
	4,542,480,520	*154,543,437*	-	*-456,589,307*	*19,755,630*	*4,220,679,020*	*1,023,609,351*	-	*172,482,116*	-	*-108,174,166*	*8,854,047*	*1,079,063,254*	*3,141,615,766*
Capital Work-in-Progress														**105,561,122**
														63,817,696
Intangible Assets Under Development														-
														39,913,184
Total														**2,583,891,709**
														3,245,346,646

1) Previous period figures are given in italics below current period figures in each class of assets.
* Refer note 28

11 SHARE CAPITAL

a) Share Capital

Particulars	As at 31.03.2020		As at 31.03.2019	
	BRL	**INR**	**INR**	**BRL**
Authorised				
269,738,261 (PY 208,800,161) Ordinary Shares of R$1(one real)	-	-	-	-
Issued, Subscribed and Paid up				
269,738,261 (PY 208,800,161) Ordinary Shares of R$ 1 (one real) [199,271,553 (PY 199,271,553) shares are held by Lupin Atlantis Holdings S.A, Switzerland the holding company] and [70,466,728. (PY 9,528,608) shares are held by Nanomi B.V., Netherlands (formerly known as Lupin Holding B.V.)]	269,738,261	5,055,804,881	208,800,161	3,994,620,368
Total	**269,738,261**	**5,055,804,881**	**208,800,161**	**3,994,620,368**

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

Particulars	As at 31.03.2020			As at 31.03.2019		
	No of Shares	**BRL**	**INR**	**No of Shares**	**BRL**	**-**
Ordinary Shares outstanding at the beginning of the period	**208,800,161**	**208,800,161**	**3,994,620,368**	**208,800,161**	**208,800,161**	**3,994,620,368**
Ordinary Shares issued during the period	60,938,100	60,938,100	1,061,184,513	-	-	-
Ordinary Shares outstanding at the end of the period	**269,738,261**	**269,738,261**	**5,055,804,881**	**208,800,161**	**208,800,161**	**3,994,620,368**

c) Rights attached to Equity Shares

The Company has only one class of Ordinary shares having par value of R$ 1 (one real). Each holder of Ordinary share is entitled to one vote per share.

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

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

Name of Shareholder	As at 31.03.2020		As at 31.03.2019	
	No of Shares Held	**% of Holding**	**No of Shares Held**	**% of Holding**
Lupin Atlantis Holdings S.A	199,271,553	73.88%	199,271,553	95.44%
Nanomi B.V. (earlier known as Lupin Holdings B.V)	70,466,708	26.12%	9,528,608	4.56%

e) No shares have been issued without payment being received in cash or by way of bonus shares from June 23, 2015 (date of acquisition of the Company by Lupin Farmaceutica do brasil LTDA).

	As at 31.03.2020 BRL	As at 31.03.2020 INR	As at 31.03.2019 BRL	As at 31.03.2019 INR
3. OTHER NON CURRENT FINANCIAL ASSETS				
Miscellaneous receivable	1,900,515	27,361,713	1,880,947	33,289,000
	1,900,515	**27,361,713**	**1,880,947**	**33,289,000**
4. OTHER NON CURRENT ASSETS				
Unsecured, considered good unless otherwise stated				
Capital Advances	3,846,135	55,372,806	52,621	931,286
Balances with Government Authorities (VAT)	528,296	7,605,878	945,874	16,740,078
Advance against Investments	15,254,096	219,613,220	18,871,714	333,991,594
Total	**19,628,527**	**282,591,904**	**19,870,209**	**351,662,958**
5. INVENTORIES				
Raw Materials	17,445,752	251,166,492	6,681,599	118,250,939
Packing Materials	12,667,789	182,378,158	3,878,534	68,642,295
Work-in-Progress	3,765,209	54,207,714	3,305,992	58,509,446
Finished Goods	2,650,033	38,152,525	15,903,608	281,462,054
Stock-in-Trade	7,927,858	114,137,372	8,045,243	142,384,711
Consumable Stores and Spares	3,388,622	48,785,991	3,243,255	57,399,127
Goods-in-Transit				
Raw Materials	9,947,081	143,208,125	3,866,850	68,435,511
Packing Materials	-	-	109,717	1,941,771
Stock-in-Trade	-	-	887,377	15,704,798
Total	**57,792,344**	**832,036,377**	**45,922,175**	**812,730,652**

During the year, the Company recorded inventory write-downs of BRL 2,984,898 ,₹ 51,486,514 .These adjustments were included in cost of material consumed and changes in inventories.

	As at 31.03.2020 BRL	As at 31.03.2020 INR	As at 31.03.2019 BRL	As at 31.03.2019 INR
6. TRADE RECEIVABLES				
Trade receivables outstanding for a period exceeding six months from the date they were due for payment				
- Credit Impaired	6,970,368	100,352,388	6,111,356	108,158,778
	6,970,368	100,352,388	6,111,356	108,158,778
Other Trade Receivables				
- Considered Good	57,322,778	825,276,035	46,354,278	820,378,012
- Credit Impaired	-	-	-	-
	64,293,146	925,628,423	52,465,634	928,536,790
Less : Impairment Allowances for Credit Impaired	6,970,368	100,352,388	6,111,356	108,158,778
Total	**57,322,778**	**825,276,035**	**46,354,278**	**820,378,012**

	As at 31.03.2020 BRL	As at 31.03.2020 INR	As at 31.03.2019 BRL	As at 31.03.2019 INR
7. CASH AND CASH EQUIVALENTS				
Cash and Cash Equivalents (as per IND AS-7 - "Statement of Cash Flows ")				
Bank Balances				
- In Current Accounts (including money-in-transit)	-	-	372,924	6,600,009
- In Deposit Accounts	9,662,069	139,104,807	4,215,375	74,603,707
Cash on hand	-	-	6,085	107,692
Total	**9,662,069**	**139,104,807**	**4,594,384**	**81,311,408**
8. OTHER CURRENT FINANCIAL ASSETS				
Unsecured, considered good unless otherwise stated				
Security Deposits	140,897	2,028,494	187,225	3,313,508
Other Current Financial Assets	8,538,019	122,921,860	-	-
Total	**8,678,916**	**124,950,354**	**187,225**	**3,313,508**
9. CURRENT TAX ASSETS (NET)				
Advance payment of Income Tax (net of Provision)	1,099,389	15,827,903	803,333	14,217,387
Total	**1,099,389**	**15,827,903**	**803,333**	**14,217,387**
10. OTHER CURRENT ASSETS				
Balances with Government Authorities	4,548,656	65,487,000	2,123,167	37,575,810
Advances to Employees	149,002	2,145,182	316,458	5,600,674
Advance to Vendors	15,174,812	218,471,768	4,020,626	71,157,039
Prepaid Expenses	2,015,157	29,012,215	1,299,098	22,991,436
Miscellaneous receivable (includes receivable from Erstwhile promoters)	-	-	32,083	567,805
Total	**21,887,627**	**315,116,165**	**7,791,432**	**137,892,764**

	As at 31.03.2020 BRL	As at 31.03.2020 INR	As at 31.03.2019 BRL	As at 31.03.2019 INR
12. Other Equity				
Capital Reserve				
Opening and ClosingBalance as per last Balance Sh	3,851,834	73,703,445	3,851,834	73,703,445
Foreign Currency Translation Reserve				
Balance as per last Balance Sheet		(135,427,917)		102,567,776
Add: (Debited) / Credited during the period		(282,467,515)		(237,995,693)
Balance as at the period end		(417,895,432)		(135,427,917)
Surplus in Statement of Profit and Loss				
Balance as per last Balance Sheet	(115,583,782)	(2,215,811,548)	(51,026,916)	(994,328,314)
Add: Adjustments for transition to IND AS 116 "Leases"	(99,411)	(1,759,403)		
Add : Profit/ (Loss) for the period	(60,089,860)	(1,089,866,551)	(64,556,866)	(1,221,483,234)
Balance as at the period end	(175,773,053)	(3,307,437,502)	(115,583,782)	(2,215,811,548)
Total	**(171,921,219)**	**(3,651,629,489)**	**(111,731,948)**	**(2,277,536,020)**

13. NON CURRENT BORROWINGS

	As at 31.03.2020 BRL	As at 31.03.2020 INR	As at 31.03.2019 BRL	As at 31.03.2019 INR
Secured				
Term Loans from Banks	488,813	7,037,440	1,050,765	18,596,439
Unsecured				
Loans from Related Party	-	-	16,755,811	297,366,500
Total	**488,813**	**7,037,440**	**17,806,576**	**315,962,939**

Secured Term Loan of BRL 488,813 ₹ 7,037,440 carries fixed interest rate of 12.82% p.a. and floating interest rate of TJLP plus 6.60% p.a.
Loan is secured against mortgage of immovable property and is repayable till May 15, 2022.

14. OTHER NON CURRENT FINANCIAL LIABILITIES

	As at 31.03.2020 BRL	As at 31.03.2020 INR	As at 31.03.2019 BRL	As at 31.03.2019 INR
Payable for Investments	15,770,654	227,050,106	19,388,272	343,133,638
Lease Liability - Non Current	198,755	2,861,476	-	-
Other Payables	1,280,783	18,439,433	1,611,190	28,514,841
	17,250,192	**248,351,015**	**20,999,462**	**371,648,479**

	As at 31.03.2020 BRL	As at 31.03.2020 INR	As at 31.03.2019 BRL	As at 31.03.2019 INR
15. CURRENT BORROWINGS				
Secured				
Loans from Banks (Working Capital Loans)	136,280,904	1,962,036,174	118,657,566	2,100,001,603
	136,280,904	1,962,036,174	118,657,566	2,100,001,603
Unsecured				
Loans from Related Party	25,993,500	378,325,000	-	-
	25,993,500	378,325,000	-	-
Total	**162,274,404**	**2,340,361,174**	**118,657,566**	**2,100,001,603**

Secured Loans of BRL 136,280,904 , ₹ 1962,036,174 carries fixed interest rate in the range of 7.3 % to 17.46% and variable interest rate of TJLP + 6.6% pa.

	As at 31.03.2020 BRL	As at 31.03.2020 INR	As at 31.03.2019 BRL	As at 31.03.2019 INR
16. TRADE PAYABLES				
Other than Acceptances	54,821,276	789,261,886	30,913,489	547,106,926
Total	**54,821,276**	**789,261,886**	**30,913,489**	**547,106,926**
17. OTHER CURRENT FINANCIAL LIABILITIES				
Current Maturities of Long-Term Borrowings (Refer note 12)				
- Term Loans from Banks	-	-	467,622	8,275,974
Payable for Purchase of Fixed Assets	-	-	197,217	3,490,346
Mark to Market Derivative Liabilities	-	-	1,431,767	25,339,412
Interest Accrued but not due on Borrowings	-	-	129,849	2,304,798
Employee Benefits Payable	7,860,378	113,165,862	6,181,222	109,395,267
Lease Liability - Current	863,654	12,434,027		
Total	**8,724,032**	**125,599,889**	**8,407,677**	**148,805,797**
18. OTHER CURRENT LIABILITIES				
Advances from Customers	256,516	3,693,061	636,308	11,261,379
VAT Payable	1,582,747	22,786,809	982,621	17,390,426
Statutory Payables	3,157,874	45,463,912	2,394,583	42,379,330
Total	**4,997,137**	**71,943,782**	**4,013,512**	**71,031,135**

	For the Current Year ended 31.03.2020 BRL	For the Current Year ended 31.03.2020 INR	For the Previous Year ended 31.03.2019 BRL	For the Previous Year ended 31.03.2019 INR
19 REVENUE FROM OPERATIONS				
Sale				
Goods	176,654,718	3,047,117,231	144,772,551	2,668,013,342
Other Operating Revenue				
Insurance Claims	1,067	18,405	-	-
Compensation and Settlement Income	157,741	2,720,875	56,410	1,039,580
	158,808	2,739,280	56,410	1,039,580
Total	**176,813,526**	**3,049,856,511**	**144,828,961**	**2,669,052,922**
20 OTHER INCOME				
Other Interest (including interest on income tax refunds)	282,984	4,881,191	209,796	3,866,330
Profit on Sale / Disposal of Assets (net)	-	-	67,976	1,252,730
Miscellaneous Income	81,613	1,407,743	-	-
Other Non-Operating Income	9,053,930	156,171,239	1,966,999	36,249,825
Total	**9,418,527**	**162,460,173**	**2,244,771**	**41,368,885**
21 COST OF RAW AND PACKING MATERIALS CONSUMED				
Raw Materials Consumed	66,425,260	1,145,769,310	54,593,545	1,006,104,441
Packing Materials Consumed	9,180,828	158,360,102	31,267,562	576,229,900
Total	**75,606,088**	**1,304,129,412**	**85,861,107**	**1,582,334,341**
22 CHANGES IN INVENTORIES OF FINISHED GOODS WORK IN PROGRESS AND STOCK- IN -TRADE				
Opening Stock:				
Finished Goods	15,903,608	281,462,054	6,744,269	132,524,886
Stock-in-Trade	8,932,620	158,089,509	239,459	4,705,369
Work-in-Progress	3,305,992	58,509,446	2,277,133	44,745,663
	28,142,220	498,061,009	9,260,861	181,975,918
Less:				
Closing Stock:				
Finished Goods	2,650,033	38,152,525	15,903,608	281,462,054
Stock-in-Trade	7,927,858	114,137,372	8,932,620	158,089,509
Work-in-Progress	3,765,209	54,207,714	3,305,992	58,509,446
	14,343,100	206,497,611	28,142,220	498,061,009
Changes In Inventories:				
Finished Goods	13,253,575	243,309,529	(9,159,339)	(148,937,168)
Stock-in-Trade	1,004,762	43,952,137	(8,693,161)	(153,384,140)
Work-in-Progress	(459,217)	4,301,732	(1,028,859)	(13,763,783)
Total	**13,799,120**	**291,563,398**	**(18,881,359)**	**(316,085,091)**

	For the Current Year ended 31.03.2020 BRL	For the Current Year ended 31.03.2020 INR	For the Previous Year ended 31.03.2019 BRL	For the Previous Year ended 31.03.2019 INR
23 EMPLOYEE BENEFITS EXPENSE				
Salaries and Wages	39,870,690	687,729,532	36,435,318	671,466,475
Contribution to Other Funds	13,604,874	234,670,472	14,856,129	273,783,601
Expenses on Employees Stock Options / Stock Appreciation Rights	355,921	5,973,461	272,994	4,916,283
Staff Welfare Expenses	10,316,343	177,946,600	10,466,002	192,877,951
Total	**64,147,828**	**1,106,320,065**	**62,030,443**	**1,143,044,310**
24 FINANCE COSTS				
Interest on Borrowings	11,129,161	191,966,898	9,588,498	176,706,430
Other Borrowing Costs (includes bank charges, etc.)	1,047,679	18,071,415	861,146	15,870,060
Interest on Lease Obligation	157,335	2,713,871	-	-
Interest on Income Tax	-	-	38,759	714,290
Total	**12,334,175**	**212,752,184**	**10,488,403**	**193,290,780**
25 OTHER EXPENSES				
Processing Charges	48,986	844,960	-	-
Stores and Spares Consumed	2,153,470	37,145,204	2,180,660	40,187,383
Repairs and Maintenance:				
- Buildings	804,663	13,879,632	740,143	13,640,095
- Plant and Machinery	2,139,348	36,901,614	1,772,429	32,664,094
- Others	1,734,173	29,912,750	1,824,024	33,614,938
Rent	249,316	4,300,452	1,269,829	23,401,679
Rates and Taxes	6,204,670	107,024,353	2,090,810	38,531,537
Insurance	519,645	8,963,357	476,444	8,780,386
Power and Fuel	3,012,007	51,954,109	3,118,346	57,467,998
Selling and Promotion Expenses	10,641,469	183,554,699	16,053,668	295,853,048
Commission, Brokerage and Discount	2,674,249	46,128,121	2,581,954	47,582,830
Freight and Forwarding	5,904,686	101,849,929	5,871,014	108,196,917
Lease Rent and Hire Charges	709,747	12,242,426	1,771,590	32,648,632
Postage and Telephone Expenses	987,036	17,025,384	868,876	16,012,516
Travelling and Conveyance	2,988,269	51,544,652	2,888,722	53,236,258
Legal and Professional Charges	14,795,573	255,208,839	10,387,329	191,428,086
Donations	-	-	52,398	965,643
Clinical and Analytical Charges	2,180,517	37,611,738	2,247,211	41,413,852
Loss on sale / write-off of Fixed Assets (net)	3,350	57,784	-	-
Bad Trade Receivables / Advances written off	527,696	9,102,228	243	4,478
Provision for Doubtful Trade Receivables / Advances / Deposits	859,012	14,817,098	2,088,439	38,487,842
Net Loss on Foreign Currency Transactions	9,686,819	167,087,941	3,234,699	59,612,268
Business Compensation and Settlement	-	-	789,614	14,551,796
Miscellaneous Expenses	611,467	10,547,194	640,505	11,803,867
Total	**69,436,168**	**1,197,704,464**	**62,948,947**	**1,160,086,143**

26. 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. 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. 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.

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:

Nature of segment	Year Ended 31.03.2020		Year Ended 31.03.2019	
	BRL	INR	BRL	INR
A. Major Product/Service line:				
- Sale of pharmaceutical goods	176,654,708	3,047,117,058	144,772,551	2,668,013,342
- Income from research services and sale of IPs	-	-	-	-
- Export Benefits & Other Incentives	-	-	-	-
- Business Compensation & Settlement income	157,741	2,720,875	56,410	1,039,580
- Others	-	-	-	-
Total revenue from contracts with customers	176,812,449	3,049,837,933	144,828,961	2,669,052,922
B. Primary geographical market:				
- India	-	-	-	-
- USA	-	-	-	-
- Japan	-	-	-	-
- Others	176,812,449	3,049,837,933	144,828,961	2,669,052,922
Total revenue from contracts with customers	176,812,449	3,049,837,933	144,828,961	2,669,052,922
C. Timing of the revenue recognition:				
- Goods transferred at a point in time	176,812,449	3,049,837,933	144,828,961	2,669,052,922
- Services transferred over time	-	-	-	-
Total revenue from contracts with customers	176,812,449	3,049,837,933	144,828,961	2,669,052,922

C. Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars	Year Ended 31.03.2020		Year Ended 31.03.2019	
	BRL	INR	BRL	INR
Revenue as per contracted price	177,678,772	3,064,781,138	150,444,428	2,772,540,363
Adjusted for:		-		
- Trade discounts	-	-	-	-
- Cash / special discounts	-	-	-	-
- Price adjustments	-	-	-	-
- Sales returns (Provision & Actual both)	866,323	14,943,205	5,615,467	103,487,441
- Rebates and incentives	-	-	-	-
- Chargebacks	-	-	-	-
- Distributor service fees	-	-	-	-
- Others	-	-	-	-
Total revenue from contracts with customers	176,812,449	3,049,837,933	144,828,961	2,669,052,922

27. Auditors' Remuneration:

	Particulars	2019-2020		2018-2019	
		BRL	INR	BRL	INR
	Payment to Auditors:				
a)	As Auditors	374,164	6,453,955	382,746	7,053,625
b)	For other services including Certification	-	-	-	-
c)	Reimbursement of out-of-pocket expenses	-	-	-	-
	Total	**374,164**	**6,453,955**	382,746	7,053,625

28. Leases:

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

i) Right of use assets

Particulars	**As at 01.04.2019**	
	BRL	INR
Carrying amount of:		
Right-of-Use: Buildings	494,029	8,743,325
Right-of-Use: Vehicles	1,250,149	22,125,137
Total	**1,744,178**	**30,868,462**

	BRL			INR		
Particulars	**Right-of-Use: Buildings**	**Right-of-Use: Vehicles**	**Total**	**Right-of-Use: Buildings**	**Right-of-Use: Vehicles**	**Total**
Cost						
Balance at April 1 2019	494,029	1,250,149	**1,744,178**	8,743,325	22,125,137	**30,868,462**
Additions	24,140	718,375	**742,515**	416,391	12,391,250	**12,807,641**
Disposal / Derecognized during the year	-	-	**-**	-	-	**-**
Translation Difference	-	-	**-**	(1,699,637)	(6,175,547)	**(7,875,184)**
Balance at March 31 2020	**518,169**	**1,968,524**	**2,486,693**	**7,460,079**	**28,340,840**	**35,800,919**
Accumulated depreciation						
Balance at April 1 2019	-	-	**-**	-	-	**-**
Depreciation expense	444,145	1,076,143	**1,520,288**	7,661,057	18,562,391	**26,223,448**
Disposal / Derecognized during the year	-	-	**-**	-	-	**-**
Translation Difference	**-**	**-**	**-**	(1,266,702)	(3,069,160)	**(4,335,861)**
Balance at March 31 2020	**444,145**	**1,076,143**	**1,520,288**	**6,394,356**	**15,493,231**	**21,887,586**
Balance at March 31 2020	**74,024**	**892,381**	**966,405**	**1,065,724**	**12,847,609**	**13,913,333**
Balance at April 1 2019	**494,029**	**1,250,149**	**1,744,178**	**8,743,325**	**22,125,137**	**30,868,462**

Lease liabilities

	BRL			INR		
Particulars	**Right-of-Use: Buildings**	**Right-of-Use: Vehicles**	**Total**	**Right-of-Use: Buildings**	**Right-of-Use: Vehicles**	**Total**
Balance at April 1 2019	**623,765**	**1,271,037**	**1,894,802**	**11,039,396**	**22,494,807**	**33,534,203**
Addition	24,140	718,375	**742,515**	416,391	12,391,250	**12,807,641**
Accredition of interest	33,368	123,967	**157,335**	575,567	2,138,305	**2,713,871**
Payments	(588,480)	(1,143,763)	**(1,732,243)**	(10,150,697)	(19,728,760)	**(29,879,457)**
Adjustments for Disposals	-	-	**-**	-	-	**-**
Translation Difference	-	-	**-**	(544,716)	(3,336,040)	**(3,880,756)**
Balance at March 31 2020	**92,793**	**969,616**	**1,062,409**	**1,335,941**	**13,959,562**	**15,295,502**
Current	**92,793**	**770,861**	**863,654**	**1,335,941**	**11,098,086**	**12,434,027**
Non-current	**-**	**198,755**	**198,755**	**-**	**2,861,476**	**2,861,476**

The maturity analysis of the lease liability is included in note ii below.

Amounts recognised in profit and loss

	BRL	INR
Particulars	**As at 31.3.2020**	
Depreciation expense of right-of-use assets	1,520,288	26,223,448
Interest expense on lease liabilities	157,335	2,713,871
Expense relating to short-term leases	675,053	11,643,989
Expense relating to low value assets	-	-
Total	**2,352,676**	**40,581,308**

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 flows.

	BRL			INR		
Contractual maturities of financial liabilities	**Less than 1 Year**	**More than 1 Year**	**Total**	**Less than 1 Year**	**More than 1 Year**	**Total**
As at March 31 2020						
Lease liabilities	894,040	182,894	1,076,934	12,871,494	2,633,129	15,504,623

iii) Commitments and contingencies

The Company has various lease contracts that have not yet commenced as at March 31 2020. The future lease payments for these non-cancellable lease contracts are as follows:

Within one year	NIL
After one year but not more than five years	NIL
More than five years	NIL

iv) Changes in accounting policies and disclosures New and amended standards and interpretations

Ind AS 116 was notified with effect from April 1 2019 which replaces Ind AS 17. Ind AS 116 sets out the principles for the recognition measurement presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore Ind AS 116 did not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of April 1 2019. Under this method the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application.

The effect of adoption Ind AS 116 as at April 1 2019 (increase/(decrease)) is as follows:

Assets	BRL	INR
Right-of-use assets	1,744,178	30,868,462
Total assets	**1,744,178**	**30,868,462**

Liabilities	BRL	INR
Financial liabilities - Lease liabilities	1,894,802	33,534,203
Deferred Tax Assets	51,212	906,350
Total liabilities	**1,946,014**	**34,440,553**

Total adjustment on equity	BRL	INR
Retained earnings	99,412	1,759,394
Total	**99,412**	**1,759,394**

As at the date of Initial application of Ind AS 116 i.e. April 1 2019 Right of Use assets and lease liabilities were measured at BRL 1,744,178 (INR 30,868,462) and BRL 1,894,802 (INR 33,534,203) respectively.

The difference between Right of use assets along with leaze equalization liability and lease liabilities was recognised in Retained earnings. Deferred Tax Asset of BRL 51,212 (INR 906,350) was recognized on Retained earnings

v) The lease liabilities as at April 1 2019 can be reconciled to the operating lease commitments as of March 31 2019 is as follows:

	BRL	INR
Particulars	**As at 01.04.2019**	
Assets		
Operating lease commitments as at March 31 2019	2,491,291	44,090,868
Discounted operating lease commitments as at April 1 2019	1,894,802	33,534,203
Less:		
Commitments relating to short-term leases	-	-
Add:		
Lease payments relating to renewal periods not included in operating lease commitments as at March 31 2019	-	-
Lease liabilities as at April 1 2019	**1,894,802**	**33,534,203**

Weighted average incremental borrowing rate as at April 1 2019 is 9.8%.

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

Particulars	**Year Ended 31.03.2020**		**Year Ended 31.03.2019**	
	BRL	INR	BRL	INR
Profit / (Loss) attributable to Equity Shareholders	(60,089,860)	(1,089,866,551)	(64,556,866)	(1,221,483,234)
Weighted average number of Equity Shares:	238,221,115	238,221,115	208,800,161	208,800,161
Earnings per Share (in INR)				
- Basic	(0.25)	(4.58)	(0.31)	(5.85)
- Diluted	(0.25)	(4.58)	(0.31)	(5.85)

30. Income taxes:

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

Particulars	**Year Ended 31.03.2020**		Year Ended 31.03.2019	
	BRL	INR	BRL	INR
Current Tax Expense for the year	-	-	-	-
Deferred income tax liability/(asset) net	(1,786,328)	(30,812,372)	(1,784,965)	(32,895,120)
Tax expense for the year	(1,786,328)	(30,812,372)	(1,784,965)	(32,895,120)

b. Reconciliation of tax expense/(benefit) and accounting profit multiplied by Brazil’s domestic tax rate:

Particulars	Year Ended 31.03.2020		Year Ended 31.03.2019	
	BRL	INR	BRL	INR
Profit/(Loss) before tax	(61,876,188)	(1,120,678,923)	(66,341,831)	(1,254,378,354)
Tax using the Company's domestic tax rate March 31 2020: 34% March 31 2019: 34%)	(21,037,904)	(381,030,835)	(22,556,222)	(426,488,640)
Tax effect of:				
Disallowance of Expenses	1,726,465	29,779,787	2,263,017	41,705,140
Other items	(221,286)	(3,816,955)	-	-
Deferred tax not recognised on losses	17,746,397	306,107,595	18,508,240	341,088,355
Translation Difference due to forex rates	-	18,148,036		10,800,025
Current and Deferred Tax expense	(1,786,328)	(30,812,372)	(1,784,965)	(32,895,120)

c. Movement in deferred tax balances:

						Current Year BRL
Particulars	Net balance April 1 2019	Recognised in profit or loss	Recognised in OCI / Retained Earnings	Net balance March 31 2020	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)						
Property, plant and equipment	(12,911,126)	1,786,328	-	(11,124,798)	-	(11,124,798)
Other items	-	-	51,214	51,214	51,214	-
Net Deferred tax assets / (liabilities)	**(12,911,126)**	**1,786,328**	**51,214**	**(11,073,584)**	**51,214**	**(11,124,798)**

							Current Year INR
Particulars	Net balance April 1 2019	Recognised in profit or loss	Recognised in OCI / Retained Earnings	Translation Difference due to forex rates	Net balance March 31 2020	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Property, plant and equipment	(228,501,108)	30,812,382	-	37,525,016	(160,163,710)	-	(160,163,710)
Other items	-	-	906,379	(169,058)	737,321	737,321	-
Net Deferred tax assets / (liabilities)	**(228,501,108)**	**30,812,382**	**906,379**	**37,355,958**	**(159,426,389)**	**737,321**	**(160,163,710)**

					Previous Year BRL
Particulars	Net balance April 1 2018	Recognised in profit or loss	Net balance March 31 2019	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)					
Property, plant and equipment	(14,696,091)	1,784,965	(12,911,126)	-	(12,911,126)
Net Deferred tax assets / (liabilities)	(14,696,091)	1,784,965	(12,911,126)	-	(12,911,126)

							Previous Year INR
Particulars	Net balance April 1 2018	Recognised in profit or loss	Recognised in OCI / Retained Earnings	Translation Difference due to forex rates	Net balance March 31 2019	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)							
Property, plant and equipment	(288,776,000)	32,895,120		27,379,772	(228,501,108)	-	(228,501,108)
Net Deferred tax assets / (liabilities)	**(288,776,000)**	**32,895,120**		**27,379,772**	**(228,501,108)**	**-**	**(228,501,108)**

Significant 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.

31. Financial Instruments:

Financial instruments – Fair values and risk management:

A. 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 measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.	Not applicable	Not applicable

B. 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.

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.

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

Particulars	**As at 31.03.2020**		As at 31.03.2019	
	BRL	INR	BRL	INR
Not past due but impaired	-	-	-	-
Neither past due not impaired	54,185,027	779,988,558	-	-
Past due not impaired				
- 1-180 days	9,521,455	137,080,394	45,799,841	810,565,583
- 181-365 days	-	-	-	-
- more than 365 days	-	-	-	-
Past due impaired				
- 1-180 days	-	-	-	-
- 181-365 days	-	-	-	-
- more than 365 days	-	-	6,111,356	108,158,782
Total	**63,706,482**	**917,068,952**	**51,911,197**	**918,724,365**

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:

Particulars	**2019-2020**		2018-2019	
	BRL	INR	BRL	INR
Balance as at the beginning of the year	6,111,356	87,985,195	4,022,918	71,197,599
Impairment loss recognised (net)	859,012	12,367,196	2,088,438	36,961,183
Amounts written off	-	-	-	-
Exchange differences	-	-	-	-
Balance as at the year end	6,970,368	100,352,391	6,111,356	108,158,782

The impairment loss at March 31 2020 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 BRL 9,746,750 INR 140,323,960 (previous year BRL 4,594,384 INR 81,311,408). The cash and cash equivalents are held with banks.

Derivatives

The derivatives are entered into with banks.

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.

BRL

As at 31.03.2020	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	488,813	488,813	221,426	221,426	45,962	-
Other Non-Current Financial Liabilities	17,272,192	17,272,192	17,073,437	198,755	-	-
Trade Payables Current	54,821,278	54,821,278	54,821,278	-	-	-
Other Current Financial Liabilities	8,724,032	8,724,032	8,724,032	-	-	-
Total	81,306,315	81,306,315	80,840,173	420,181	45,962	-

INR

As at 31.03.2020	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	7,037,441	7,037,441	3,187,865	3,187,865	661,712	-
Other Non-Current Financial Liabilities	248,667,748	248,667,748	245,806,272	2,861,476	-	-
Trade Payables Current	789,261,939	789,261,939	789,261,939	-	-	-
Other Current Financial Liabilities	125,599,889	125,599,889	125,599,889	-	-	-
Total	1,170,567,017	1,170,567,017	1,163,855,965	6,049,340	661,712	-

BRL

As at 31.03.2019	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	1,518,387	1,518,387	467,622	1,050,765		
Other Non-Current Liabilities	19,388,272	19,388,272				19,388,272
Other Non-Current Financial Liabilities	1,611,190	1,611,190		1,611,190		
Total	22,517,848	22,517,848	467,622	2,661,955	-	19,388,272

INR

As at 31.03.2019	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	26,872,406	26,872,406	9,342,200	18,596,430	-	-
Other Non-Current Liabilities	343,133,634	343,133,634	-	-	-	343,133,634
Other Non-Current Financial Liabilities	28,514,841	28,514,841	-	28,514,841	-	-
Total	398,520,881	398,520,881	9,342,200	47,111,271	-	343,133,634

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.

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

BRL

Category	Instrument	Currency	Cross Currency	**As at 31.03.2020**	As at 31.03.2019	Buy/Sell
Hedges of recognised assets and liabilities	Forward contract	USD	BRL	10,000,000	1,431,767	Buy
Hedges of recognised assets and liabilities	Forward contract	EUR	BRL	19,362,168	-	Buy

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:

	BRL	
Particulars	As at 31.03.2020	
	USD	EURO
Financial assets		
Current financial assets	-	809,501
	-	809,501
Financial liabilities		
Current liabilities	78,016,891	-
	78,016,891	-
Net statement of financial position exposure	**78,016,891**	**809,501**

	BRL	
Particulars	As at 31.03.2019	
	USD	EURO
Financial assets		
Trade Receivables	554,041	10,886,906
	554,041	10,886,906
Financial liabilities		
Trade Payables	10,057,484	197,629,555
Current Liabilities	1,910,575	37,542,793
Long Term Borrowings	16,755,810	329,251,667
	28,723,869	564,424,015
Net statement of financial position exposure	**29,277,910**	**575,310,921**

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:

Particulars	**As at 31.03.2020**		As at 31.03.2019	
	BRL	INR	BRL	INR
Non-Current Borrowings				
Fixed rate borrowings	488,813	7,037,440	450	7,964
Variable rate borrowings	-	-	751,665	13,302,967
	488,813	7,037,440	752,115	13,310,931
Current Borrowings				
Fixed rate borrowings	127,371,222	1,833,763,487	93,742,116	1,659,047,969
Variable rate borrowings	8,909,682	128,272,687	25,681,722	454,515,116
	136,280,904	1,962,036,174	119,423,838	2,113,563,085
Total	**136,769,717**	**1,969,073,614**	**120,175,953**	**2,126,874,016**

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.

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.

Particulars	Profit or (loss)			
	100 bp increase		100 bp decrease	
	BRL	INR	BRL	INR
Cash flow sensitivity (net)				
March 31 2020				
Variable-rate borrowings	(89,097)	(1,282,727)	89,097	1,282,727
March 31 2019				
Variable-rate borrowings	(264,334)	(4,678,181)	264,334	4,678,181

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 2020 and March 31 2019 the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

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

A. Relationships –

Sr No	Name of Related Party	Relationships
1.	Lupin Limited	Ultimate Holding Company
2.	Lupin Atlantis Holdings S.A.	Holding Company
3.	Nanomi B.V.(earlier known as Lupin Holdings B.V)	Fellow Subsidiary Company
4.	Lupin Inc.	Fellow Subsidiary Company
5.	Lupin Latam Inc.	Fellow Subsidiary Company
6.	Laboratorios Grin S.A.	Fellow Subsidiary Company

B. Transactions –

BRL

Sr. No	Transactions	Ultimate Holding Company	Holding Company	Fellow Subsidiary Company	Total
1	Purchase of Goods	25,117,564 (4,054,139)	- (-)	- (-)	25,117,564 (4,054,139)
2	Expenses	1,441,663 (420,665)	- (-)	4,747,429 (3,292,300)	6,189,092 (3,712,965)
3	Reimbursements	- (-)	- (-)	(27,628) (-)	(27,628) (-)

INR

Sr. No	Transactions	Ultimate Holding Company	Holding Company	Fellow Subsidiary Company	Total
1	Purchase of Goods	433,252,861 (74,713,728)	- (-)	- (-)	433,252,861 (74,713,728)
2	Expenses	24,867,245 (7,752,435)	- (-)	81,888,403 (60,673,797)	106,755,648 (68,426,232)
3	Reimbursements	- (-)	- (-)	(476,555) (-)	(476,555) (-)

C. Balances due from/to related parties –

BRL

Sr. No	Transactions	Ultimate Holding Company	Holding Company	Fellow Subsidiary Company	Total
1	Trade Receivables	21,912 (238,574)	- (-)	- (-)	21,912 (238,574)
2	Trade Payables	18,236,849 (3,754,114)	- (-)	27,322,866 (17,425,492)	45,559,715 (21,179,606)

INR

Sr. No	Transactions	Ultimate Holding Company	Holding Company	Fellow Subsidiary Company	Total
1	Trade Receivables	315,467 (4,222,283)	- (-)	- (-)	315,467 (4,222,283)
2	Trade Payables	262,555,915 (66,440,310)	- (-)	393,367,302 (308,396,357)	655,923,217 (374,836,667)

33. Note on Covid-19

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. 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. 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.

34. A. No borrowing cost has been capitalised during the year.

B. Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances, is Nil. (previous year Nil)

35. Balance confirmations from various parties could not be obtained due to COVID 19. Variations, if any will be accounted in the subsequent period. However, the management does not expect any significant variation.

36. These financial statements are prepared for the purpose of consolidation with the financial statements of the holding company, Lupin Limited and to comply with the provision of Section 129(3) of the Indian Companies Act, 2013. As such, these financial statements do not constitute as the statutory financial statements of the Company. Accordingly, these financial statements are not the general purpose financial statements of the Company.

37. Closing exchange rate as 31st March 2020 considered for the purpose of translation as referred in note 1C(e) above is INR 14.397 for 1 BRL (previous year INR 17.698 for 1 BRL)

38. Previous year's figures are shown in brackets in some places and have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

Signature to note 1 to 38

For Arora & Arora Chartered Accountants Registration No.100544W	For **MEDQUIMICA INDUSTRIA FARMACEUTICA LTDA**	
Girish Arora	**Ricardo Lourenço**	**Sunil Makharia**
Partner	Director	Director
Membership No 41019		
Place : Mumbai	Place : Juiz de Fora	Place : Mumbai
Dated :	Dated : 25.05.2020	Dated :