

**AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**MARCH 31, 2025**

**LUPIN LIFE SCIENCES LIMITED**  
**(FORMERLY KNOWN AS LUPIN ATHARV ABILITY LIMITED)**

Kalpataru Inspire, 3rd Floor, Off Western Express Highway,  
Santacruz (East), Mumbai - 400 055.

## Independent Auditor's Report

### To the Members of Lupin Life Science Limited (Formerly known as Lupin Atharv Ability Limited)

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Lupin Life Science Limited (Formerly known as Lupin Atharv Ability Limited) (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Management's and Board of Directors Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Registered Office:

## Independent Auditor's Report (Continued)

### Lupin Life Science Limited (Formerly known as Lupin Atharv Ability Limited)

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### Report on Other Legal and Regulatory Requirements

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

2 A. As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our

**Independent Auditor's Report (Continued)**

**Lupin Life Science Limited (Formerly known as Lupin Atharv Ability Limited)**

knowledge and belief were necessary for the purposes of our audit.

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the 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, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors of the Company as on 31 March 2025 and 1 April 2025 taken on record by the Board of Directors of the Company, none of the directors of the Company is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company does not have any pending litigations which would impact its financial position.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 46(l) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 46(l) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above,

**Independent Auditor's Report (Continued)**

**Lupin Life Science Limited (Formerly known as Lupin Atharv Ability Limited)**

contain any material misstatement.

- e. The Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares except that the feature of recording audit trail (edit log) was not enabled at the database level to log any direct data changes for the accounting software used for maintaining general ledger till 31 August 2024.

Further, for the periods where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with during the course of the audit. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention except where audit trail was not enabled or where sufficient and appropriate reporting on audit trail was not available.

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

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022

**Siddharth Pandya**

*Partner*

Place: Mumbai

Membership No.: 135037

Date: 13 May 2025

ICAI UDIN:25135037BMOWKB2022

**Annexure A to the Independent Auditor's Report on the Financial Statements of Lupin Life Science Limited (Formerly known as Lupin Atharv Ability Limited) for the year ended 31 March 2025**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

- (i) (a) (A) The company does not have any Property, Plant and Equipment. Accordingly, clause 3(i)(a)(A) of order is not applicable.
  - (B) The company does not have any Intangible assets. Accordingly, clause 3(i)(a)(B) of order is not applicable.
- (i) (b) The company does not have any Property, Plant and Equipment. Accordingly, clause 3(i)(b) of order is not applicable.
  - (c) The company does not have any immovable property. Accordingly, clause 3(i)(c) of order is not applicable.
  - (d) The company does not have any Property, Plant and Equipment. Accordingly, clause 3(i)(d) of order is not applicable.
  - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination

**Annexure A to the Independent Auditor's Report on the Financial Statements of Lupin Life Science Limited (Formerly known as Lupin Atharv Ability Limited) for the year ended 31 March 2025 (Continued)**

of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements

**Annexure A to the Independent Auditor's Report on the Financial Statements of Lupin Life Science Limited (Formerly known as Lupin Atharv Ability Limited) for the year ended 31 March 2025 (Continued)**

as required by the applicable accounting standards.

- (xiv) (a) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.
- (b) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC.
- (xvii) The Company has not incurred cash losses in the current financial year and incurred Rs. 0.13 million in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the



B S R & Co. LLP

**Annexure A to the Independent Auditor's Report on the Financial Statements of Lupin Life Science Limited (Formerly known as Lupin Atharv Ability Limited) for the year ended 31 March 2025 (Continued)**

Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022

**Siddharth Pandya**

*Partner*

Place: Mumbai

Membership No.: 135037

Date: 13 May 2025

ICAI UDIN:25135037BMOWKB2022

**Annexure B to the Independent Auditor's Report on the financial statements of Lupin Life Science Limited (Formerly known as Lupin Atharv Ability Limited) for the year ended 31 March 2025**

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

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

**Opinion**

We have audited the internal financial controls with reference to financial statements of Lupin Life Science Limited (Formerly known as Lupin Atharv Ability Limited) ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**Management's and Board of Directors' Responsibilities for Internal Financial Controls**

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

**Auditor's Responsibility**

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

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

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

**Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to

**Annexure B to the Independent Auditor's Report on the financial statements of Lupin Life Science Limited (Formerly known as Lupin Atharv Ability Limited) for the year ended 31 March 2025 (Continued)**

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

**Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022

**Siddharth Pandya**

*Partner*

Place: Mumbai

Membership No.: 135037

Date: 13 May 2025

ICAI UDIN:25135037BMOWKB2022

**LUPIN LIFE SCIENCES LIMITED (FORMERLY KNOWN AS LUPIN ATHARV ABILITY LIMITED)**  
**BALANCE SHEET AS AT MARCH 31, 2025**

|  |      |                         | (₹ in million)          |
|--|------|-------------------------|-------------------------|
|  | Note | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>ASSETS</b>  |      |                         |                         |
| <b>Non-Current Assets</b>  |      |                         |                         |
| a. Property, Plant and Equipment   | 2    | -                       | -                       |
| b. Right-of-use Assets   | 3    | 1.7                     | -                       |
| c. Other Intangible Assets   | 4    | -                       | -                       |
| d. Deferred Tax Assets (Net)   | 32   | 10.3                    | -                       |
| <b>Total Non-Current Assets</b>  |      | <b>12.0</b>             | <b>-</b>                |
| <b>Current Assets</b>  |      |                         |                         |
| a. Inventories   | 5    | 644.3                   | -                       |
| b. Financial Assets  |      |                         |                         |
| (i) Current Investments  | 6    | 23.0                    | -                       |
| (ii) Trade Receivables   | 7    | 1,074.4                 | -                       |
| (iii) Cash and Cash Equivalents  | 8    | 25.4                    | 1.0                     |
| c. Current tax assets (net)  |      | 3.1                     | -                       |
| d. Other current assets  | 9    | 569.7                   | -                       |
| <b>Total Current Assets</b>  |      | <b>2,339.9</b>          | <b>1.0</b>              |
| <b>TOTAL ASSETS</b>  |      | <b>2,351.9</b>          | <b>1.0</b>              |
| <b>EQUITY AND LIABILITIES</b>  |      |                         |                         |
| <b>Equity</b>  |      |                         |                         |
| a. Equity Share Capital  | 10   | 13.5                    | 1.0                     |
| b. Other Equity  |      | 338.3                   | (0.1)                   |
| <b>Total Equity</b>  |      | <b>351.8</b>            | <b>0.9</b>              |
| <b>Liabilities</b>   |      |                         |                         |
| <b>Non-Current Liabilities</b>   |      |                         |                         |
| a. Financial Liabilities   |      |                         |                         |
| (i) Long-term borrowings   | 11   | 1,250.0                 | -                       |
| (ii) Lease Liabilities   | 30   | 0.9                     | -                       |
| (iii) Other Non-Current Financial Liabilities                                  | 12   | 2.4                     | -                       |
| b. Non-Current Provisions  | 13   | 13.6                    | -                       |
| <b>Total Non-Current Liabilities</b>   |      | <b>1,266.9</b>          | <b>-</b>                |
| <b>Current Liabilities</b>   |      |                         |                         |
| a. Financial Liabilities   |      |                         |                         |
| (i) Lease Liabilities  | 30   | 0.9                     | -                       |
| (ii) Trade Payables  |      |                         |                         |
| - Total outstanding dues of Micro Enterprises and Small Enterprises            |      | 24.4                    | -                       |
| - Total outstanding dues of other than Micro Enterprises and Small Enterprises | 14   | 447.1                   | 0.1                     |
| (iii) Other Current Financial Liabilities                                      | 15   | 91.2                    | -                       |
| b. Other Current Liabilities   | 16   | 167.2                   | -                       |
| c. Current Provisions  | 17   | 2.4                     | -                       |
| d. Current Tax Liabilities (Net)   |      | -                       | -                       |
| <b>Total Current Liabilities</b>   |      | <b>733.2</b>            | <b>0.1</b>              |
| <b>Total Liabilities</b>   |      | <b>2,000.1</b>          | <b>0.1</b>              |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |      | <b>2,351.9</b>          | <b>1.0</b>              |

The accompanying notes form an integral part of the financial statements

**In terms of our report attached**

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration No. 101248W/W - 100022

For and on behalf of **Board of Directors of LUPIN LIFE SCIENCES LIMITED**  
**(FORMERLY KNOWN AS LUPIN ATHARV ABILITY LIMITED)**

CIN : U86100MH2023PLC406793

**Siddharth Pandya**

Partner

Membership No. 135037

**Nilesh D. Gupta**

Director

DIN: 01734642

**Sunil Makharia**

Director

DIN: 00064399

Place : Mumbai

Dated : May 13, 2025

Place : Mumbai

Dated : May 13, 2025

**LUPIN LIFE SCIENCES LIMITED (FORMERLY KNOWN AS LUPIN ATHARV ABILITY LIMITED)**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025**

|   |         |   | (₹ in million)  |
|---|---------|---|---|
|   |         | For the<br>Year ended<br>March 31, 2025 | For the Period<br>from July 17, 2023<br>to March 31, 2024 |
|   | Note    |   |   |
| <b>INCOME</b>   |         |   |   |
| Revenue from Operations   | 18      | 2,565.8                                 | -   |
| Other Income  | 19      | 2.2                                     | -   |
| <b>Total Income</b>   |         | <b>2,568.0</b>                          | <b>-</b>  |
| <b>EXPENSES</b>   |         |   |   |
| Purchases of Stock-in-Trade   |         | 2,385.8                                 | -   |
| Changes in Inventories of Finished Goods and Stock-in-Trade [Increase/(Decrease)] | 20      | (644.3)                                 | -   |
| Employee Benefits Expense   | 21      | 134.1                                   | -   |
| Finance Costs   | 22      | 45.2                                    | -   |
| Depreciation, Amortisation and Impairment Expense                                 | 2,4 & 5 | 1.3                                     | -   |
| Other Expenses  | 23      | 528.3                                   | 0.1   |
| <b>Total Expenses</b>   |         | <b>2,450.4</b>                          | <b>0.1</b>  |
| <b>Profit / (Loss) before Tax</b>   |         | <b>117.6</b>                            | <b>(0.1)</b>  |
| <b>Tax Expense</b>  | 32      |   |   |
| - Current Tax (Net)   |         | 35.3                                    | -   |
| - Deferred Tax (Net)  |         | (10.8)                                  | -   |
| <b>Total Tax Expense</b>  |         | <b>24.5</b>                             | <b>-</b>  |
| <b>Profit / (Loss) for the year / period</b>                                      |         | <b>93.1</b>                             | <b>(0.1)</b>  |
| <b>Other Comprehensive Income / (Loss)</b>  |         |   |   |
| (A) (i) Items that will not be reclassified subsequently to profit or loss:       |         |   |   |
| - Remeasurements of Defined Benefit Liability                                     |         | (1.9)                                   | -   |
| (ii) Income tax relating to items that will not be reclassified to profit or loss |         | 0.5                                     | -   |
| (B) (i) Items that will be reclassified subsequently to profit or loss:           |         | -                                       | -   |
| (ii) Income tax relating to items that will be reclassified to profit or loss     |         | -                                       | -   |
| <b>Other Comprehensive (Income) for the year, net of tax</b>                      |         | <b>(1.4)</b>                            | <b>-</b>  |
| <b>Total Comprehensive Income / (Loss) for the year</b>                           |         | <b>94.5</b>                             | <b>(0.1)</b>  |
| <b>Earnings per equity share of face value of Equity Share ₹ 10 each</b>          |         |   |   |
| Basic (in ₹)  | 29      | 154.71                                  | (1.29)  |
| Diluted (in ₹)  | 29      | 154.71                                  | (1.29)  |

The accompanying notes form an integral part of the financial statements

**In terms of our report attached**

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration No. 101248W/W - 100022

For and on behalf of **Board of Directors of LUPIN LIFE SCIENCES LIMITED**  
**(FORMERLY KNOWN AS LUPIN ATHARV ABILITY LIMITED)**

CIN : U86100MH2023PLC406793

**Siddharth Pandya**

Partner

Membership No. 135037

**Nilesh D. Gupta**

Director

DIN: 01734642

**Sunil Makharia**

Director

DIN: 00064399

Place : Mumbai

Dated : May 13, 2025

Place : Mumbai

Dated : May 13, 2025

**LUPIN LIFE SCIENCES LIMITED (FORMERLY KNOWN AS LUPIN ATHARV ABILITY LIMITED)**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025**

**A. Equity Share Capital [Refer note 10]**

| Particulars  | As at 31.03.2025 |              | As at 31.03.2024 |              |
|--|------------------|--------------|------------------|--------------|
|  | No. of Shares    | ₹ in million | No. of Shares    | ₹ in million |
| Balance as at beginning of period                        | 100,000          | 1.0          | -                | -            |
| Changes in Equity Share Capital during the year / period | 1,250,000        | 12.5         | 100,000          | 1.0          |
| <b>Balance as at end of the Year / Period</b>            | <b>1,350,000</b> | <b>13.5</b>  | <b>100,000</b>   | <b>1.0</b>   |

**B. Other Equity**

(₹ in million)

| Particulars  | Reserves and Surplus |                    |                   | Other items of Other Comprehensive Income      | Total Other Equity |
|--|----------------------|--------------------|-------------------|--|--------------------|
|  | Capital Reserve      | Securities Premium | Retained Earnings | Remeasurement of the net Defined Benefit Plans |                    |
| Balance as at beginning of period                    | -                    | -                  | -                 | -  | -                  |
| (Loss) for the period                                | -                    | -                  | (0.1)             | -  | (0.1)              |
| <b>Balance as at March 31, 2024</b>                  | -                    | -                  | <b>(0.1)</b>      | -  | <b>(0.1)</b>       |
| Profit for the year                                  | -                    | -                  | 93.1              | 1.9  | 95.0               |
| Issue of Equity Shares                               | -                    | 237.5              | -                 | -  | 237.5              |
| Acquisition under common control                     | 6.4                  | -                  | -                 | -  | 6.4                |
| Remeasurements of defined benefit plans (net of tax) | -                    | -                  | -                 | (0.5)  | (0.5)              |
| <b>Balance as at March 31, 2025</b>                  | <b>6.4</b>           | <b>237.5</b>       | <b>93.0</b>       | <b>1.4</b>                                     | <b>338.3</b>       |

**Nature of Reserves**

**Capital Reserve**

The negative amount in the Capital Reserve represents the excess of purchase consideration paid to the Holding Company over the net assets acquired under Business Transfer Agreement.

**Securities Premium**

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



**In terms of our report attached**

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration No. 101248W/W - 100022

For and on behalf of **Board of Directors of LUPIN LIFE SCIENCES LIMITED**  
**(FORMERLY KNOWN AS LUPIN ATHARV ABILITY LIMITED)**

CIN : U86100MH2023PLC406793

**Siddharth Pandya**

Partner

Membership No. 135037

**Nilesh D. Gupta**

Director

DIN: 01734642

**Sunil Makharia**

Director

DIN: 00064399

Place : Mumbai

Dated : May 13, 2025

Place : Mumbai

Dated : May 13, 2025

**LUPIN LIFE SCIENCES LIMITED (FORMERLY KNOWN AS LUPIN ATHARV ABILITY LIMITED)**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025**

(₹ in million)

|   | For the<br>Year Ended<br>March 31, 2025 | For the Period<br>From July 24, 2023 to<br>March 31, 2024 |
|---|---|---|
| <b>A. Cash Flow from Operating Activities</b>                             |   |   |
| Profit / (Loss) before Tax  | 117.6                                   | (0.1)   |
| <b>Adjustments for:</b>   |   |   |
| Depreciation, Amortisation and Impairment Expense                         | 1.3                                     | -   |
| Finance cost  | 45.2                                    | -   |
| Doubtful Trade Receivables / Advances provided                            | 13.3                                    | -   |
| Interest on Deposits with Banks   | (0.2)                                   | -   |
| Net gain on sale of Current Investments                                   | (2.0)                                   | -   |
| <b>Operating Profit/(Loss) before Working Capital Changes</b>             | <b>175.2</b>                            | <b>(0.1)</b>  |
| Changes in working capital:   |   |   |
| Adjustments for (increase) / decrease in:                                 |   |   |
| Inventories   | (20.1)                                  | -   |
| Trade Receivables   | (84.5)                                  | -   |
| Other Assets  | (324.4)                                 | -   |
| Trade Payables  | (23.3)                                  | 0.1   |
| Other liabilities   | (28.0)                                  | -   |
| <b>Cash Generated from Operations</b>                                     | <b>(305.1)</b>                          | <b>-</b>  |
| Net Income tax paid   | (3.1)                                   | -   |
| <b>Net Cash Flow generated from / (used in) Operating Activities</b>      | <b>(308.2)</b>                          | <b>0.0</b>  |
| <b>B. Cash Flow from Investing Activities</b>                             |   |   |
| Payment for acquisition of business, net of cash acquired                 | (1,100.0)                               | -   |
| Purchase of Current Investments   | (588.0)                                 | -   |
| Proceeds from sale of Current Investments                                 | 567.0                                   | -   |
| <b>Net Cash Flow generated from / (used in) Investing Activities</b>      | <b>(1,121.0)</b>                        | <b>-</b>  |
| <b>C. Cash Flow from Financing Activities</b>                             |   |   |
| Proceeds from long term borrowings  | 1,250.0                                 | -   |
| Proceeds from issue of equity shares                                      | 250.0                                   | 1.0   |
| Payment of Principal Portion of Lease Liabilities                         | (1.2)                                   | -   |
| Interest paid on lease liabilities  | (0.2)                                   | -   |
| Finance Costs   | (45.0)                                  | -   |
| <b>Net Cash Flow generated from / (used in) Financing Activities</b>      | <b>1,453.6</b>                          | <b>1.0</b>  |
| <b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>             | <b>24.4</b>                             | <b>1.0</b>  |
| Cash and Cash Equivalents as at the beginning of the year                 | 1.0                                     | -   |
| <b>Cash and Cash Equivalents as at end of the year / period</b>           | <b>25.4</b>                             | <b>1.0</b>  |
| <b>Reconciliation of Cash and Cash Equivalents with the Balance Sheet</b> |   |   |
| Cash and Cash Equivalents as per Balance Sheet [Refer note 8.]            | 25.4                                    | 1.0   |
| <b>Cash and Cash Equivalents as at the end of the year</b>                | <b>25.4</b>                             | <b>1.0</b>  |

**Notes :**

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 "Statement of Cash Flow".
2. Refer note 41 for Non Cash Changes in Cash Flows from Financing Activities.

**In terms of our report attached**

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration No. 101248W/W - 100022

For and on behalf of **Board of Directors of LUPIN LIFE SCIENCES LIMITED**  
**(FORMERLY KNOWN AS LUPIN ATHARV ABILITY LIMITED)**

CIN : U86100MH2023PLC406793

**Siddharth Pandya**

Partner

Membership No. 135037

**Nilesh D. Gupta**

Director

DIN: 01734642

**Sunil Makharia**

Director

DIN: 00064399

Place : Mumbai

Dated : May 13, 2025

Place : Mumbai

Dated : May 13, 2025

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 1A. OVERVIEW:

Lupin Life Sciences Limited (the 'Company') was incorporated under the Companies Act, 2013, on 17th July, 2023 with the name as 'Lupin Atharv Ability Limited' having CIN U86100MH2023PLC406793. Subsequently on 30th January, 2024 the Company was renamed from 'Lupin Atharv Ability Limited' to 'Lupin Life Sciences Limited'. The Company have commenced its commercial operations from 01st July, 2024.

The Company is incorporated to manufacture, buy, sell, export, import, distribute and deal in pharmaceutical, medical and medicinal preparations, drugs formulations and medicines and chemicals. These Financial Statements were authorized for issue by the Company's Board of Directors on May 13, 2025.

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

### 1B. MATERIAL ACCOUNTING POLICIES:

#### a) Basis of preparation of Financial Statements:

##### *Basis of preparation*

- i) These Financial Statements of the Company have been prepared and presented in all material aspects in accordance with Indian Accounting Standards ('Ind AS') as notified under section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standards) Rules, 2015 as amended, presentation requirements of Division II of Schedule III to the Act and accounting principles generally accepted in India.

##### *Functional and Presentation Currency*

- ii) These Financial Statements are presented in Indian rupee (₹), which is the functional currency of the Company. All financial information presented has been rounded to the nearest million, unless otherwise indicated.

##### *Basis of measurement*

- iii) The financial statements have been prepared on the historical cost basis, except for:
  - certain assets and liabilities that are measured at fair values (refer accounting policy regarding financial instruments);
  - Non-current assets classified as held for sale which are measured at the lower of their carrying amount and fair value less costs to sell;
  - Defined benefit plans – plan assets are measured at fair values;
  - Long term borrowings measured at amortised cost using the Effective Interest Rate method;

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services

##### *Use of Significant 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.

Management considers the accounting estimates and assumptions discussed below to be its critical accounting estimates and, accordingly, provide an explanation of each below.

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

- Measurement and likelihood of occurrence of provisions and contingencies (Refer note m)
- Impairment of non-financial assets (Refer note d)
- Impairment of financial assets (Refer note e)
- Provision for Income Taxes and uncertain tax Positions (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.

The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if, it is probable that future economic benefits associated with the expenditure/item will flow to the company, and the cost of the item can be measured reliably.

Freehold land is carried at historical cost less any accumulated impairment losses.

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**

The subsequent cost of an item of property, plant and equipment shall be recognized as an asset if, and only if, it is probable that future economic benefits associated with the expenditure/item will flow to the company and the cost of the item can be measured reliably.

### **III. Depreciation**

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

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

| <b>Particulars</b>                    | <b>Estimated Useful Life</b> |
|---------------------------------------|------------------------------|
| Office Equipment (Desktop and Laptop) | 4 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).

#### **IV. Derecognition**

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

#### **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 capitalization, if any 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 and the cost of the item can be measured reliably.

##### **III. Derecognition**

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

#### **IV. Amortisation**

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

| <b>Particulars</b>           | <b>Estimated Useful Life</b> |
|------------------------------|------------------------------|
| Product Related Intangibles: |                              |
| - Trademark and Licenses     | 4 to 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 non-financial assets:**

The carrying values of Property, Plant and Equipment and Intangible assets at each balance sheet date are reviewed for impairment if any indication of impairment exists.

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

The recoverable amount is the greater of the asset's fair value less costs of disposal and its value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate

discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit for which the estimates of future cash flows have not been adjusted.

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) Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

##### **I. Financial Assets**

###### **Initial recognition and measurement**

Financial assets (excluding trade receivables) are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets measured at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are initially measured at the transaction price.

Purchases or sales of financial assets including mutual fund that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

###### **Classification and subsequent measurement**

The Company classifies a financial asset in accordance with the below criteria:

- the Company's business model for managing financial assets; and
- the contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- i) Debt instruments at amortised cost.
- ii) Debt instruments at fair value through other comprehensive income (FVTOCI).
- iii) Derivatives and Equity instruments at fair value through profit or loss (FVTPL).
- iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI).

###### **Financial assets at amortised cost**

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

- i) The asset is held within a business model whose objective is to hold financial assets for collecting contractual cash flows, and
- ii) Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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 amortization 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 at fair value through other comprehensive income**

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income. However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as Interest Income using the EIR method.

###### **Financial assets at fair value through profit or loss**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as FVTPL.

Financial assets included within the FVTPL category are measured at fair value with all changes recognised 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 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 recognised 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 recognised 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 financial statements) when:

- the contractual 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.

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) Trade receivables;
- ii) Financial assets measured at amortised cost (other than trade receivables).

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

Financial assets classified as amortised cost (listed as (ii) above), subsequent to initial recognition, are assessed for evidence of impairment at end of each reporting period basis monitoring of whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding looking information.

If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

ECL allowance recognised (or reversed) during the period is recognised as expense (or income) in the Statement of Profit and Loss under the head 'Other expenses'.



#### Write - off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event.

## II. Financial Liabilities

#### Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities measured at FVTPL. 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 FVTPL or 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.

#### Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- i) Financial liabilities at fair value through profit or loss;
- ii) Financial liabilities at amortised cost (loans and borrowings).

#### Financial liabilities at fair value through profit or loss

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. 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. Separate 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 FVTPL 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.

#### Financial Liabilities at amortised cost (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 the 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.

#### Financial guarantee contracts

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at

fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. If not designated as at FVTPL, are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative amount of income recognised.

#### 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 to manage its exposure to 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. Fair Value Measurement:

The Company measures financial instruments, such as investments (other than equity investments in Subsidiaries, Joint Ventures and Associates) and derivatives at fair values at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: in the principal market for the asset or liability, or in the absence of principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- (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).

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**f) Income tax:**

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

*Current tax*

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

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

- i) has a legally enforceable right to set off the recognised amounts; and
- ii) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

*Deferred tax*

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

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

Deferred tax is not recognized for the temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences at the time of transaction..

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

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

- i) When the Company is able to control the timing of the reversal of the temporary difference; and
- ii) it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

Deferred tax assets and liabilities are offset only if:

- i) The Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- ii) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

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

**g) Inventories:**

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

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

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

Cost of conversion of inventories include costs directly related to the units of production, such as direct labour. They also include a systematic allocation of fixed and variable production overheads that are incurred in converting materials into finished goods.

**h) Revenue Recognition:**

**Sale of Goods**

Revenue from sales of products is recognised 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. 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 the sale of goods is measured at the transaction price which is consideration received or receivable, net of returns, Goods and Service Tax (GST) and applicable trade discounts, allowances and chargeback. Revenue includes shipping and handling costs billed to the customer.

In arriving at the transaction price, the Company considers the terms of the contract with the customers and its customary business practices. The transaction price is the amount of consideration the Company is entitled to receive in exchange for transferring promised goods or services, excluding amounts collected on behalf of third parties.

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

**Refund Liability**

The Company accounts for refund liabilities (sales returns) accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Company's estimate of expected sales returns. The Company considers its historical experience of sales returns, levels of inventory in the distribution channel, estimated shelf life, product discontinuances, price changes of competitive products, and the introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. As required under Ind AS 115, the Company has presented its right to return assets under Other Current Asset and refund liabilities under Other Current Liabilities in the financial statements.

## **Contract balances**

### **Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment.

### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

## **i) Other Income:**

### *Interest income*

Interest income is recognised with reference to the effective interest rate method.

### *Dividend income*

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

## **j) Employee Benefits:**

### *Short term employee benefits*

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

### *Defined contribution plans*

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

If the contribution payable to the scheme for service received before the reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid.

### *Defined benefit plans*

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

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

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

(asset). Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

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

#### *Other long-term employee benefits*

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

#### **Other Benefit Plans**

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

#### **k) Share-based payment transactions:**

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

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

#### **l) 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.

##### *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 price of the lease component and the aggregate price of the non-lease components.

##### **i) Right-of-Use Assets**

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.

ii) Lease Liabilities

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 (IBR). The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs when available and is required to make certain entity-specific estimates. 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.

iii) Short-term lease and leases of low value assets

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.

**m) Provisions, Contingent Liabilities and Contingent Assets:**

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.

Contingent assets are not recognised in the financial statements. A contingent asset is disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

**n) Cash and Cash equivalents:**

Cash and cash equivalents comprises cash on hand, cash at bank and short term deposits with an original maturity of three months or less, that are readily convertible into known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**o) 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.

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

**p) Earnings per share:**

Basic earnings per share is computed by dividing the profit/(loss) 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.

**q) Current vs Non Current:**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.



#### **1C. RECENT ACCOUNTING PRONOUNCEMENTS:**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

## 2. PROPERTY, PLANT AND EQUIPMENT

(₹ in million)

| Particulars                                    | Office Equipments | Total      |
|--|-------------------|------------|
| <b>At cost or deemed cost</b>                  |                   |            |
| <b>Balance as at 17.07.2023</b>                | -                 | -          |
| Additions for the period                       | -                 | -          |
| Taken over on Acquisition                      | -                 | -          |
| Disposals during the period                    | -                 | -          |
| <b>Balance as at 31.03.2024</b>                | -                 | -          |
| Additions for the year                         | -                 | -          |
| Taken over on Acquisition                      | 0.1               | 0.1        |
| Disposals for the year                         | -                 | -          |
| <b>Balance as at 31.03.2025</b>                | <b>0.1</b>        | <b>0.1</b> |
| <b>Accumulated Depreciation and Impairment</b> |                   |            |
| <b>Balance as at 17.07.2023</b>                | -                 | -          |
| Depreciation charge for the period             | -                 | -          |
| Taken over on Acquisition                      | -                 | -          |
| Disposals                                      | -                 | -          |
| <b>Balance as at 31.03.2024</b>                | -                 | -          |
| Depreciation charge for the year               | -                 | -          |
| Taken over on Acquisition                      | 0.1               | 0.1        |
| Disposals                                      | -                 | -          |
| <b>Balance as at 31.03.2025</b>                | <b>0.1</b>        | <b>0.1</b> |
| <b>Carrying amount</b>                         |                   |            |
| <b>As at 31.03.2025</b>                        | -                 | -          |
| <b>As at 31.03.2024</b>                        | -                 | -          |

The Company has not revalued any of its Property, Plant and Equipment.

The Company has no CWIP as at March 31, 2025.

### 3. RIGHT-OF-USE ASSETS

(₹ in million)

| Particulars                        | Vehicles   | Total      |
|------------------------------------|------------|------------|
| <b>At cost or deemed cost</b>      |            |            |
| <b>Balance as at 17.07.2023</b>    | -          | -          |
| Additions for the period           | -          | -          |
| Taken over on Acquisition          | -          | -          |
| Disposals during the period        | -          | -          |
| <b>Balance as at 31.03.2024</b>    | -          | -          |
| Additions for the year             | 1.7        | 1.7        |
| Taken over on Acquisition          | 5.4        | 5.4        |
| Disposals for the year             | 1.8        | 1.8        |
| <b>Balance as at 31.03.2025</b>    | <b>5.3</b> | <b>5.3</b> |
| <b>Accumulated Depreciation</b>    |            |            |
| <b>Balance as at 17.07.2023</b>    | -          | -          |
| Depreciation charge for the period | -          | -          |
| Taken over on Acquisition          | -          | -          |
| Disposals                          | -          | -          |
| <b>Balance as at 31.03.2024</b>    | -          | -          |
| Depreciation charge for the year   | 1.3        | 1.3        |
| Taken over on Acquisition          | 3.0        | 3.0        |
| Disposals                          | 0.7        | 0.7        |
| <b>Balance as at 31.03.2025</b>    | <b>3.6</b> | <b>3.6</b> |
| <b>Carrying amount</b>             |            |            |
| <b>As at 31.03.2025</b>            | 1.7        | 1.7        |
| <b>As at 31.03.2024</b>            | -          | -          |

#### 4. OTHER INTANGIBLE ASSETS

(₹ in million)

| Particulars                                    | Brands and Trademarks | Total        |
|--|-----------------------|--------------|
| <b>At cost or deemed cost</b>                  |                       |              |
| <b>Balance as at 17.07.2023</b>                | -                     | -            |
| Additions for the period                       | -                     | -            |
| Taken over on Acquisition                      | -                     | -            |
| Disposals during the period                    | -                     | -            |
| <b>Balance as at 31.03.2024</b>                | -                     | -            |
| Additions for the year                         | -                     | -            |
| Taken over on Acquisition                      | 131.3                 | 131.3        |
| Disposals for the year                         | -                     | -            |
| <b>Balance as at 31.03.2025</b>                | <b>131.3</b>          | <b>131.3</b> |
| <b>Accumulated Amortisation and Impairment</b> |                       |              |
| <b>Balance as at 17.07.2023</b>                | -                     | -            |
| Amortisation charge for the period             | -                     | -            |
| Taken over on Acquisition                      | -                     | -            |
| Disposals                                      | -                     | -            |
| <b>Balance as at 31.03.2024</b>                | -                     | -            |
| Amortisation charge for the year               | -                     | -            |
| Taken over on Acquisition                      | 131.3                 | 131.3        |
| Disposals                                      | -                     | -            |
| <b>Balance as at 31.03.2025</b>                | <b>131.3</b>          | <b>131.3</b> |
| <b>Carrying amount</b>                         |                       |              |
| <b>As at 31.03.2025</b>                        | -                     | -            |
| <b>As at 31.03.2024</b>                        | -                     | -            |

The Company has no Intangibles Asset under development as at March 31, 2025.

|  |  | (₹ in million)          |                         |
|--|--|-------------------------|-------------------------|
|  |  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>5. INVENTORIES (Lower of Cost or NRV)</b>   |  |                         |                         |
| Stock-in-Trade   |  | 644.3                   | -                       |
| <b>Total</b>   |  | <b>644.3</b>            | <b>-</b>                |
| During the period, the Company recorded inventory write-downs of ₹ 4.6 . These adjustments were included in changes in inventories.  |  |                         |                         |
| <b>6. CURRENT INVESTMENTS</b>  |  |                         |                         |
| <b>Measured at Fair Value through Profit or Loss</b>   |  |                         |                         |
| <b>Quoted</b>  |  |                         |                         |
| In Mutual Funds  |  | 23.0                    | -                       |
| <b>Total</b>   |  | <b>23.0</b>             | <b>-</b>                |
| a) Aggregate amount of quoted investments and market value thereof   |  |                         |                         |
| Book value   |  | 23.0                    | -                       |
| Market value   |  | 23.0                    | -                       |
| b) Unrealised Loss on Mutual Fund Investments (net)  |  | -                       | -                       |
| <b>7. TRADE RECEIVABLES</b>  |  |                         |                         |
| <b>Unsecured</b>   |  |                         |                         |
| - Considered Good  |  | 1,101.1                 | -                       |
| - Considered Doubtful  |  | 9.6                     | -                       |
|  |  | 1,110.7                 | -                       |
| Less : Allowances for credit losses  |  | 36.3                    | -                       |
| <b>Total</b>   |  | <b>1,074.4</b>          | <b>-</b>                |
| Refer note 43 for Trade Receivable Ageing<br>(There are no other trade receivables which have significant increase in credit risk. Refer note 37 (C) for information about credit risk and market risk of trade receivables) |  |                         |                         |
| <b>8. CASH AND CASH EQUIVALENTS</b>  |  |                         |                         |
| Cheques on hand  |  | 2.0                     | -                       |
| Bank Balances  |  |                         |                         |
| - In Current Accounts  |  | 23.4                    | 1.0                     |
| <b>Total</b>   |  | <b>25.4</b>             | <b>1.0</b>              |
| <b>9. OTHER CURRENT ASSETS</b>   |  |                         |                         |
| Advances to Employees  |  | 0.8                     | -                       |
| Prepaid Expenses   |  | 0.7                     | -                       |
| Advances to Vendors  |  |                         |                         |
| - Considered Good  |  | 69.4                    | -                       |
| Balances with Government Authorities (GST)   |  | 498.8                   | -                       |
| <b>Total</b>   |  | <b>569.7</b>            | <b>-</b>                |

**10. SHARE CAPITAL****a) Equity Share Capital**

| Particulars   | As at 31.03.2025 |              | As at 31.03.2024 |              |
|---|------------------|--------------|------------------|--------------|
|   | No. of Shares    | ₹ in million | No. of Shares    | ₹ in million |
| <b><u>Authorised</u></b><br><b>Equity Shares</b><br>Equity shares of ₹ 10 each                                | 3,000,000        | 30.0         | 100,000          | 1.0          |
| <b>Total</b>  | <b>3,000,000</b> | <b>30.0</b>  | <b>100,000</b>   | <b>1.0</b>   |
| <b><u>Issued, Subscribed and Paid up</u></b><br><b>Equity Shares</b><br>Equity shares of ₹ 10 each fully paid | 1,350,000        | 13.5         | 100,000          | 1.0          |
| <b>Total</b>  | <b>1,350,000</b> | <b>13.5</b>  | <b>100,000</b>   | <b>1.0</b>   |

**b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period****(i) Equity Shares**

| Particulars  | As at 31.03.2025 |              | As at 31.03.2024 |              |
|--|------------------|--------------|------------------|--------------|
|  | No. of Shares    | ₹ in million | No. of Shares    | ₹ in million |
| Equity Shares outstanding as at beginning of the period          | 100,000.0        | 1.0          | -                | -            |
| Equity Shares issued during the Year / period                    | 1,250,000        | 12.5         | 100,000          | 1.0          |
| <b>Equity Shares outstanding at the end of the Year / period</b> | <b>1,350,000</b> | <b>13.5</b>  | <b>100,000</b>   | <b>1.0</b>   |

**c) Rights attached to Equity Shares**

The Company has only one class of equity shares with voting rights having a par value of ₹ 10 per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

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

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

| Name of Shareholder                          | As at 31.03.2025 |              | As at 31.03.2024 |              |
|--|------------------|--------------|------------------|--------------|
|  | No. of Shares    | % of Holding | No. of Shares    | % of Holding |
| <b>Equity shares of ₹ 10 each fully paid</b> |                  |              |                  |              |
| Lupin Limited & its nominees                 | 1,350,000        | 100%         | 100,000          | 100%         |

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

| Promoter name                                | As at 31.03.2025 |                   | As at 31.03.2024 |                   |
|--|------------------|-------------------|------------------|-------------------|
|  | No. of Shares    | % of total shares | No. of Shares    | % of total shares |
| <b>Equity shares of ₹ 10 each fully paid</b> |                  |                   |                  |                   |
| Lupin Limited & its nominees                 | 1,350,000        | 100%              | 100,000          | 100%              |

**f) There are no shares reserved for issuance under Stock Option Plans of the Company.****g) No shares have been allotted without payment being received in cash or by way of bonus shares during the period.**

|  |  | (₹ in million)          |                         |
|--|--|-------------------------|-------------------------|
|  |  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>11. LONG TERM BORROWINGS</b>  |  |                         |                         |
| Loans and Advances from Related Parties  |  | 1,250.0                 | -                       |
| <b>Total</b>   |  | <b>1,250.0</b>          | <b>-</b>                |
| <b>Terms and conditions -</b>  |  |                         |                         |
| a) Borrowings carries Fixed rate interest at the rate of 8% p.a. and are repayable at the end of 5 Years |  |                         |                         |
| b) The Company has not defaulted on repayment of loans and interest during the year                      |  |                         |                         |
| <b>12. OTHER NON-CURRENT FINANCIAL LIABILITIES</b>   |  |                         |                         |
| Employee Benefits Payables   |  | 2.4                     | -                       |
| <b>Total</b>   |  | <b>2.4</b>              | <b>-</b>                |
| <b>13. NON-CURRENT PROVISIONS</b>  |  |                         |                         |
| Provisions for Employee Benefits [Refer note 17]   |  |                         |                         |
| Gratuity (Refer note 31 (ii) A)  |  | 9.4                     | -                       |
| Compensated Absences   |  | 4.2                     | -                       |
| <b>Total</b>   |  | <b>13.6</b>             | <b>-</b>                |
| <b>14. TRADE PAYABLES</b>  |  |                         |                         |
| Total outstanding dues of Micro Enterprises and Small Enterprises (Refer note 36)                        |  | 24.4                    | -                       |
| Total outstanding dues of other than Micro Enterprises and Small Enterprises                             |  | 447.1                   | 0.1                     |
| <b>Total</b>   |  | <b>471.5</b>            | <b>0.1</b>              |
| Refer note 44 for Trade Payable ageing.  |  |                         |                         |
| <b>15. OTHER CURRENT FINANCIAL LIABILITIES</b>   |  |                         |                         |
| Deposits   |  | 69.8                    | -                       |
| Employee Benefits Payables   |  | 20.9                    | -                       |
| Other Payables   |  | 0.5                     | -                       |
| <b>Total</b>   |  | <b>91.2</b>             | <b>-</b>                |
| <b>16. OTHER CURRENT LIABILITIES</b>   |  |                         |                         |
| Statutory dues payables  |  | 106.7                   | -                       |
| Advances from customers  |  | 60.5                    | -                       |
| <b>Total</b>   |  | <b>167.2</b>            | <b>-</b>                |
| <b>17. CURRENT PROVISIONS</b>  |  |                         |                         |
| Provisions for Employee Benefits [Refer note 13]   |  |                         |                         |
| Gratuity (Refer note 31 (ii) A)  |  | 0.7                     | -                       |
| Compensated Absences   |  | 1.7                     | -                       |
| <b>Total</b>   |  | <b>2.4</b>              | <b>-</b>                |

|  |   | (₹ in million)   |
|--|---|--|
|  | For the Current<br>Year ended<br>March 31, 2025 | For the Previous<br>from July 17, 2023<br>March 31, 2024 |
| <b>18. REVENUE FROM OPERATIONS</b>   |   |  |
| Sale of goods (Refer note 27)  | 2,565.8   | -  |
| <b>Total</b>   | <b>2,565.8</b>                                  | <b>-</b>   |
| <b>19. OTHER INCOME</b>  |   |  |
| Income on Financial Assets carried at amortised cost   |   |  |
| Interest on Deposits with Banks  | 0.2   | -  |
| Net gain on sale of Mutual Fund Investments  | 2.0   | -  |
| <b>Total</b>   | <b>2.2</b>                                      | <b>-</b>   |
| <b>20. CHANGES IN INVENTORIES OF FINISHED GOODS,<br/>WORK-IN-PROGRESS AND STOCK-IN-TRADE [(Increase)/Decrease]</b> |   |  |
| Opening Stock:   |   |  |
| Finished Goods   | -   | -  |
| Stock-in-Trade   | -   | -  |
| Less:  |   |  |
| Closing Stock:   |   |  |
| Finished Goods   | -   | -  |
| Stock-in-Trade   | 644.3   | -  |
| <u>Changes in Inventories:</u>   |   |  |
| Finished Goods   | -   | -  |
| Stock-in-Trade   | (644.3)   | -  |
| <b>Total</b>   | <b>(644.3)</b>                                  | <b>-</b>   |
| <b>21. EMPLOYEE BENEFITS EXPENSE</b>   |   |  |
| Salaries and Wages   | 120.8   | -  |
| Contribution to Provident and Other Funds (Refer Note 31(i))   | 9.0   | -  |
| Retirement Benefits Expense  | 0.4   | -  |
| Share Based Payments Expense (Refer Note 33)   | 3.2   | -  |
| Staff Welfare Expenses   | 0.7   | -  |
| <b>Total</b>   | <b>134.1</b>                                    | <b>-</b>   |
| <b>22. FINANCE COSTS</b>   |   |  |
| Interest on Intercompany Loan  | 42.1  | -  |
| Interest cost on Finance lease obligation (Refer Note 30)  | 0.2   | -  |
| Interest on defined benefit liabilities (net) (Refer Note 31(ii))  | -   | -  |
| Other Borrowing Costs (includes bank charges, etc.)  | 2.9   | -  |
| <b>Total</b>   | <b>45.2</b>                                     | <b>-</b>   |
| <b>23. OTHER EXPENSES</b>  |   |  |
| Repairs and Maintenance:   |   |  |
| - Others   | 54.7  | -  |
| Rates and Taxes  | 2.5   | 0.0  |
| Insurance  | 2.7   | -  |
| Selling and Promotion Expenses   | 133.2   | -  |
| Commission and Brokerage   | 186.8   | -  |
| Freight and Forwarding   | 5.7   | -  |
| Rent and Other Hire Charges (Refer Note 30)  | 2.6   | -  |
| Postage and Telephone Expenses   | 1.2   | -  |
| Travelling and Conveyance  | 45.7  | -  |
| Legal and Professional Charges (Refer note 34 for Auditor's Remuneration)  | 79.1  | 0.1  |
| Impairment Allowances for Doubtful Trade Receivables / Advances (net)  | 13.3  | -  |
| Miscellaneous Expenses   | 0.8   | 0.0  |
| <b>Total</b>   | <b>528.3</b>                                    | <b>0.1</b>   |



**24. COMMITMENTS**

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances is Nil.
- b) Other commitments – Non-cancellable short-term leases is Nil. Low value leases is Nil.
- c) There are no product procurement commitments pursuant to contracts with suppliers under supply agreements.

**25. CONTINGENT LIABILITIES**

The Company does not have any Contingent Liability as on March 31, 2025.

**26. PRE-OPERATIVE EXPENSES**

There are no expenditure incurred prior to commencement of commercial operations.

**27. REVENUE (IND AS 115) :**

- a) The operations of the Company are limited to only one segment viz. pharmaceuticals products. Revenue from contract with customers is from sale of traded 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 depending on the terms of the sale. Payment terms with customers vary depending upon the contractual terms of each contract and does not have any significant financing component.

Variable components such as trade discounts, cash discounts & special discounts continues to be recognised as deductions from revenue in compliance with Ind AS 115.

- b) Disaggregation of revenue:

| (₹ in million)                                     |                                      |   |
|--|--------------------------------------|---|
| Nature of segment                                  | For the Year ended<br>March 31, 2025 | For the Period from<br>July 17, 2023 to March<br>31, 2024 |
| <b>A. Service line:</b>                            |                                      |   |
| - Sale of pharmaceutical goods                     | 2,565.8                              | -   |
| <b>Total revenue from contracts with customers</b> | <b>2,565.8</b>                       | <b>-</b>  |
| <b>B. Primary geographical market:</b>             |                                      |   |
| - India  | 2,565.8                              | -   |
| <b>Total revenue from contracts with customers</b> | <b>2,565.8</b>                       | <b>-</b>  |
| <b>C. Timing of the revenue recognition:</b>       |                                      |   |
| - Goods/Services transferred at a point in time    | 2,565.8                              | -   |
| <b>Total revenue from contracts with customers</b> | <b>2,565.8</b>                       | <b>-</b>  |

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

| (₹ in million)                                     |                                      |   |
|--|--------------------------------------|---|
| Particulars  | For the Year ended<br>March 31, 2025 | For the Period from<br>July 17, 2023 to March<br>31, 2024 |
| <b>Revenue as per contracted price</b>             | <b>2,758.2</b>                       | <b>-</b>  |
| Adjusted for:                                      |                                      |   |
| - Discounts  | (192.4)                              | -   |
| <b>Total revenue from contracts with customers</b> | <b>2,565.8</b>                       | <b>-</b>  |

- d) Reconciliation of revenue recognised from Deferred Revenue:

| (₹ in million)  |                                      |   |
|---|--------------------------------------|---|
| Particulars   | For the Year ended<br>March 31, 2025 | For the Period from<br>July 17, 2023 to March<br>31, 2024 |
| <b>Balance in contract liability at the beginning of the year / period that was not recognized as revenue</b> | <b>-</b>                             | <b>-</b>  |
| Add: Increases due to acquisition of business   | 241.2                                | -   |
| Add: Increases due to cash received during the year excluding amounts recognized as revenue during the year   | 91.2                                 | -   |
| Less: Revenue recognized during the year  | (271.9)                              | -   |
| <b>Balance in contract liability at the end of the year / period that is not recognized as revenue</b>        | <b>60.5</b>                          | <b>-</b>  |

There are no customers with more than 10% of the total revenue from operations of the Company.

**28. SEGMENT REPORTING**

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

**29. BASIC AND DILUTED EARNING PER SHARE**

| Particulars  | For the Year ended<br>March 31, 2025 | For the Period from<br>July 17, 2023 to March<br>31, 2024 |
|--|--------------------------------------|---|
| Profit/(Loss) attributable to Equity Shareholders (₹ in million) | 93.1                                 | (0.1)   |
| Weighted average number of Equity Shares:                        |                                      |   |
| - Basic  | 601,776                              | 100,000   |
| - Diluted  | 601,776                              | 100,000   |
| Earnings per Share (in ₹)  |                                      |   |
| - Basic  | 154.71                               | (1.29)  |
| - Diluted  | 154.71                               | (1.29)  |

**30. LEASES**

The Company leases Vehicles. The leases typically run for the period between 12 months to 60 months with an option to renew the lease after that date.

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

**(i) Lease liabilities**

| (₹ in million)                          |          |       |
|---|----------|-------|
| Particulars                             | Vehicles | Total |
| Balance as at 17.07.2023                | -        | -     |
| Addition during the period              | -        | -     |
| Accreditation of interest (refer note ) | -        | -     |
| Payments                                | -        | -     |
| Disposals during the period             | -        | -     |
| Balance as at 31.03.2024                | -        | -     |
| Addition during the year                | 1.7      | 1.7   |
| Taken over on Acquisition               | 2.4      | 2.4   |
| Accreditation of interest (refer note ) | 0.2      | 0.2   |
| Payments                                | (1.4)    | (1.4) |
| Disposals during the year               | (1.1)    | (1.1) |
| Balance as at 31.03.2025                | 1.8      | 1.8   |
| Current                                 | 0.9      | 0.9   |
| Non-current                             | 0.9      | 0.9   |

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

**(ii) Amounts recognised in Profit and Loss**

| (₹ in million)   |                                      |   |
|--|--------------------------------------|---|
| Particulars  | For the Year ended<br>March 31, 2025 | For the Period from<br>July 17, 2023 to March<br>31, 2024 |
| Depreciation expense of right-of-use assets (Refer Note No. 3)                 | 1.3                                  | -   |
| Interest expense on lease liabilities (Refer Note No. 22)                      | 0.2                                  | -   |
| Expense relating to short-term leases and low value assets (Refer Note No. 23) | -                                    | -   |
| Total  | 1.5                                  | -   |

**(iii) Financial risk management****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.

| (₹ in million)                                  |                     |              |                      |       |
|---|---------------------|--------------|----------------------|-------|
| Contractual maturities of financial liabilities | Less than<br>1 Year | 1 to 5 Years | More than<br>5 Years | Total |
| As at 31.03.2025                                |                     |              |                      |       |
| Lease liabilities                               | 0.9                 | 1.0          | -                    | 1.9   |
| As at 31.03.2024                                |                     |              |                      |       |
| Lease liabilities                               | -                   | -            | -                    | -     |

**(iv) Commitments and contingencies**

The Company has not entered into lease contracts that have not yet commenced as at 31.03.2025

### 31. POST-EMPLOYMENT BENEFITS

#### (i) Defined Contribution Plans:

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

The Company recognised ₹ 6.2 million (previous year ₹ Nil) for provident and pension fund contributions in the Statement of Profit and Loss.

#### (ii) Defined Benefit Plan:

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

- i) On normal retirement / early retirement / withdrawal / resignation:  
As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.
- ii) On death in service:  
As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period.

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

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31.03.2025. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

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

| Sr. No. | Particulars  | As at 31.03.2025  |                     | As at 31.03.2024  |                     |
|---------|--|-------------------|---------------------|-------------------|---------------------|
|         |  | Gratuity (Funded) | Gratuity (Unfunded) | Gratuity (Funded) | Gratuity (Unfunded) |
| I)      | <b>Change in present value of obligation ('PVO') - defined benefit obligation:</b> |                   |                     |                   |                     |
|         | PVO as at 17.07.2023   | -                 | -                   | -                 | -                   |
|         | Current service cost   | 1.7               | 0.3                 | -                 | -                   |
|         | Past service cost  | -                 | -                   | -                 | -                   |
|         | Interest cost  | 0.3               | 0.2                 | -                 | -                   |
|         | Actuarial loss / (gain)  | -                 | -                   | -                 | -                   |
|         | - Due to demographic assumption  | -                 | -                   | -                 | -                   |
|         | - Due to finance assumption  | -                 | -                   | -                 | -                   |
|         | - Due to experience adjustment   | (1.6)             | (0.3)               | -                 | -                   |
|         | Transfer in / (out)  | 5.4               | 4.1                 | -                 | -                   |
|         | <b>PVO at the end of the year</b>  | <b>5.8</b>        | <b>4.3</b>          | -                 | -                   |
| II)     | <b>Change in fair value of plan assets:</b>  |                   |                     |                   |                     |
|         | Fair value of plan assets as at beginning of the year                              | -                 | -                   | -                 | -                   |
|         | Expected return on plan assets   | -                 | -                   | -                 | -                   |
|         | Interest Income  | -                 | -                   | -                 | -                   |
|         | Contributions by the employer  | -                 | -                   | -                 | -                   |
|         | Benefits paid  | -                 | -                   | -                 | -                   |
|         | <b>Fair value of plan assets at the end of the year</b>                            | -                 | -                   | -                 | -                   |
| III)    | <b>Reconciliation of PVO and fair value of plan assets:</b>                        |                   |                     |                   |                     |
|         | PVO at the end of the year   | 5.8               | 4.3                 | -                 | -                   |
|         | Fair Value of plan assets at the end of the year                                   | -                 | -                   | -                 | -                   |
|         | Funded status  | (5.8)             | (4.3)               | -                 | -                   |
|         | Unrecognised actuarial loss/(gain)   | -                 | -                   | -                 | -                   |
|         | <b>Net liability recognised in the Balance Sheet</b>                               | <b>(5.8)</b>      | <b>(4.3)</b>        | -                 | -                   |
| IV)     | <b>Expense recognised in the Statement of Profit and Loss:</b>                     |                   |                     |                   |                     |
|         | Current service cost   | 1.7               | 0.3                 | -                 | -                   |
|         | Past service cost  | -                 | -                   | -                 | -                   |
|         | Interest cost  | 0.3               | 0.2                 | -                 | -                   |
|         | <b>Total expense recognised in the Statement of Profit and Loss *</b>              | <b>1.9</b>        | <b>0.5</b>          | -                 | -                   |
| V)      | <b>Other Comprehensive Income</b>  |                   |                     |                   |                     |
|         | Actuarial loss / (gain)  | -                 | -                   | -                 | -                   |
|         | - Due to demographic assumption  | -                 | -                   | -                 | -                   |
|         | - Due to finance assumption  | -                 | -                   | -                 | -                   |
|         | - Due to experience adjustment   | (1.6)             | (0.3)               | -                 | -                   |
|         | Return on plan assets excluding net interest                                       | -                 | -                   | -                 | -                   |
|         | <b>Total amount recognised in OCI</b>  | <b>(1.6)</b>      | <b>(0.3)</b>        | -                 | -                   |
| VI)     | <b>Category of assets as at the end of the year:</b>                               |                   |                     |                   |                     |
|         | Insurer managed Funds  | -                 | -                   | -                 | -                   |

|       |  |   |  |   |   |
|-------|--|---|--|---|---|
| VII)  | <b>Actual return on the plan assets:</b>                     | -   | -  | - | - |
| VIII) | <b>Assumptions used in accounting for the gratuity plan:</b> |   |  |   |   |
|       | Mortality (%)  | Rates stipulated in Indian Assured Lives Mortality 2012-14 from 01.04.2019 onwards. |  | - | - |
|       | Discount rate (%)  | 6.8%  | 6.8%   | - | - |
|       | Salary escalation rate (%)                                   | 9.0 for first three years and 6.0 thereafter  | 9.0 for first three years and 6.0 thereafter | - | - |
|       | Average Remaining Service (years)                            | 26.3  | 26.3   | - | - |
|       | Employee Attrition Rate (%)                                  |   |  |   |   |
|       | up to 5 years  | 15%   | 15%  | - | - |
|       | above 5 years  | 5%  | 5%   | - | - |
| IX)   | Estimate of amount of contribution in immediate next year    | -   | -  | - | - |

\* ₹ 0.0 million capitalised as pre-operative expenses out of above amount.

| X) <b>Expected future benefit payments</b> |                  | (₹ in million)   |  |
|--|------------------|------------------|--|
| Particulars                                | As at 31.03.2025 | As at 31.03.2024 |  |
| 1 year                                     | 0.5              | -                |  |
| 2 to 5 years                               | 3.0              | -                |  |
| 6 to 10 years                              | 1.6              | -                |  |
| More than 10 years                         | 7.2              | -                |  |

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

#### Sensitivity analysis

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

| Particulars                                   | As at 31.03.2025 |          | As at 31.03.2024 |          |
|---|------------------|----------|------------------|----------|
|   | Increase         | Decrease | Increase         | Decrease |
| Discount Rate (1% movement)                   | 5.3              | 6.3      | -                | -        |
| Future salary growth (1% movement)            | 6.2              | 5.3      | -                | -        |
| Attrition rate (- / + 50% of attrition rates) | 5.4              | 6.2      | -                | -        |
| Mortality rate (- / + 10% of attrition rates) | 5.8              | 5.8      | -                | -        |

## 32. INCOME TAXES

### a) Tax expense / (benefit) recognised in statement of profit and loss:

| (₹ in million)                                    |                                      |   |
|---|--------------------------------------|---|
| Particulars                                       | For the Year ended<br>March 31, 2025 | For the Period from<br>July 17, 2023 to<br>March 31, 2024 |
| Current Tax Expense for the year / period         | 35.3                                 | -   |
| Tax expense of prior years                        | -                                    | -   |
| <b>Net Current Tax Expense</b>                    | <b>35.3</b>                          | <b>-</b>  |
| Deferred income tax liability/(asset), net        |                                      |   |
| Origination and reversal of temporary differences | (10.8)                               | -   |
| <b>Tax expense for the year</b>                   | <b>24.5</b>                          | <b>-</b>  |

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

| (₹ in million)  |                                      |   |
|---|--------------------------------------|---|
| Particulars   | For the Year ended<br>March 31, 2025 | For the Period from<br>July 17, 2023 to<br>March 31, 2024 |
| <b>Items that will not be reclassified to profit or loss</b>                        |                                      |   |
| Remeasurements of the defined benefit plans   | 0.50                                 | -   |
| <b>Items that will be reclassified to profit or loss</b>                            |                                      |   |
| The effective portion of gains and loss on hedging instruments in a cash flow hedge | -                                    | -   |
| <b>Total</b>  | <b>0.50</b>                          | <b>-</b>  |

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

| (₹ in million)   |                                      |   |
|--|--------------------------------------|---|
| Particulars  | For the Year ended<br>March 31, 2025 | For the Period from<br>July 17, 2023 to<br>March 31, 2024 |
| <b>Profit/(Loss) before tax</b>                                      | <b>117.6</b>                         | <b>-</b>  |
| Tax using the Company's domestic tax rate (31.03.2025 : 25.168%)     | 29.6                                 | -   |
| <b>Tax effect of:</b>  |                                      |   |
| Expenses not deductible for tax purposes                             | 0.7                                  | -   |
| Others   | (5.8)                                | -   |
| <b>Current and Deferred Tax expense (excluding prior year taxes)</b> | <b>24.5</b>                          | <b>-</b>  |

### d) Movement in deferred tax balances:

| (₹ in million)                                 |                  |                              |                     |                            |                  |                    |                           |
|--|------------------|------------------------------|---------------------|----------------------------|------------------|--------------------|---------------------------|
| Deferred Tax Assets/(Liabilities)              | As at 31.03.2024 | Taken over on<br>Acquisition | Recognised in/under |                            | As at 31.03.2025 |                    |                           |
|  | Net balance      |                              | Profit or Loss      | Retained Earnings /<br>OCI | Net balance      | Deferred Tax Asset | Deferred Tax<br>Liability |
| Property, Plant and Equipment                  | -                | -                            | -                   | -                          | -                | -                  | -                         |
| Mark to Market (Gain)/Loss                     | -                | -                            | -                   | -                          | -                | -                  | -                         |
| Trade Receivables                              | -                | -                            | 9.1                 | -                          | 9.1              | 9.1                | -                         |
| Employee Benefits                              | -                | -                            | 0.5                 | (0.5)                      | -                | 0.5                | (0.5)                     |
| Others   | -                | -                            | 1.2                 | -                          | 1.2              | 1.2                | -                         |
| <b>Net Deferred tax assets / (liabilities)</b> | <b>-</b>         | <b>-</b>                     | <b>10.8</b>         | <b>(0.5)</b>               | <b>10.3</b>      | <b>10.8</b>        | <b>(0.5)</b>              |

  

| Deferred Tax Assets/(Liabilities)              | As at<br>17.07.2023 | Taken over on<br>Acquisition | Recognised in/under |                            | As at 31.03.2024 |                    |                           |
|--|---------------------|------------------------------|---------------------|----------------------------|------------------|--------------------|---------------------------|
|  | Net balance         |                              | Profit or Loss      | Retained Earnings /<br>OCI | Net balance      | Deferred Tax Asset | Deferred Tax<br>Liability |
| Property, Plant and Equipment                  | -                   | -                            | -                   | -                          | -                | -                  | -                         |
| Mark to Market (Gain)/Loss                     | -                   | -                            | -                   | -                          | -                | -                  | -                         |
| Trade Receivables                              | -                   | -                            | -                   | -                          | -                | -                  | -                         |
| Employee Benefits                              | -                   | -                            | -                   | -                          | -                | -                  | -                         |
| Others   | -                   | -                            | -                   | -                          | -                | -                  | -                         |
| <b>Net Deferred tax assets / (liabilities)</b> | <b>-</b>            | <b>-</b>                     | <b>-</b>            | <b>-</b>                   | <b>-</b>         | <b>-</b>           | <b>-</b>                  |

Reflected in the balance sheet as follows:

| (₹ in million)                               |                  |                  |
|--|------------------|------------------|
| Particulars                                  | As at 31.03.2025 | As at 31.03.2024 |
| Deferred Tax Asset                           | 10.8             | -                |
| Deferred Tax Liability                       | (0.5)            | -                |
| <b>Deferred Tax Asset/(Liabilities)(net)</b> | <b>10.3</b>      | <b>-</b>         |

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.

**33. Share-based payment arrangements :****Employee stock options – Cash settled**

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

Employee benefit expense includes cash settled employee stock options issued to certain employees of the Company by the Holding Company amounting to ₹ 3.2 million (previous year ₹ Nil).

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

| (₹ in million)                              |                  |                  |
|---|------------------|------------------|
| Particular                                  | As at 31.03.2025 | As at 31.03.2024 |
| Other non-current financial liabilities     | 1.5              | -                |
| Other current financial liabilities         | 2.2              | -                |
| <b>Total carrying amount of liabilities</b> | <b>3.7</b>       | <b>-</b>         |

**34. AUDITOR'S REMUNERATION**

| (₹ in million)                             |                                   |   |
|--|-----------------------------------|---|
| Particulars                                | For the Year ended March 31, 2025 | For the Period from July 17, 2023 to March 31, 2024 |
| Payment to Auditors*:                      |                                   |   |
| a) As Auditors                             | 0.5                               | 0.0   |
| b) Reimbursement of out-of-pocket expenses | 0.0                               | 0.0   |
| <b>Total</b>                               | <b>0.5</b>                        | <b>0.0</b>  |

\* Excluding GST

**35. ACQUISITION THROUGH BUSINESS COMBINATION**

Pursuant to the meeting of the Board of Directors held on March 22, 2024, the Company entered into an agreement with Lupin Limited (Holding Company) to acquire their trade generics business in India, as a going concern for a consideration of ₹ 1,100 million.

Upon execution of the Business Transfer Agreement, the Business Undertaking was transferred on July 01, 2024. The purchase price allocation carried out during the year resulted in Capital Reserve (Gain on Bargain Purchase) of ₹ 6.4 million.

The Assets and Liabilities acquired pursuant to the Business Transfer Agreement is as under -

| (₹ in million)   |                  |
|--|------------------|
| Particulars  | As on 01.07.2024 |
| <b>Purchase Consideration paid (A)</b>   | <b>1,100.0</b>   |
| <b>Fair Value of Assets Acquired :</b>   |                  |
| <i>Non-Current</i>   |                  |
| Property, Plant and Equipment and Right-of-use Assets                          | 2.4              |
| <i>Current</i>   |                  |
| Inventories  | 624.2            |
| Financial Assets - Trade receivables   | 1,003.2          |
| Other Current Assets   | 243.0            |
| <b>Total Assets [i]</b>  | <b>1,872.8</b>   |
| <b>Liabilities Acquired :</b>  |                  |
| <i>Current</i>   |                  |
| Financial Liabilities  |                  |
| (i) Lease Liabilities  | 2.4              |
| (ii) Trade payables  | 494.6            |
| (ii) Other financial liabilities   | 74.3             |
| Other current liabilities  | 175.1            |
| Short-term provisions  | 20.0             |
| <b>Total Liabilities [ii]</b>  | <b>766.3</b>     |
| <b>Total Identifiable Net Assets [i-ii] (B)</b>                                | <b>1,106.4</b>   |
| <b>Capital Reserve (Gain on Bargain Purchase) arising on acquisition (B-A)</b> | <b>6.4</b>       |
| <b>Cash Outflows arising on acquisition</b>                                    |                  |
| Purchase consideration paid/payable in cash                                    | 1,100.0          |
| <b>Total</b>   | <b>1,100.0</b>   |

**36. MICRO, SMALL AND MEDIUM ENTERPRISES (MSME):**

The information regarding Micro, Small and Medium Enterprises (MSME) has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

| (₹ in million)  |                                   |   |
|---|-----------------------------------|---|
| Particulars   | For the Year ended March 31, 2025 | For the Period from July 17, 2023 to March 31, 2024 |
| i. The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year (Micro Enterprises and Small Enterprises)  | 24.4<br>(Interest: 0.4 Mn)        | Nil<br>(Interest: Nil)                              |
| ii. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year   | -                                 | -   |
| iii. The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006   | -                                 | -   |
| iv. The amount of interest accrued and remaining unpaid at the end of each accounting year  | 0.40                              | -   |
| v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 | -                                 | -   |

### 37. FINANCIAL INSTRUMENTS

Financial instruments – Fair values and risk management:

#### A. Accounting classification and fair values:

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

Fair value hierarchy

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

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value.

(₹ in million)

| As at 31.03.2025                        | Carrying amount |          |                |                | Fair value |          |          |          |
|---|-----------------|----------|----------------|----------------|------------|----------|----------|----------|
|   | FVTPL           | FVTOCI   | Amortised Cost | Total          | Level 1    | Level 2  | Level 3  | Total    |
| <b>Financial Assets</b>                 |                 |          |                |                |            |          |          |          |
| Current Investments                     | 23.0            | -        | -              | 23.0           | 23.0       | -        | -        | 23.0     |
| Trade Receivables                       | -               | -        | 1,074.4        | 1,074.4        | -          | -        | -        | -        |
| Cash and Cash Equivalents               | -               | -        | 25.4           | 25.4           | -          | -        | -        | -        |
| <b>Total Financial Assets</b>           | <b>23.0</b>     | <b>-</b> | <b>1,099.8</b> | <b>1,122.8</b> | <b>-</b>   | <b>-</b> | <b>-</b> | <b>-</b> |
| <b>Financial Liabilities</b>            |                 |          |                |                |            |          |          |          |
| <b>Non Current</b>                      |                 |          |                |                |            |          |          |          |
| Borrowings                              | -               | -        | 1,250.0        | 1,250.0        | -          | -        | -        | -        |
| Lease Liabilities                       | -               | -        | 0.9            | 0.9            | -          | -        | -        | -        |
| Other Non-Current Financial Liabilities | -               | -        | 2.4            | 2.4            | -          | -        | -        | -        |
| <b>Current</b>                          |                 |          |                |                |            |          |          |          |
| Lease Liabilities                       | -               | -        | 0.9            | 0.9            | -          | -        | -        | -        |
| Trade Payables                          | -               | -        | 471.5          | 471.5          | -          | -        | -        | -        |
| Other Current Financial Liabilities     | -               | -        | 91.2           | 91.2           | -          | -        | -        | -        |
| <b>Total Financial Liabilities</b>      | <b>-</b>        | <b>-</b> | <b>1,816.9</b> | <b>1,816.9</b> | <b>-</b>   | <b>-</b> | <b>-</b> | <b>-</b> |

| As at 31.03.2024                   | Carrying amount |          |                |            | Fair value |          |          |          |
|------------------------------------|-----------------|----------|----------------|------------|------------|----------|----------|----------|
|                                    | FVTPL           | FVTOCI   | Amortised Cost | Total      | Level 1    | Level 2  | Level 3  | Total    |
| <b>Financial Assets</b>            |                 |          |                |            |            |          |          |          |
| Cash and Cash Equivalents          | -               | -        | 1.0            | 1.0        | -          | -        | -        | -        |
| <b>Total Financial Assets</b>      | <b>-</b>        | <b>-</b> | <b>1.0</b>     | <b>1.0</b> | <b>-</b>   | <b>-</b> | <b>-</b> | <b>-</b> |
| <b>Financial Liabilities</b>       |                 |          |                |            |            |          |          |          |
| Trade Payables                     | -               | -        | 0.1            | 0.1        | -          | -        | -        | -        |
| <b>Total Financial Liabilities</b> | <b>-</b>        | <b>-</b> | <b>0.1</b>     | <b>0.1</b> | <b>-</b>   | <b>-</b> | <b>-</b> | <b>-</b> |

#### B. Measurement of fair values:

Valuation techniques and significant unobservable inputs:

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

| Type                    | Valuation technique  | Significant unobservable inputs | Inter-relationship between significant unobservable inputs and fair value |
|-------------------------|--|---------------------------------|---|
| Non-current Investments | Fair value hierarchy have been valued using the cost approach.   | Not applicable                  | Not applicable  |
| Current Investments     | Fair value hierarchy have been valued other than quoted prices, that are observable for the asset or liability, either directly or indirectly. | Not applicable                  | Not applicable  |

#### C. Financial risk management:

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk; and
- Market risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The 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.

##### 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.

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

| (₹ in million)                |                  |                  |
|-------------------------------|------------------|------------------|
| Particulars                   | As at 31.03.2025 | As at 31.03.2024 |
| Not past due but impaired     | -                | -                |
| Neither past due nor impaired | 840.3            | -                |
| Past due not impaired         |                  |                  |
| - 1-180 days                  | 230.3            | -                |
| - 181- 365 days               | 30.5             | -                |
| - more than 365 days          | -                | -                |
| Past due impaired             |                  |                  |
| - 1-180 days                  | -                | -                |
| - 181- 365 days               | 0.5              | -                |
| - more than 365 days          | 9.1              | -                |
| <b>Total</b>                  | <b>1,110.7</b>   | <b>-</b>         |

Expected Credit Loss ageing

| (₹ in million)              |                  |                  |
|-----------------------------|------------------|------------------|
| Ageing of ECL (in days)     | As at 31.03.2025 | As at 31.03.2024 |
| -1-180 days                 | 16.2             | -                |
| -181- 365 days              | 9.9              | -                |
| -More than 365 days         | 0.6              | -                |
| <b>Expected Credit Loss</b> | <b>26.7</b>      | <b>-</b>         |
| Add: Past due Impaired      | 9.6              | -                |
| <b>Total</b>                | <b>36.3</b>      | <b>-</b>         |

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 receivables during the year was as follows:

| (₹ in million)                                   |                  |                  |
|--|------------------|------------------|
| Particulars                                      | As at 31.03.2025 | As at 31.03.2024 |
| Balance as at beginning of period                | -                | -                |
| Taken over on Acquisition                        | 23.0             | -                |
| Impairment loss recognised during the year (net) | 13.3             | -                |
| Amounts written off                              | -                | -                |
| <b>Balance as at the year end</b>                | <b>36.3</b>      | <b>-</b>         |

**Cash and cash equivalents**

As at the year end, the Company held cash and cash equivalents of ₹ 25.4 million. The cash and cash equivalents are held 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.

**Exposure to liquidity risk**

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

| (₹ in million)                                |                 |                        |                  |            |                |                   |
|---|-----------------|------------------------|------------------|------------|----------------|-------------------|
| As at 31.03.2025                              | Carrying Amount | Contractual Cash flows |                  |            |                |                   |
|   |                 | Total                  | Less than 1 year | 1-2 years  | 2-5 years      | More than 5 years |
| <b>Non-derivative financial liabilities :</b> |                 |                        |                  |            |                |                   |
| Borrowings - Non Current                      | 1,250.0         | 1,250.0                | -                | -          | 1,250.0        | -                 |
| Lease Liabilities - Non Current               | 0.9             | 1.0                    | -                | 0.3        | 0.7            | -                 |
| Other Non-Current Financial Liabilities       | 2.4             | 2.4                    | -                | 2.0        | 0.4            | -                 |
| Lease Liabilities - Current                   | 0.9             | 0.9                    | 0.9              | -          | -              | -                 |
| Trade Payables - Current                      | 471.5           | 471.5                  | 471.5            | -          | -              | -                 |
| Other Current Financial Liabilities           | 91.2            | 91.2                   | 91.2             | -          | -              | -                 |
| <b>Total</b>                                  | <b>1,816.9</b>  | <b>1,817.0</b>         | <b>563.6</b>     | <b>2.3</b> | <b>1,251.1</b> | <b>-</b>          |



| As at 31.03.2024                              | Carrying Amount | Contractual Cash flows |                  |           |           |                   |
|---|-----------------|------------------------|------------------|-----------|-----------|-------------------|
|   |                 | Total                  | Less than 1 year | 1-2 years | 2-5 years | More than 5 years |
| <b>Non-derivative financial liabilities :</b> |                 |                        |                  |           |           |                   |
| Lease Liabilities - Non Current               | -               | -                      | -                | -         | -         | -                 |
| Other Non-Current Financial Liabilities       | -               | -                      | -                | -         | -         | -                 |
| Lease Liabilities - Current                   | -               | -                      | -                | -         | -         | -                 |
| Trade Payables - Current                      | 0.1             | -                      | 0.1              | -         | -         | -                 |
| Other Current Financial Liabilities           | -               | -                      | -                | -         | -         | -                 |
| <b>Total</b>                                  | <b>0.1</b>      | <b>-</b>               | <b>0.1</b>       | <b>-</b>  | <b>-</b>  | <b>-</b>          |

**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. The Company is exposed to market risk primarily related to foreign exchange rate risk. Thus, the Company 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.

**Currency risk**

The Company do not have currency risk exposure as its entire operations are in India. The functional currency of the Company is Indian Rupee.

**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

The Company's do not have interest rate risk as all the borrowings are at Fixed rate borrowings.

**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.

**Commodity rate risk**

The Company's operating activities involve purchase and sale of Pharmaceutical Products, whose prices are not 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 31.03.2025 and 31.03.2024 the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

**38. CAPITAL MANAGEMENT**

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

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

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

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

| Particulars                             | (₹ in million)   |                  |
|---|------------------|------------------|
|   | As at 31.03.2025 | As at 31.03.2024 |
| Total borrowings*                       | -                | -                |
| Less : Cash and cash equivalent         | 25.4             | 1.0              |
| Less : Current Investments              | 23.0             | -                |
| Adjusted net debt                       | (48.4)           | (1.0)            |
| Total equity                            | 351.8            | 0.9              |
| Adjusted net debt to total equity ratio | (0.14)           | (1.14)           |

\* does not include Inter corporate borrowings from Holding Company of ₹ 1,250 million.

**39. OFF-SETTING OR SIMILAR ARRANGEMENTS**

There are no off-setting or similar arrangements as on 31.03.2025.

40. RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 (IND AS 24) ARE GIVEN BELOW:

A. Relationships -

Category I: Company whose control exist

Lupin Limited (Holding Company)

Category II: Key Management Personnel (KMP) :

|                     |          |
|---------------------|----------|
| Mr. Nilesh D. Gupta | Director |
| Mr. Sunil Makharia  | Director |
| Mr. Rajeev Sibal    | Director |

B. Transactions with the related parties:

(₹ in million)

| Sr. No. | Transactions   | For the Year ended March 31, 2025 | For the Period from July 17, 2023 to March 31, 2024 |
|---------|--|-----------------------------------|---|
|         | Lupin Limited  |                                   |   |
| 1       | Acquisition of Business Undertaking (refer note 35)                | 1,100.0                           | -   |
| 2       | Purchases of Goods/Materials                                       | 17.2                              | -   |
| 3       | Services Received (Expenses)                                       | 55.6                              | 0.1   |
| 4       | Expenses incurred on our behalf & other Reimbursements             | 11.9                              | -   |
| 5       | Interest on Intercompany Loan                                      | 42.1                              | -   |
| 6       | Royalty Expense  | 2.1                               | -   |
| 7       | Royalty Income   | 0.3                               | -   |
| 8       | Issue of Equity Shares   | 250.0                             | 1.0   |
|         | (Including share premium of ₹ 237.5 million (Previous year ₹ Nil)) |                                   |   |

Terms and conditions of transactions with related parties:

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

C. Balances due from/to the related parties:

(₹ in million)

| Sr. No. | Balances             | As at 31.03.2025 | As at 31.03.2024 |
|---------|----------------------|------------------|------------------|
|         | Lupin Limited        |                  |                  |
| 1       | Long Term Borrowings | 1,250.0          | -                |
| 2       | Trade Payables       | 43.2             | 0.1              |
| 3       | Trade Receivable     | 8.0              | -                |

41. NON CASH CHANGES IN CASH FLOWS FROM FINANCING ACTIVITIES

(₹ in million)

| Particulars  | As at 31.03.2024 | Cash flows     | Non-Cash Changes |                           |                    | As at 31.03.2025 |
|--|------------------|----------------|------------------|---------------------------|--------------------|------------------|
|  |                  |                | Interest Expense | Foreign Exchange Movement | Fair Value Changes |                  |
| <b>Non Current</b>                                 |                  |                |                  |                           |                    |                  |
| Loans from related party (Unsecured)               | -                | 1,250.0        | -                | -                         | -                  | 1,250.0          |
| <b>Lease liabilities (Refer Note 30)</b>           | -                | (1.4)          | 0.2              | -                         | 3.0                | 1.8              |
| <b>Total Liabilities from financing activities</b> | -                | <b>1,248.6</b> | <b>0.2</b>       | <b>-</b>                  | <b>3.0</b>         | <b>1,251.8</b>   |

  

| Particulars  | As at 17.07.2023 | Cash flows | Non-Cash Changes |                           |                    | As at 31.03.2024 |
|--|------------------|------------|------------------|---------------------------|--------------------|------------------|
|  |                  |            | Interest Expense | Foreign Exchange Movement | Fair Value Changes |                  |
| <b>Non Current</b>                                 |                  |            |                  |                           |                    |                  |
| Loans from related party (Unsecured)               | -                | -          | -                | -                         | -                  | -                |
| <b>Lease liabilities (Refer Note 30)</b>           | -                | -          | -                | -                         | -                  | -                |
| <b>Total Liabilities from financing activities</b> | -                | -          | -                | -                         | -                  | -                |

42. The Company evaluates events or transactions that occur after the balance sheet date but prior to the issuance of financial statements and concluded that no material subsequent events have occurred through May 13, 2025 that require adjustment to or disclosure in the financial statements.

#### 43. TRADE RECEIVABLES AGEING

(₹ in million)

| Particulars  | Outstanding for following periods from due date of payment |                    |                    |           |           |                   | Total as on 31 March 2025 |
|--|--|--------------------|--------------------|-----------|-----------|-------------------|---------------------------|
|  | Not due  | Less than 6 months | 6 months to 1 year | 1-2 Years | 2-3 Years | More than 3 Years |                           |
| (i) Undisputed Trade receivables – considered good                                 | 840.3  | 230.3              | 30.5               | -         | -         | -                 | 1,101.1                   |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | -  | -                  | -                  | -         | -         | -                 | -                         |
| (iii) Undisputed Trade Receivables – credit impaired                               | -  | -                  | 0.5                | 5.8       | 1.9       | 1.4               | 9.6                       |
| (iv) Disputed Trade Receivables – considered good                                  | -  | -                  | -                  | -         | -         | -                 | -                         |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | -  | -                  | -                  | -         | -         | -                 | -                         |
| (vi) Disputed Trade Receivables – credit impaired                                  | -  | -                  | -                  | -         | -         | -                 | -                         |
|  | 840.3  | 230.3              | 31.0               | 5.8       | 1.9       | 1.4               | 1,110.7                   |
| Allowance for credit loss  |  |                    |                    |           |           |                   | 36.3                      |
| <b>Total</b>   |  |                    |                    |           |           |                   | <b>1,074.4</b>            |

| Particulars  | Outstanding for following periods from due date of payment |                    |                    |           |           |                   | Total as on 31 March 2024 |
|--|--|--------------------|--------------------|-----------|-----------|-------------------|---------------------------|
|  | Not due  | Less than 6 months | 6 months to 1 year | 1-2 Years | 2-3 Years | More than 3 Years |                           |
| (i) Undisputed Trade receivables – considered good                                 | -  | -                  | -                  | -         | -         | -                 | -                         |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | -  | -                  | -                  | -         | -         | -                 | -                         |
| (iii) Undisputed Trade Receivables – credit impaired                               | -  | -                  | -                  | -         | -         | -                 | -                         |
| (iv) Disputed Trade Receivables – considered good                                  | -  | -                  | -                  | -         | -         | -                 | -                         |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | -  | -                  | -                  | -         | -         | -                 | -                         |
| (vi) Disputed Trade Receivables – credit impaired                                  | -  | -                  | -                  | -         | -         | -                 | -                         |
|  | -  | -                  | -                  | -         | -         | -                 | -                         |
| Allowance for credit loss  |  |                    |                    |           |           |                   | -                         |
| <b>Total</b>   |  |                    |                    |           |           |                   | <b>-</b>                  |

#### 44. TRADE PAYABLES AGEING

(₹ in million)

| Particulars   | Outstanding for following periods from due date of payment |                    |                    |           |           |                   | Total as on 31 March 2025 |
|---|--|--------------------|--------------------|-----------|-----------|-------------------|---------------------------|
|   | Not due  | Less than 6 months | 6 months to 1 year | 1-2 Years | 2-3 Years | More than 3 Years |                           |
| Outstanding dues of Micro and Small Enterprises                       | 22.3   | 2.1                | -                  | -         | -         | -                 | 24.4                      |
| Outstanding dues of other than Micro and Small Enterprises            | 191.6  | 36.0               | 40.2               | 0.1       | 0.0       | -                 | 267.9                     |
| Disputed - Outstanding dues of Micro and Small Enterprises            | -  | -                  | -                  | -         | -         | -                 | -                         |
| Disputed - Outstanding dues of other than Micro and Small Enterprises | -  | -                  | -                  | -         | -         | -                 | -                         |
|   | 213.9  | 38.1               | 40.2               | 0.1       | 0.0       | -                 | 292.3                     |
| Accrued Expenses  |  |                    |                    |           |           |                   | 179.2                     |
| <b>Total</b>  |  |                    |                    |           |           |                   | <b>471.5</b>              |

| Particulars   | Outstanding for following periods from due date of payment |                    |                    |           |           |                   | Total as on 31 March 2024 |
|---|--|--------------------|--------------------|-----------|-----------|-------------------|---------------------------|
|   | Not due  | Less than 6 months | 6 months to 1 year | 1-2 Years | 2-3 Years | More than 3 Years |                           |
| Outstanding dues of Micro and Small Enterprises                       | -  | -                  | -                  | -         | -         | -                 | -                         |
| Outstanding dues of other than Micro and Small Enterprises            | -  | -                  | -                  | -         | -         | -                 | -                         |
| Disputed - Outstanding dues of Micro and Small Enterprises            | -  | -                  | -                  | -         | -         | -                 | -                         |
| Disputed - Outstanding dues of other than Micro and Small Enterprises | -  | -                  | -                  | -         | -         | -                 | -                         |
|   | -  | -                  | -                  | -         | -         | -                 | -                         |
| Accrued Expenses  |  |                    |                    |           |           |                   | 0.1                       |
| <b>Total</b>  |  |                    |                    |           |           |                   | <b>0.1</b>                |

#### 45. FINANCIAL RATIOS

| Ratios                       | Numerator   | Denominator  | 31-Mar-25 | 31-Mar-24 |
|------------------------------|---|--|-----------|-----------|
| Current Ratio                | Total Current Asset   | Total Current Liabilities  | 3.19      | 7.74      |
| Debt-Equity Ratio            | Total Debt = Non Current Borrowings+ Current  | Total Equity Attributable to owners  | 3.55      | NA        |
| Debt service coverage ratio  | Earnings available for Debt Service = Net Profit after taxes before OCI + Non-cash operating expenses like depreciation and other amortizations - Unrealised gain + Interest + loss on sale of Fixed assets | Debt service (Debt service =Interest & Lease Payments + Principal Repayments)                  | 103.12    | NA        |
| Return on equity ratio (ROE) | Net profits after taxes   | Average Shareholder's Equity = (Opening Shareholder's Equity + Closing Shareholder's Equity)/2 | 53.00%    | -30.00%   |

| Ratios                                   | Numerator  | Denominator  | 31-Mar-25 | 31-Mar-24 |
|--|--|--|-----------|-----------|
| Inventory turnover ratio                 | Cost of Goods Sold = Cost of Materials Consumed + Purchases of Stock-in-Trade + Changes in inventories of Finished Goods / Work in Progress / Stock-in-Trade | Average Inventory = (Opening inventory + Closing inventory)/2                    | 5.41      | NA        |
| Trade receivables                        | Total sales  | Closing Trade receivable   | 2.39      | NA        |
| Trade payables                           | Total Purchases  | Closing Trade Payables   | 5.06      | NA        |
| Net capital turnover ratio               | Net sales  | Working Capital = current assets - current liabilities                           | 1.60      | NA        |
| Net profit ratio                         | Net Profit after Tax   | Revenue from Operations  | 4.00%     | NA        |
| Return on capital employed (ROCE)        | Earnings before interest and taxes   | Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liability (net) | 10.00%    | -30.00%   |
| Gross profit Ratio (in %)                | Gross Profit = Net sales - Cost of Materials   | Net Sales  | 32.00%    | NA        |
| EBITDA (Earnings Before Interest, Taxes, | EBITDA   | Net sales  | 6.00%     | NA        |
| Return on Mutual Fund                    | Income generated from investment   | Average Investment   | 9.0%      | NA        |

As the Company have commenced its operations w.e.f. on July 01, 2024, the comparable numbers, percentage of variance and reasons for variance are not

#### 46. Other Statutory Information

- (A) The Company has not entered into any transactions with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of the Companies
- (B) The Company has not granted any loans or advances in the nature of loans to promoters, directors and KMPs, either severally or jointly with any other person. No trade or other receivable are due from directors either severally or jointly with any other person.
- (C) The Company has not traded or invested in Crypto Currency or Virtual Currency.
- (D) The Company does not have any transaction not recorded in the books of account that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 for the year ended 31 March 2024.
- (E) The Company has complied with number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of
- (F) There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
- (G) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (H) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (I) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds), other than in the ordinary course of business by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**In terms of our report attached**

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration No. 101248W/W - 100022

For and on behalf of **Board of Directors of LUPIN LIFE SCIENCES LIMITED**  
**(FORMERLY KNOWN AS LUPIN ATHARV ABILITY LIMITED)**

CIN : U86100MH2023PLC406793

**Siddharth Pandya**

Partner

Membership No. 135037

**Nilesh D. Gupta**

Director

DIN: 01734642

**Sunil Makharia**

Director

DIN: 00064399

Place : Mumbai

Dated : May 13, 2025

Place : Mumbai

Dated : May 13, 2025