Standalone Financial Statements

Independent Auditor's Report

To the Members of Lupin Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Lupin Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2021, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and 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 Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone financial statements.

Key Audit Matters

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

The key audit matter	How the matter was addressed in our audit
1. Revenue Recognition: Refer note 1B(k) of accounting policy and note 39 in standalone financial statements. Revenue from the sale of pharmaceutical products is recognized when control over goods is transferred to a customer. The actual point in time when revenue is recognised varies depending on the specific terms and conditions of the sales contracts entered into with customers. The Company has a large number of customers operating in various geographies and sales contracts with customers have distinct terms relating to the recognition of revenue, the right of return and price adjustments. We identified the recognition of revenue from sale of products as a key audit matter considering: • Revenue is a key performance indicator for the Company. Accordingly, there could be pressure to meet the expectations of investors/ other stakeholders and/ or to meet revenue targets stipulated in performance incentive schemes for a reporting period. We have considered that there is a risk of fraud related to revenue being overstated by recognition in the wrong period or before control has passed.	To obtain sufficient and appropriate audit evidence, our principal audit procedures included, amongst others, the following: - Comparing the accounting policies in respect of revenue recognition with applicable accounting standards to ensure compliance; - Testing design, implementation and operating effectiveness of the Company's internal controls including general IT controls and key IT application controls over recognition of revenue; - Performing substantive testing of selected samples of revenue transactions recorded during the year-end. For a sample of year-end sales, we verified contractual terms of sales invoices/ contracts, shipping documents and acknowledged delivery receipts for those transactions; - Testing of any unusual non-standard manual journal entries that impacted revenue recognised.

The key audit matter	How the matter was addressed in our audit
2. Uncertain tax positions (UTPs): The Company is subject to complexities arising from various tax positions on deductibility of expenses as well as allowability of tax incentives/ exemptions. These are subject to periodic challenges by local tax authorities leading to protracted litigations. There are a number of open tax matters under litigation with tax authorities over a number of years. The range of possible outcomes for provisions and contingencies can be wide. Judgment is required to estimate the tax exposures and contingencies. Provision for current tax, valuation of UTPs has been identified as a key audit matter due to the inherent complexity in the underlying tax laws and the extent of judgment involved in developing these estimates. These matters are disclosed in note 46 to the standalone financial statements. Refer note 1B(i) in significant accounting policies.	To obtain sufficient and appropriate audit evidence, our principal audit procedures included, amongst others, the following: - Testing the design and operating effectiveness of the controls over ascertaining completeness of UTPs and provisions for current tax; - Challenging the adequacy of related provisions in conjunction with tax specialists by considering changes to business and tax legislation, making relevant enquiries and reading of correspondence with authorities where relevant; - Verifying the calculation for current tax provision. Analyzing the rationale for any release, increase or continued provision during the year; - Challenging judgments with respect to probability of outflow arising from outstanding litigations after considering the status of recent tax assessments, audits and enquiries, recent judicial pronouncements and judgments in similar matters. Also consider developments in the tax environment and outcome of past litigations.

Other Information

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

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

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

Management's and Board of Director's Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the 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.

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government 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 knowledge and belief were necessary for the purposes of our audit.

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

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

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

e) On the basis of the written representations received from the directors as on March 31, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

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

(B) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at March 31, 2021, on its financial position in its standalone financial statements - Refer Note 36 to the standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

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

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended March 31, 2021.

(C) With respect to the matter to be included in the Auditor’s Report under section 197(16):
In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

Venkataramanan Vishwanath
Partner
Membership No. 113156
ICAI UDIN: 21113156AAAACF2763

Place: Bengaluru
Date: 12 May 2021

Annexure A to the Independent Auditor's Report - 31 March 2021

(Referred to our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. Based on the information and explanations provided to us, physical verification of a portion of the fixed assets was initiated during the year in accordance with this program and was partially completed owing to the restrictions and limitations imposed due to the Covid-19 pandemic during the year. No material discrepancies have been noticed to the extent the verification was completed during the year.

(c) According to the information and explanations given to us and based on the examination of the registered sale deed/transfer deed/ conveyance deed/share certificate/other documents evidencing title, we report that the title deeds of immovable properties of land and building which are freehold, as disclosed in Note 2 to the standalone financial statements, are held in the name of the Company, except for the following:

(₹ in million)

Particulars of the land and building	Gross Block (as at 31 March 2021)	Net Block (as at 31 March 2021)	Remarks
Freehold land located in Maharashtra admeasuring 7 Hectare and 70.91 Acre	29.6	29.6	The title deeds are in the name of erstwhile Company that was amalgamated with the Company pursuant to the Scheme of amalgamation sanctioned by the Hon'ble Bombay High Court
Freehold building located in Maharashtra admeasuring 8038 sq. ft.	133.9	86.9	The title deeds are in the name of erstwhile Company that was amalgamated with the Company pursuant to the Scheme of amalgamation sanctioned by the Hon'ble Bombay High Court

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

(₹ in million)

Particulars of the building	Gross Block (as at 31 March 2021)	Net Block (as at 31 March 2021)	Remarks
Leasehold building located in Delhi admeasuring 1628 sq.ft.	2.8	2.2	The title deeds are in the name of erstwhile Company that was amalgamated with the Company pursuant to the Scheme of amalgamation sanctioned by the Hon'ble Bombay High Court

In respect of immovable properties of land and buildings which are disclosed as fixed asset in the standalone Ind AS financial statements, the original documents for the following assets are not available for verification.

(₹ in million)

Particulars of the land and building	Gross Block (as at 31 March 2021)	Net Block (as at 31 March 2021)
Building located in Maharashtra	7.5	4.9
Land located in Uttarakhand	0.3	0.3

(ii) Inventories, apart from goods in transit and inventories lying with outside parties, have been physically verified by the Management during the year and the discrepancies noticed on such verification between the physical stock and book records were not material. In our opinion, the frequency of such verification is reasonable. Inventories lying with outside parties has been substantially confirmed by them as at the year-end and no material discrepancies were noticed in respect of such confirmations.

(iii) According to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

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

(v) According to the information and explanations given to us, the Company has not accepted any deposits as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by Central Government for maintenance of cost records under Section 148 (1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

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

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' state insurance, Income tax, duty of Customs, Goods and Service tax, Cess, Sales tax, Value added tax, Service tax and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

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

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks or government. The Company has not issued any debentures.

(ix) The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India,
and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such cases by the Management.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are

in compliance with the provisions of Sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the standalone Ind AS financial statements as required under Indian Accounting Standard
(Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act read with the relevant rules issued thereunder.

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

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with its directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

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

Venkataramanan Vishwanath
Partner
Membership No: 113156
ICAI UDIN: 21113156AAAACF2763

Place: Bengaluru
Date: 12 May 2021

Annexure – I to the Independent Auditor's Report – 31 March 2021

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

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which amount relates	Amount demanded (₹ million)	Amount unpaid (₹ million)
Income tax Act, 1961	Income tax	Commissioner of Income tax (Appeals)	2005-2007, 2013-2016	1,320.6	347.8
		Income Tax Appellate Tribunal (ITAT) [Including ₹ 423.1 million consequent to department preferring appeals against the orders of the Appellate Authority passed in favour of the company]	2008-2012	690.2	423.1
		High Court [consequent to department preferring appeal against the order of the Appellate Authority passed in favour of the company]	1993-94	16.3	16.3
Central Excise Act, 1944	Excise duty De-bonding matters	Customs, Excise, and Service Tax Appellate Tribunal (CESTAT)	2010 & 2012	418.1	47.0
	Service Tax Matters		2005-08	47.9	47.9
	Excise Duty		2015-18	54.2	54.2
The Customs Act 1962	Customs duty		2010-11	0.8	0.8
CGST Act, 2017	GST	Goods and Service Tax Appellate Tribunal (GSTAT)	2017-18	437.0	437.0
Central and various States' Sales Tax Acts and various States' Value Added Tax Acts	Sales tax and Value added tax	Sales Tax Tribunal	2000-01	32.6	26.7
			2003-06		
			2009-11		
			2017-18		
		Supreme Court	2000-01	0.5	0.5
		High Court	2002-03	11.6	5.3
			2004-05		
		Commissioner of Sales Tax (Appeal)	2001- 03	1.6	1.5
			2004-05		
			2014-15		
		Joint Commissioner	2001-04	12.0	4.5
			2005-06		
			2013-14		
		Deputy Commissioner	1994-95	0.2	0.2
			2015-16		
		Additional Commissioner	1994-95	14.5	11.0
			2010-11		
			2015-18		
		Assistant Commissioner	2017-18	0.3	-

Annexure B to the Independent Auditor's report on the standalone financial statements of Lupin Limited for the period ended March 31, 2021.

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

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

Opinion

We have audited the internal financial controls with reference to financial statements of Lupin Limited ("the Company") as of March 31, 2021, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

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

Venkataramanan Vishwanath
Partner
Membership No. 113156
ICAI UDIN: 21113156AAAACF2763

Place: Bengaluru
Date: 12 May 2021

Balance Sheet

as at March 31, 2021

(₹ in million)

	Note	As at 31.03.2021	As at 31.03.2020
ASSETS			
Non-Current Assets			
a. Property, Plant and Equipment	2	35,561.7	34,461.9
b. Capital Work-in-Progress		7,958.3	6,946.3
c. Intangible Assets	3	826.6	676.9
d. Intangible Assets Under Development	50	1,550.3	1,273.7
e. Financial Assets			
(i) Non-Current Investments			
- In Subsidiaries	4	71,996.2	51,247.3
- In Others	4	419.7	19.7
(ii) Non-Current Loans	5	658.7	447.2
(iii) Other Non-Current Financial Assets	6	10.5	9.7
f. Non-Current Tax Assets (Net)		2,691.3	1,178.3
g. Other Non-Current Assets	7	738.6	2,158.9
		122,411.9	98,419.9
Current Assets			
a. Inventories	8	27,081.9	24,846.1
b. Financial Assets			
(i) Current Investments	9	23,209.9	23,297.3
(ii) Trade Receivables	10	31,905.4	36,163.3
(iii) Cash and Cash Equivalents	11	1,774.1	11,680.2
(iv) Other Bank Balances	12	1,066.0	1,379.1
(v) Current Loans	13	126.4	348.9
(vi) Other Current Financial Assets	14	4,311.5	3,245.8
c. Current Tax Assets (Net)		-	2.0
d. Other Current Assets	15	6,698.5	7,422.4
		96,173.7	108,385.1
TOTAL		**218,585.6**	**206,805.0**
EQUITY AND LIABILITIES			
Equity			
a. Equity Share Capital	16	907.4	906.0
b. Other Equity	17	184,748.3	173,826.0
		185,655.7	174,732.0
Liabilities			
Non-Current Liabilities			
a. Financial Liabilities			
(i) Non-Current Borrowings	18	1.5	3.1
(ii) Other Non-Current Financial Liabilities	19	1,359.9	1,195.9
b. Non-Current Provisions	20	3,079.6	2,726.3
c. Deferred Tax Liabilities (Net)	46	2,173.2	1,929.4
d. Other Non-Current Liabilities	21	457.4	660.4
		7,071.6	6,515.1
Current Liabilities			
a. Financial Liabilities			
(i) Current Borrowings	22	2,987.9	52.9
(ii) Trade Payables			
- Total outstanding dues of Micro Enterprises and Small Enterprises	23	912.3	989.4
- Total outstanding dues of other than Micro Enterprises and Small Enterprises	23	11,051.6	14,671.9
(iii) Other Current Financial Liabilities	24	2,965.0	2,747.1
b. Other Current Liabilities	25	1,014.0	1,194.9
c. Current Provisions	26	5,889.8	5,515.6
d. Current Tax Liabilities (Net)		1,037.7	386.1
		25,858.3	25,557.9
TOTAL		**218,585.6**	**206,805.0**
See accompanying notes forming 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

Venkataramanan Vishwanath
Partner
Membership No. 113156

Place: Bengaluru
Dated: May 12, 2021

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

Manju D. Gupta
Chairman
DIN: 00209461

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh D. Gupta
Managing Director
DIN: 01734642

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

R. V. Satam
Company Secretary
ACS - 11973

Place: Mumbai
Dated: May 12, 2021

Statement of Profit and Loss

for the year ended March 31, 2021

(₹ in million)

	Note	For the Current Year ended 31.03.2021	For the Previous Year ended 31.03.2020
INCOME:			
Revenue from Operations	27	110,559.3	110,256.6
Other Income	28	1,290.9	4,751.9
Total Income		**111,850.2**	**115,008.5**
EXPENSES:			
Cost of Materials Consumed	29	27,412.2	27,532.2
Purchases of Stock-in-Trade		15,229.5	14,827.7
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade [(Increase)/Decrease]	30	(818.6)	(287.2)
Employee Benefits Expense	31	16,958.6	17,032.2
Finance Costs	32	406.2	525.9
Depreciation, Amortisation and Impairment Expense	2&3	5,028.3	5,187.5
Other Expenses	33	31,337.0	32,075.6
Total Expenses		**95,553.2**	**96,893.9**
Profit before Exceptional items and Tax		**16,297.0**	**18,114.6**
Exceptional items	50	-	7,592.1
Profit before Tax		**16,297.0**	**10,522.5**
Tax Expense	46		
- Current Tax (Net)		3,628.5	3,620.5
- Deferred Tax (Net)		82.3	(373.5)
Total Tax Expense		**3,710.8**	**3,247.0**
Profit for the year		**12,586.2**	**7,275.5**
Other Comprehensive Income/ (Loss)			
(A) (i) Items that will not be reclassified subsequently to profit or loss:			
(a) Remeasurements of Defined Benefit Liability		(121.3)	(442.9)
(ii) Income tax relating to items that will not be reclassified to profit or loss:	46	42.4	154.8
(B) (i) Items that will be reclassified subsequently to profit or loss:			
(a) The effective portion of gain & losses on hedging instruments in a cash flow hedge		729.7	(562.1)
(ii) Income tax relating to items that will be reclassified to profit or loss:	46	(203.9)	157.7
Other Comprehensive Income/ (Loss) for the year, net of tax		**446.9**	**(692.5)**
Total Comprehensive Income for the year		**13,033.1**	**6,583.0**
Earnings per equity share (in ₹)	43		
Basic		**27.77**	**16.07**
Diluted		**27.65**	**15.99**
Face Value of Equity Share (in ₹)		2.00	2.00
See accompanying notes forming 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

Venkataramanan Vishwanath
Partner
Membership No. 113156

Place: Bengaluru
Dated: May 12, 2021

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

Manju D. Gupta
Chairman
DIN: 00209461

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh D. Gupta
Managing Director
DIN: 01734642

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

R. V. Satam
Company Secretary
ACS - 11973

Place: Mumbai
Dated: May 12, 2021

Statement of Changes in Equity

for the year ended March 31, 2021

A. Equity Share Capital [Refer note 16]

Particulars	As at 31.03.2021		As at 31.03.2020	
	No. of Shares	**₹ in million**	No. of Shares	₹ in million
Balance at the beginning of the reporting year	452,998,121	906.0	452,493,697	905.0
Changes in equity share capital during the year	682,012	1.4	504,424	1.0
Balance at the end of the reporting year	**453,680,133**	**907.4**	452,998,121	906.0

B. Other Equity [Refer note 17]

(₹ in million)

Particulars	**Reserves and Surplus**						**Amalgamation Reserve**	**Share Application Money Pending Allotment**	**Other items of Other Comprehensive Income**		**Total Other Equity**
	Capital Reserve	**Capital Redemption Reserve**	**Securities Premium**	**Employees Stock Options Outstanding**	**General Reserve**	**Retained Earnings**			**Effective portion of Cash Flow Hedges**	**Remeasurement of the net Defined Benefit Plans**	
Balance as at 31.03.2019	**263.9**	**126.5**	**8,644.3**	**2,184.2**	**16,668.7**	**142,273.4**	**317.9**	**-**	**77.5**	**(288.7)**	**170,267.7**
Profit for the year	-	-	-	-	-	7,275.5	-	-	-	-	7,275.5
Adjustment for transition to Ind AS 116 - "Leases"	-	-	-	-	-	(86.9)	-	-	-	-	(86.9)
Adjustment for transition to Appendix C of Ind AS 12 - "Income Taxes" [Refer note 46(d)]	-	-	-	-	-	(804.5)	-	-	-	-	(804.5)
Received during the year	-	-	-	-	-	-	-	0.8	-	-	0.8
Movement in other comprehensive income for the year	-	-	-	-	-	-	-	-	(401.9)	(288.1)	(690.0)
Final dividend on Equity Shares	-	-	-	-	-	(2,263.0)	-	-	-	-	(2,263.0)
Corporate Tax on Dividend	-	-	-	-	-	(465.2)	-	-	-	-	(465.2)
Issue of equity shares on exercise of employee stock options	-	-	531.2	-	-	-	-	-	-	-	531.2
Amortised/ Exercised during the year	-	-	-	60.4	-	-	-	-	-	-	60.4
Transfer from share based payments	-	-	-	(98.4)	98.4	-	-	-	-	-	-
Balance as at 31.03.2020	**263.9**	**126.5**	**9,175.5**	**2,146.2**	**16,767.1**	**145,929.3**	**317.9**	**0.8**	**(324.4)**	**(576.8)**	**173,826.0**
Profit for the year	-	-	-	-	-	12,586.2	-	-	-	-	12,586.2
Received during the year	-	-	-	-	-	-	-	0.5	-	-	0.5
Movement in other comprehensive income for the year	-	-	-	-	-	-	-	-	524.2	(78.9)	445.3
Final dividend on Equity Shares	-	-	-	-	-	(2,718.8)	-	-	-	-	(2,718.8)
Issue of equity shares on exercise of employee stock options	-	-	711.7	-	-	-	-	-	-	-	711.7
Amortised/ Exercised during the year	-	-		(101.7)	-	-	-	-	-	-	(101.7)
Reduction on allotment of shares	-	-	-	-	-	-	-	(0.8)	-	-	(0.8)
Transfer from share based payments	-	-	-	(149.7)	149.7	-	-	-	-	-	-
Balance as at 31.03.2021	**263.9**	**126.5**	**9,887.2**	**1,894.8**	**16,916.8**	**155,796.7**	**317.9**	**0.5**	**199.8**	**(655.7)**	**184,748.3**

Nature of Reserves

a) Capital Reserve

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

b) Capital Redemption Reserve

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

c) Securities Premium

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

d) Employees Stock Options Outstanding

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

e) General Reserve

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

f) Amalgamation Reserve

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

g) Share Application Money Pending Allotment

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

h) Cash Flow Hedge Reserve

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

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

Venkataraman Vishwanath
Partner
Membership No. 113156

Place: Bengaluru
Dated: May 12, 2021

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

Manju D. Gupta
Chairman
DIN: 00209461

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh D. Gupta
Managing Director
DIN: 01734642

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

R. V. Satam
Company Secretary
ACS - 11973

Place: Mumbai
Dated: May 12, 2021

Statement of Cash Flows

for the year ended March 31, 2021

(₹ in million)

		For the Current Year ended 31.03.2021	For the Previous Year ended 31.03.2020
A.	**Cash Flow from Operating Activities**		
	Profit before Tax	16,297.0	10,522.5
	Adjustments for:		
	Depreciation, Amortisation and Impairment Expense	5,028.3	5,187.5
	Impairment of Intangible assets/ Intangible asset under development	-	3,800.3
	Loss/ (Profit) on Sale/ Write-off of Property, Plant and Equipment/ Intangible Assets (net)	0.7	17.6
	Net Gain on sale of Mutual Fund Investments	(243.6)	(1,062.8)
	Finance Costs	406.2	525.9
	Interest on Deposits with Banks and Others	(317.5)	(80.2)
	Dividend on Mutual Fund Investments	-	(145.6)
	Unrealised Loss/ (Gain) on Mutual Fund Investments (net)	(277.7)	(2.4)
	Unrealised Loss/ (Gain) on Preference Shares	(20.0)	-
	Doubtful Trade Receivables/ Advances provided (net)	148.0	16.8
	Bad Trade Receivables/ Advances written off	0.1	3.2
	Share Based Payments Expense	386.6	415.3
	Unrealised Exchange loss/ (gain) on revaluation (net)	(39.0)	(1,490.2)
	Operating Cash Flows before Working Capital Changes	**21,369.1**	**17,707.9**
	Changes in working capital:		
	Adjustments for (increase)/ decrease in operating assets:		
	Inventories	(2,235.8)	(1,786.3)
	Trade Receivables	4,071.6	2,757.4
	Current Loans	222.5	(119.8)
	Non-Current Loans	(211.5)	180.2
	Other Current Financial Assets	(678.9)	3,075.1
	Other Current Assets	666.6	(1,104.4)
	Other Non-Current Assets	275.6	(105.6)
	Other Non-Current Financial Assets	0.8	4.6
	Adjustments for increase/ (decrease) in operating liabilities:		
	Trade Payables	(3,563.0)	2,933.9
	Non-Current Trade Payables	-	(16.1)
	Other Current Financial liabilities	252.9	1,015.3
	Other Current liabilities	(180.9)	325.1
	Other Non-Current liabilities	(203.0)	134.0
	Other Non-Current Financial liabilities	4.1	(5.8)
	Current Provisions	252.9	611.8
	Non-Current Provisions	145.7	446.8
	Cash Generated from Operations	**20,188.7**	**26,054.1**
	Net Income tax paid	(4,487.9)	(3,859.2)
	Net Cash Flow generated/ (used in) from Operating Activities	**15,700.8**	**22,194.9**
B.	**Cash Flow from Investing Activities**		
	Capital expenditure on Property, Plant and Equipment, including capital advances	(5,198.3)	(5,181.1)
	Proceeds from sale of Property, Plant and Equipment/ Intangible Assets	15.1	20.3
	Purchase of Non-Current Investment	(21,128.9)	-
	Proceeds from sale of Non-Current Investments	-	1,033.7
	Purchase of Current Investments	(114,462.8)	(141,138.8)
	Proceeds from sale of Current Investments	115,069.1	138,968.6
	Bank balances not considered as Cash and Cash Equivalents (net)	313.1	(1,324.1)
	Dividend on Mutual Fund Investments	-	145.6
	Interest on Deposits with Banks and others	317.5	80.2
	Net Cash Flow generated/ (used in) from Investing Activities	**(25,075.2)**	**(7,395.6)**

Statement of Cash Flows

for the year ended March 31, 2021

(₹ in million)

	For the Current Year ended 31.03.2021	For the Previous Year ended 31.03.2020
C. Cash Flow from Financing Activities		
Proceeds from/ (Repayment of) Non Current Borrowings (net)	(2.3)	(35.4)
Proceeds from/ (Repayment of) Current Borrowings (net)	2,935.0	36.1
Proceeds from issue of equity shares (ESOPs) and Share application money	1.9	1.0
Securities Premium Received (ESOPs)	105.7	58.7
Payment of Lease liabilities	(779.2)	(798.2)
Finance Costs	(69.6)	(210.9)
Dividend paid	(2,723.2)	(2,264.6)
Corporate Tax on Dividend	-	(465.2)
Net Cash Flow generated/ (used in) from Financing Activities	**(531.7)**	**(3,678.5)**
Net Increase/ (Decrease) in Cash and Cash Equivalents	**(9,906.1)**	**11,120.8**
Cash and Cash Equivalents as at the beginning of the year	11,680.2	559.4
Cash and Cash Equivalents as at end of the reporting year (Refer note 11)	**1,774.1**	**11,680.2**

Notes :

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS -7) "Statement of Cash Flows".

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

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

Venkataramanan Vishwanath
Partner
Membership No. 113156

Place: Bengaluru
Dated: May 12, 2021

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

Manju D. Gupta
Chairman
DIN: 00209461

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

R. V. Satam
Company Secretary
ACS - 11973

Place: Mumbai
Dated: May 12, 2021

Notes

Forming part of the Standalone Financial Statements

1A. OVERVIEW:

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

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

1B. SIGNIFICANT ACCOUNTING POLICIES:

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

Basis of preparation

i) These standalone financial statements of the Company have been prepared in all material aspects in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under section 133 of the Companies Act, 2013 ('the Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India.
These standalone financial statements were authorized for issue by the Company's Board of Directors on May 12, 2021.

Functional and Presentation Currency

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

Basis of measurement

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

Use of Estimates and Judgements

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

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

- Measurement of defined benefit obligations (Refer note l)
- Measurement and likelihood of occurrence of provisions and contingencies (Refer note o)
- Recognition of deferred tax assets (Refer note i)
- Useful lives of property, plant and equipment and intangibles (Refer note b & c)
- Impairment of assets (Refer note f)
- Impairment of financial assets (Refer note h)
- Provision for Income taxes and uncertain tax positions (refer note i)
- Accrual of Sales return and other applicable trade discounts and allowances (refer note k)
- Share-based payment transactions (Refer note m)

Notes

Forming part of the Standalone Financial Statements

b) Property, Plant and Equipment & Depreciation:

I. Recognition and Measurement:

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

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

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

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

II. Subsequent Expenditure

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

III. Depreciation

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

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

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

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

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

c) Intangible assets:

I. Recognition and Measurement:

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

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

Notes

Forming part of the Standalone Financial Statements

II. Subsequent Expenditure

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

III. Amortisation

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

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

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

d) Non-current assets held for sale:

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

e) Research and Development:

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

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

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

f) Impairment of assets:

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

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

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

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

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

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

Notes

Forming part of the Standalone Financial Statements

g) Foreign Currency Transactions/ Translations:

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

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

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

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

h) Financial Instruments:

I. Financial Assets

Classification

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

Initial recognition and measurement

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

Financial assets at amortised cost

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

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

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

Equity investments

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

Notes

Forming part of the Standalone Financial Statements

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

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

Investments in subsidiaries and joint venture

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

Derecognition

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

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

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

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

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

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

Impairment of financial assets

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

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

ii) trade receivables.

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

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

II. Financial Liabilities

Classification

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

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Initial recognition and measurement

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

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

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

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

Loans and borrowings

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

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

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

Derecognition

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

Embedded derivatives

If the hybrid contract contains a host that is a financial asset within the scope Ind-AS 109, the Company does not separate of 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,

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to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

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

Hedge Accounting

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

III. Measurement

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

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

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

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

i) Income tax:

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

Current tax

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

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

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

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

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Deferred tax

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

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

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

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

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

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

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

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

Deferred tax assets and liabilities are offset only if:

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

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

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

j) Inventories:

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

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

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

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k) Revenue Recognition:

Sale of Goods

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

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

Income from research services

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

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

Interest income

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

Dividend income

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

Income from Export Benefits and Other Incentives

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

l) Employee Benefits:

Short term employee benefits

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

Defined contribution plans

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

Defined benefit plans

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

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

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

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

Other long-term employee benefits

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

m) Share-based payment transactions:

Employees Stock Options Plans ("ESOPs"):

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

n) Leases:

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

Company as a lessee

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

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

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, If that rate cannot be readily determined, the Company uses incremental borrowing rate, Generally, the Company uses its incremental borrowing rate as the discount rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of

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the lease and type of the asset leased. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

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

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, had notified Ind AS 116 Leases which replaced the erstwhile lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduced a single, on-balance sheet lease accounting model for lessees.

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

o) Provisions and Contingent Liabilities:

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

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

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

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

p) Cash and Cash equivalents:

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

q) Borrowing costs:

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

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

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

r) Government Grants:

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

- In case of capital grants, they are then recognised in Statement of Profit and Loss as other income on a systematic basis over the useful life of the asset.
- In case of grants that compensate the Company for expenses incurred are recognised in Statement of Profit and Loss on a systematic basis in the periods in which the expenses are recognised.

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

s) Earnings per share:

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

t) Insurance claims:

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

u) Goods and Services tax input credit:

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

v) Operating cycle:

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

1C. RECENT ACCOUNTING PRONOUNCEMENTS:

Other Amendments:

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital

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work-in-progress and intangible asset under development.

- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of Profit and Loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of standalone financial statements.

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

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2. Property, Plant and Equipment

(₹ in million)

Particulars	Gross Block				Accumulated Depreciation					Net Block
	As at 01.04.2020	Additions	Disposals	**As at 31.03.2021**	As at 01.04.2020	For the period	Impairment Loss	Disposals	**As at 31.03.2021**	**As at 31.03.2021**
Freehold Land	**974.7**	**-**	**-**	**974.7**	**-**	**-**	**-**	**-**	**-**	**974.7**
	865.9	*108.8*	*-*	*974.7*	*-*	*-*	*-*	*-*	*-*	*974.7*
Buildings	**14,151.1**	**1,052.8**	**1.1**	**15,202.8**	**2,149.5**	**560.6**	**-**	**0.4**	**2,709.7**	**12,493.1**
	12,237.5	*1,939.7*	*26.1*	*14,151.1*	*1,602.1*	*552.2*	*-*	*4.8*	*2,149.5*	*12,001.6*
Improvements on Leased Premises	**440.5**	**40.2**	**3.4**	**477.3**	**284.7**	**94.5**	**-**	**2.3**	**376.9**	**100.4**
	425.1	*15.4*	*-*	*440.5*	*166.9*	*117.8*	*-*	*-*	*284.7*	*155.8*
Plant and Equipment	**31,250.1**	**3,586.0**	**73.0**	**34,763.1**	**13,471.3**	**3,140.7**	**-**	**57.0**	**16,555.0**	**18,208.1**
	26,830.4	*4,513.8*	*94.1*	*31,250.1*	*10,448.0*	*3,102.1*	*-*	*78.8*	*13,471.3*	*17,778.8*
Furniture and Fixtures	**1,233.6**	**58.0**	**33.7**	**1,257.9**	**530.9**	**133.1**	**-**	**26.3**	**637.7**	**620.2**
	1,088.7	*167.8*	*22.9*	*1,233.6*	*415.2*	*138.0*	*-*	*22.3*	*530.9*	*702.7*
Vehicles	**84.4**	**-**	**1.9**	**82.5**	**38.8**	**10.6**	**-**	**1.4**	**48.0**	**34.5**
	76.0	*11.5*	*3.1*	*84.4*	*31.8*	*10.1*	*-*	*3.1*	*38.8*	*45.6*
Office Equipment	**1,858.4**	**121.3**	**46.4**	**1,933.3**	**1,306.4**	**270.1**	**-**	**45.5**	**1,531.0**	**402.3**
	1,776.2	*105.2*	*23.0*	*1,858.4*	*1,033.1*	*296.3*	*-*	*23.0*	*1,306.4*	*552.0*
Right of use Assets										
Leasehold Land	**1,104.5**	**27.5**	**-**	**1,132.0**	**46.3**	**13.0**	**-**	**-**	**59.3**	**1,072.7**
	1,104.5	*-*	*-*	*1,104.5*	*35.2*	*11.1*	*-*	*-*	*46.3*	*1,058.2*
Leasehold Buildings	**1,104.6**	**1,034.7**	**449.9**	**1,689.4**	**419.3**	**421.8**	**-**	**401.6**	**439.5**	**1,249.9**
	706.1	*398.5*	*-*	*1,104.6*	*-*	*419.3*	*-*	*-*	*419.3*	*685.3*
Leasehold Plant and Equipment	**26.4**	**-**	**-**	**26.4**	**4.4**	**8.8**	**-**	**-**	**13.2**	**13.2**
	-	*26.4*	*-*	*26.4*	*-*	*4.4*	*-*	*-*	*4.4*	*22.0*
Leasehold Furniture & Fixtures	**443.1**	**-**	**-**	**443.1**	**105.5**	**106.0**	**-**	**-**	**211.5**	**231.6**
	76.0	*367.1*	*-*	*443.1*	*-*	*105.5*	*-*	*-*	*105.5*	*337.6*
Leasehold Vehicles	**187.1**	**120.4**	**61.5**	**246.0**	**67.9**	**78.8**	**-**	**51.1**	**95.6**	**150.4**
	89.1	*99.5*	*1.5*	*187.1*	*-*	*68.7*	*-*	*0.8*	*67.9*	*119.2*
Leasehold Office Equipments	**52.8**	**-**	**13.7**	**39.1**	**24.4**	**17.8**	**-**	**13.7**	**28.5**	**10.6**
	44.6	*8.2*	*-*	*52.8*	*-*	*24.4*	*-*	*-*	*24.4*	*28.4*
Total	**52,911.3**	**6,040.9**	**684.6**	**58,267.6**	**18,449.4**	**4,855.8**	**-**	**599.3**	**22,705.9**	**35,561.7**
	45,320.1	*7,761.9*	*170.7*	*52,911.3*	*13,732.3*	*4,849.9*	*-*	*132.8*	*18,449.4*	*34,461.9*

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

b) Additions to Property, Plant and Equipment include items aggregating ₹ 584.7 million (previous year ₹ 480.6 million) located at Research and Development Centers of the Company.

c) For details of Right-of-use asset [Refer note 42].

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

3. Intangible Assets - Acquired

(₹ in million)

Particulars	Gross Block				Accumulated Amortisation					Net Block
	As at 01.04.2020	Additions	Disposals	**As at 31.03.2021**	As at 01.04.2020	For the period	Impairment Loss	Disposals	**As at 31.03.2021**	**As at 31.03.2021**
Computer Software	**263.2**	**116.8**	**17.1**	**362.9**	**161.9**	**39.4**	**-**	**17.1**	**184.2**	**178.7**
	237.8	*26.4*	*1.0*	*263.2*	*128.9*	*34.0*	*-*	*1.0*	*161.9*	*101.3*
Trademarks and Licences	**238.7**	**205.4**	**20.0**	**424.1**	**145.0**	**71.2**	**-**	**20.0**	**196.2**	**227.9**
	185.3	*53.4*	*-*	*238.7*	*100.5*	*44.5*	*-*	*-*	*145.0*	*93.7*
Dossiers/Marketing rights	**3,248.2**	**-**	**-**	**3,248.2**	**2,766.3**	**61.9**	**-**	**-**	**2,828.2**	**420.0**
	3,248.2	*-*	*-*	*3,248.2*	*384.4*	*259.1*	*2,122.8*	*-*	*2,766.3*	*481.9*
Total	**3,750.1**	**322.2**	**37.1**	**4,035.2**	**3,073.2**	**172.5**	**-**	**37.1**	**3,208.6**	**826.6**
	3,671.3	*79.8*	*1.0*	*3,750.1*	*613.8*	*337.6*	*2,122.8*	*1.0*	*3,073.2*	*676.9*

a) For details of Impairment Loss [Refer note 50 (B)].

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

Notes

Forming part of the Standalone Financial Statements

4. Non-Current Investments

[Refer note 37]

(₹ in million)

	Number	Face Value	As at 31.03.2021	As at 31.03.2020
a. In Subsidiary Companies				
Unquoted				
i) Equity Instruments (at Cost)				
- Nanomi B.V., Netherlands	194,829 (105,829)	USD 1,000 (EURO 1,000)	26,948.2	6,720.3
- Lupin Pharmaceuticals, Inc., USA	30 (30)	USD 0.001	13.8	13.8
- Lupin Australia Pty Ltd., Australia	800,000 (800,000)	AUD *	33.3	33.3
- Lupin Healthcare Ltd., India (Including 6 shares held by nominees)	2,616,677 (2,616,677)	₹ 10	81.7	81.7
- Lupin Atlantis Holdings SA, Switzerland	2,486 (2,486)	CHF 1,000	2,993.7	2,993.7
- Lupin Biologics Ltd. India	100,000	₹ 10	1.0	-
- Lupin Oncology Inc., USA	-	-	-	-
ii) Capital Contributions: (at Cost)				
- Nanomi B.V., Netherlands			6,385.5	6,385.5
- Lupin Atlantis Holdings SA, Switzerland			35,019.0	35,019.0
iii) Preference Shares (at Fair Value through Profit or Loss)				
- Lupin Healthcare Ltd. India (0.01% Optionally Convertible Non-cumulative Redeemable Preference Shares)	50,000,000 -	₹ 10	520.0	-
			71,996.2	**51,247.3**
b. In Others				
i) In Equity Instruments (at Fair Value through Profit or Loss)				
Unquoted				
- Biotech Consortium India Ltd., India	50,000 (50,000)	₹ 10	0.5	0.5
- Enviro Infrastructure Co. Ltd., India	100,000 (100,000)	₹ 10	1.0	1.0
- Bharuch Enviro Infrastructure Ltd., India [31.03.2021 - ₹ 44,100; 31.03.2020 - ₹ 44,100/-]	4,410 (4,410)	₹ 10		
- Narmada Clean Tech Ltd., India	1,100,388 (1,100,388)	₹ 10	11.0	11.0
- Tarapur Environment Protection Society, India	72,358 (72,358)	₹ 100	7.2	7.2
			19.7	**19.7**

Notes

Forming part of the Standalone Financial Statements

(₹ in million)

	Number	Face Value	As at 31.03.2021	As at 31.03.2020
ii) In Bonds/Debentures/Securities (at Amortised Cost)				
Unquoted				
- Government Securities				
- National Saving Certificates [Deposited with Government Authority] [31.03.2021- ₹ 5,500; 31.03.2020 - ₹ 5,500]				
iii) In Membership Share in LLP, (at Fair Value through Profit or Loss): Unquoted				
- ABCD Technologies LLP, India			400.0	-
[the investment is locked upto April 24, 2024]			**400.0**	**-**
			419.7	**19.7**
Total			**72,415.9**	**51,267.0**

* Shares do not have face value

i)	All investments in shares are fully paid up		
ii)	All the above subsidiaries are directly or indirectly, wholly owned by the Company		
iii)	Aggregate amount of quoted investments and market value thereof		
	Book value	-	-
	Market value	-	-
iv)	Aggregate amount of unquoted investments	72,415.9	51,267.0
v)	Previous year numbers are within brackets below current year numbers		

5. Non-Current Loans

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Unsecured, considered good		
Security Deposits		
With Related Parties [Refer note 56 (C)]	29.0	43.4
Others	628.8	401.8
Loans to Employees	0.9	2.0
Total	**658.7**	**447.2**

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

6. Other Non-Current Financial Assets

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Unsecured, considered good unless otherwise stated		
Earmarked Bank Deposits against guarantees and other commitments	10.5	9.7
Total	**10.5**	**9.7**

Notes

Forming part of the Standalone Financial Statements

7. Other Non-Current Assets

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Capital Advances	344.2	1,488.9
Advances other than Capital Advances		
- With Government Authorities (Drawback/Customs & Excise duties receivable)	68.8	416.0
- Prepaid Expenses	92.4	20.6
Other Advances	233.2	233.4
Total	**738.6**	**2,158.9**

8. Inventories

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Raw Materials	7,601.5	6,791.0
Packing Materials	1,597.9	1,179.3
Work-in-progress	5,214.0	5,109.9
Finished Goods	6,088.8	5,722.0
Stock-in-Trade	3,930.3	3,576.9
Consumable Stores and Spares	1,930.0	1,631.2
Goods-in-Transit		
- Raw Materials	603.3	758.9
- Packing Materials	65.7	32.5
- Stock-in-Trade	17.8	23.4
- Consumable Stores and Spares	32.6	21.0
Total	**27,081.9**	**24,846.1**

During the year, the Company recorded inventory write-downs of ₹ 1,846.1 million (previous year ₹ 1,909.2 million). These adjustments were included in cost of material consumed and changes in inventories.

9. Current Investments

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
- Measured at Amortised Cost		
Quoted		
In Non Convertible Debentures	-	7,568.1
In Commercial Papers	957.8	2,724.3
Unquoted		
In Deposits with financial institutions	1,022.5	-
- Measured at Fair Value through Profit or Loss		
Unquoted		
In Mutual Funds	21,229.6	13,004.9
Total	**23,209.9**	**23,297.3**

a)	Aggregate amount of quoted investments and market value thereof		
	Book value	957.8	10,292.4
	Market value	958.9	10,322.0
b)	Aggregate amount of Unquoted Investments	22,252.1	13,004.9
c)	Unrealised Loss on Mutual Fund Investments (net) as adjusted above	-	-

Notes

Forming part of the Standalone Financial Statements

10. Trade Receivables

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Unsecured		
- Considered Good	31,962.6	36,164.8
- Credit Impaired	169.1	134.1
	32,131.7	36,298.9
Less : Allowances for credit losses	226.3	135.6
Total	**31,905.4**	**36,163.3**

[There are no other trade receivables which have significant increase in credit risk. Refer note 52 (C) for information about credit risk and market risk of trade receivables]

Trade receivables include debts due from subsidiary companies ₹ 22,989.8 million (31.03.2020 ₹ 27,081.9 million) [Refer note 56 (C)]

11. Cash and Cash Equivalents

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Cash and Cash Equivalents (as per Ind AS-7 - "Statement of Cash Flows")		
Bank Balances		
- In Current Accounts (including money-in-transit)	1,381.0	1,512.1
- In EEFC Account	360.8	46.9
In Deposit Accounts	-	10,005.9
Cheques on hand	25.5	106.0
Cash on hand	6.8	9.3
Total	**1,774.1**	**11,680.2**

12. Other Bank Balances

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Earmarked Balances with Banks		
- Unpaid dividend accounts	48.6	53.0
- Deposits against guarantees and other commitments	1.2	11.9
Bank Deposits with original maturity of more than 3 months but less than 12 months from the balance sheet date	1,016.2	1,314.2
Total	**1,066.0**	**1,379.1**

13. Current Loans

(Financial assets stated at cost)

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Unsecured, considered good		
Security Deposits	113.9	323.5
Other Loans (includes Loans to employees, etc.)	12.5	25.4
Total	**126.4**	**348.9**

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

Notes

Forming part of the Standalone Financial Statements

14. Other Current Financial Assets

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Receivables from Related Parties [Refer note 56 (C)]	378.5	150.8
Mark to Market Derivative Assets	269.1	-
Export Benefits receivable	2,573.1	2,211.0
With Government Authorities (GST credit/VAT/Cenvat/Service tax/refund receivable)	707.6	508.8
Other Current Financial Assets (includes Interest receivables, etc.)	383.2	375.2
Total	**4,311.5**	**3,245.8**

15. Other Current Assets

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Advances other than Capital Advances		
Prepaid Expenses	355.9	258.7
Advances to Employees	97.7	62.8
Advances to Vendors		
- Considered Good	1,120.1	1,781.9
- Credit Impaired	133.7	76.4
	1,253.8	1,858.3
Less : Impairment Allowances for Credit Impaired	133.7	76.4
	1,120.1	1,781.9
Export Benefits receivable	893.2	994.3
With Government Authorities (GST credit/VAT/Cenvat/Service tax/refund receivable)	4,178.8	4,269.1
Assets Recoverable From Customers	52.8	55.6
Total	**6,698.5**	**7,422.4**

16. Equity Share Capital

a) Equity Share Capital

Particulars	**As at 31.03.2021**		As at 31.03.2020	
	No. of Shares	**₹ in million**	No. of Shares	₹ in million
Authorised				
Equity Shares of ₹ 2 each	1,000,000,000	2,000.0	1,000,000,000	2,000.0
Issued, Subscribed and Paid up				
Equity Shares of ₹ 2 each fully paid	453,680,133	907.4	452,998,121	906.0
Total	**453,680,133**	**907.4**	**452,998,121**	**906.0**

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

Particulars	**As at 31.03.2021**		As at 31.03.2020	
	No. of Shares	**₹ in million**	No. of Shares	₹ in million
Equity Shares outstanding at the beginning of the year	452,998,121	906.0	452,493,697	905.0
Equity Shares issued during the year pursuant to exercise of ESOPs	682,012	1.4	504,424	1.0
Equity Shares outstanding at the end of the year	**453,680,133**	**907.4**	**452,998,121**	**906.0**

Notes

Forming part of the Standalone Financial Statements

c) Rights attached to Equity Shares

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

During the year ended March 31, 2021, the amount of dividend per equity share distributed to equity shareholders is ₹ 6.0. (Previous year ended March 31, 2020, ₹ 5.0)

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

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

Name of Shareholder	**As at 31.03.2021**		As at 31.03.2020	
	No. of Shares	**% of Holding**	No. of Shares	% of Holding
Lupin Investments Pvt. Limited	205,608,135	45.32	205,608,135	45.39

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

Particulars	**As at 31.03.2021**		As at 31.03.2020	
	No. of Shares	**₹ in million**	No. of Shares	₹ in million
Lupin Employees Stock Option				
Plan 2003	100,030	0.2	106,030	0.2
Plan 2005	29,045	0.1	33,045	0.1
Plan 2011	1,162,443	2.3	1,316,500	2.6
Plan 2014	1,512,269	3.0	2,333,133	4.7
Lupin Subsidiary Companies				
Employees Stock Options				
Plan 2011	672,750	1.3	707,302	1.4
Plan 2014	1,441,937	2.9	1,106,476	2.2

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

Particulars	**As at 31.03.2021 Aggregate No. of Shares**	As at 31.03.2020 Aggregate No. of Shares
Equity Shares issued under various Stock Option Plans of the Company	3,097,164	3,509,786

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

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17. Other Equity

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Reserves and Surplus		
Capital Reserve		
Opening and Closing Balance as per last Balance Sheet		
- Investment Subsidies from Central Government	1.0	1.0
- Investment Subsidies from State Government	8.2	8.2
- On restructuring of capital of the Company under the Scheme of Amalgamation	254.7	254.7
	263.9	263.9
Capital Redemption Reserve		
Opening and Closing Balance as per last Balance Sheet	126.5	126.5
Securities Premium		
Opening Balance as per last Balance Sheet	9,175.5	8,644.3
Add : Additions during the year*	711.7	531.2
Balance as at the year end	9,887.2	9,175.5
Employees Stock Options Outstanding [Refer note 44]		
Opening Balance as per last Balance Sheet	2,146.2	2,184.2
Add : Amortisation during the year	504.3	532.9
Less : Exercised during the year	606.0	472.5
Less : Transfer to General Reserve	149.7	98.4
Balance as at the year end	1,894.8	2,146.2
General Reserve		
Opening Balance as per last Balance Sheet	16,767.1	16,668.7
Add : Transfer from share based payments	149.7	98.4
Balance as at the year end	16,916.8	16,767.1
Retained Earnings		
Opening Balance as per last Balance Sheet	145,929.3	142,273.4
Less : Adjustment for transition to Ind AS 116 - "Leases" (net off deferred tax)	-	86.9
Less : Adjustment for transition to Appendix C of Ind AS 12 - "Income Taxes" [Refer note 46(d)]	-	804.5
Add : Profit for the year	12,586.2	7,275.5
Less : Final Dividend on Equity Shares [Refer note 16 (c)]	2,718.8	2,263.0
Less : Corporate Tax on Dividend**	-	465.2
Balance as at the year end	155,796.7	145,929.3
Amalgamation Reserve		
Opening and Closing Balance as per last Balance Sheet	317.9	317.9
Share Application Money Pending Allotment	0.5	0.8
Other Comprehensive Income		
Cash Flow Hedge Reserve [Refer note 54 (c)]		
Opening Balance as per last Balance Sheet	(324.4)	77.5
Add/(Less) : Effect of foreign exchange rate variations on hedging instrument outstanding [net of deferred tax of ₹ 209.3 million] (31.03.2020 ₹ (157.7) million)	525.8	(404.4)
(Less)/Add : Hedge Ineffectiveness recognised in Statement of Profit & Loss	(1.6)	2.5
Balance as at the year end	199.8	(324.4)
Actuarial Gain/(Loss)		
Opening Balance as per last Balance Sheet	(576.8)	(288.7)
Add/(Less) : Additions during the year	(78.9)	(288.1)
Balance as at the year end	(655.7)	(576.8)
Total	**184,748.3**	**173,826.0**

*Represents amount received on allotment of 682,012 (previous year 504,424) Equity Shares of the face value of ₹ 2 each, pursuant to "Lupin Employees Stock Option Plans". [Refer note 44]

** Represents Corporate Tax on Final Dividend ₹ nil (previous year ₹ 465.1 million) and on dividend paid for previous year on Equity Shares issued after year end pursuant to ESOPs allotment ₹ nil (previous year ₹ 0.1 million).

Notes

Forming part of the Standalone Financial Statements

18. Non-Current Borrowings

[Refer note 24]

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Term Loans - from other parties		
Unsecured		
Deferred Sales Tax Loan from Government of Maharashtra	1.5	3.1
Total	**1.5**	**3.1**

a) Deferred Sales Tax Loan is interest free and payable in 5 annual installments after expiry of initial 10 years moratorium period from each such year of deferral period beginning from 1998-99 to 2009-10 and ending from 2013-14 to 2024-25.

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

19. Other Non-Current Financial Liabilities

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Mark to Market Derivative Liabilities	-	301.3
Employee Benefits Payables	39.6	35.5
Lease Liability [Refer note 42]	1,320.3	859.1
Total	**1,359.9**	**1,195.9**

20. Non-Current Provisions

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Provisions for Employee Benefits [Refer note 26]		
Gratuity [Refer note 45 (ii) A]	1,814.4	1,713.1
Compensated Absences	1,072.8	946.4
Provident Fund	192.4	66.8
Total	**3,079.6**	**2,726.3**

21. Other Non-Current Liabilities

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Deferred Revenue [Refer note 39 (d)]	457.4	586.6
Deferred Government Grant	-	73.8
Total	**457.4**	**660.4**

Notes

Forming part of the Standalone Financial Statements

22. Current Borrowings

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Secured		
Loans from Banks	507.9	52.9
Unsecured		
Loans from Banks	2,480.0	-
Total	**2,987.9**	**52.9**

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

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

23. Trade Payables

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Acceptances	397.1	827.4
Other than Acceptances		
- Total outstanding dues of Micro and Small Enterprises [Refer note 49]	912.3	989.4
- Total outstanding dues of Others	10,654.5	13,844.5
Total	**11,963.9**	**15,661.3**

24. Other Current Financial Liabilities

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Current Maturities of Non-Current Borrowings [Refer note 18]		
- Deferred Sales Tax Loan from Government of Maharashtra	1.6	2.3
Unpaid Dividend *	48.6	53.0
Mark to Market Derivative Liabilities	-	159.3
Payable for Capital Expenditure	763.9	610.3
Trade Deposits received	96.8	106.8
Employee Benefits Payables	1,510.1	1,247.2
Lease Liability [Refer note 42]	543.3	567.5
Other Payables (Includes retention money, etc.)	0.7	0.7
Total	**2,965.0**	**2,747.1**

* During the year ₹ 3.2 million has been credited to Investor Education and Protection Fund relating to FY 12-13 & FY 13-14.

25. Other Current Liabilities

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Statutory Dues Payables (includes GST, Provident Fund, Withholding Taxes etc.)	715.3	886.3
Deferred Revenue [Refer note 39 (d)]	147.2	123.1
Deferred Government Grant	62.2	54.7
Advances from customers	89.3	130.8
Total	**1,014.0**	**1,194.9**

Notes

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26. Current Provisions

(₹ in million)

	As at 31.03.2021	As at 31.03.2020
Provisions for Employee Benefits [Refer note 20]		
Gratuity [Refer note 45 (ii) A]	344.0	278.0
Compensated Absences	213.9	207.3
Other Provisions		
For Sales Returns [Refer note 51 (a)]	1,535.8	1,420.8
For European Commission fine [Refer note 51 (b)]	3,796.1	3,609.5
Total	**5,889.8**	**5,515.6**

27. Revenue from Operations

(₹ in million)

	For the Current Year ended 31.03.2021	For the Previous Year ended 31.03.2020
Sale [Refer note 39]		
Goods	108,736.7	106,290.6
Research Services	273.5	1,767.7
	109,010.2	108,058.3
Other Operating Revenue		
Export Benefits and Other Incentives	1,173.5	2,086.2
Insurance Claims	201.7	39.7
Business Compensation and Settlement Income	66.6	4.0
Miscellaneous Income	107.3	68.4
	1,549.1	2,198.3
Total	**110,559.3**	**110,256.6**

28. Other Income

(₹ in million)

	For the Current Year ended 31.03.2021	For the Previous Year ended 31.03.2020
Income on Financial Assets carried at amortised cost		
Interest on Deposits with Banks	133.6	80.2
Other Interest	183.9	874.1
Income on Financial Assets carried at fair value through profit or loss		
Dividend on Mutual Fund Investments	-	145.6
Net gain on Sale of Mutual Fund Investments	243.6	1,062.8
Unrealised Gain on Mutual Fund Investments (net)	277.7	2.4
Unrealised Gain on Preference Shares Investment	20.0	-
Net gain on Foreign Currency Transactions	-	2,189.5
Miscellaneous Income (including interest on income tax refund)	432.1	397.3
Total	**1,290.9**	**4,751.9**

Notes

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29. Cost of Materials Consumed

(₹ in million)

	For the Current Year ended 31.03.2021	For the Previous Year ended 31.03.2020
Raw Materials Consumed	23,284.2	23,683.3
Packing Materials Consumed	4,128.0	3,848.9
Total	**27,412.2**	**27,532.2**

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

(₹ in million)

	For the Current Year ended 31.03.2021	For the Previous Year ended 31.03.2020
Opening Stock:		
Finished Goods	5,722.0	5,718.4
Stock-in-Trade	3,600.4	3,299.3
Work-in-Progress	5,109.9	5,127.4
	14,432.3	14,145.1
Less:		
Closing Stock:		
Finished Goods	6,088.8	5,722.0
Stock-in-Trade	3,948.1	3,600.4
Work-in-Progress	5,214.0	5,109.9
	15,250.9	14,432.3
Changes In Inventories:		
Finished Goods	(366.8)	(3.6)
Stock-in-Trade	(347.7)	(301.1)
Work-in-progress	(104.1)	17.5
Total	**(818.6)**	**(287.2)**

31. Employee Benefits Expense

(₹ in million)

	For the Current Year ended 31.03.2021	For the Previous Year ended 31.03.2020
Salaries and Wages	14,505.6	14,604.3
Contribution to Provident and Other Funds	1,227.1	1,121.9
Retirement Benefits Expense	115.4	44.7
Share Based Payments Expense [Refer note 44]	389.1	415.3
Staff Welfare Expenses	721.4	846.0
Total	**16,958.6**	**17,032.2**

Notes

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32. Finance Costs

(₹ in million)

	For the Current Year ended 31.03.2021	For the Previous Year ended 31.03.2020
Interest on Financial Liabilities - borrowing carried at amortised cost	45.1	77.9
Net Interest on net defined benefit liability	207.6	184.9
Interest cost on Finance lease obligation	129.0	138.7
Other Borrowing Costs (includes bank charges, etc.)	24.5	65.1
Interest on Income Tax	-	59.3
Total	**406.2**	**525.9**

33. Other Expenses

(₹ in million)

	For the Current Year ended 31.03.2021	For the Previous Year ended 31.03.2020
Processing Charges	839.3	936.0
Stores and Spares Consumed	4,532.6	4,391.2
Repairs and Maintenance:		
- Buildings	221.9	285.5
- Plant and Machinery	1,179.4	1,092.9
- Others	1,527.8	1,355.4
Rent and Other Hire Charges [Refer note 42]	524.7	514.2
Rates and Taxes	980.9	1,095.5
Insurance	691.0	565.7
Power and Fuel	3,895.4	4,162.6
Contract Labour Charges	1,203.7	1,124.7
Selling and Promotion Expenses	2,484.7	3,886.7
Commission and Brokerage	946.3	911.8
Freight and Forwarding	803.1	557.4
Postage and Telephone Expenses	255.6	257.1
Travelling and Conveyance	1,146.3	1,940.5
Legal and Professional Charges [Net of recoveries of ₹ 148.2 million (previous year ₹ nil)]	5,694.6	5,819.7
Donations	53.1	45.6
Clinical and Analytical Charges	1,853.2	1,901.3
Loss on Sale/Write-off of Property, Plant and Equipment/Intangible Assets (net)	0.7	17.6
Bad Trade Receivables/Advances written off [Net of provision of earlier years adjusted ₹ 2.2 million (previous year ₹ 20.6 million)]	0.1	3.2
Impairment Allowances for Doubtful Trade Receivables/Advances (net)	171.2	69.4
Corporate Social Responsibility Expenses [Refer note 48]	351.1	342.0
Directors Sitting Fees	1.8	2.1
Net loss on Foreign Currency Transactions	925.0	-
Business Compensation and Settlement Expenses	286.7	80.9
Miscellaneous Expenses	766.8	716.6
Total	**31,337.0**	**32,075.6**

Notes

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34, 35 Commitments:

a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances, ₹ 1758.1 million (previous year ₹ 3036.1 million).

b) Letter of comfort for support in respect of its subsidiaries. The Company considers its investments in subsidiaries as strategic and long-term in nature. The Company is committed to operationally, technically and financially support the operations of its subsidiaries.

c) Equity commitment in subsidiaries amounting to ₹ 17180.8 million.

d) Other commitments – Non-cancellable short term leases is ₹ 53.2 million (previous Year ₹ 1.7 million). Low value leases is ₹ 290.2 million (Previous Year ₹ 212.5 million).

e) Dividends proposed of ₹ 6.50 (previous year ₹ 6/-) per equity share before the financial statements approved for issue, but not recognised as a liability in the financial statements is ₹ 2949.2 million (previous year ₹ 2718.4 million).

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

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

h) Financial and corporate guarantees issued by the company on behalf of subsidiaries are disclosed in note 36.

36. Contingent Liabilities:

(₹ in million)

	Particulars	**As at 31.03.2021**	As at 31.03.2020
a)	Income tax demands/matters on account of deductions/allowances in earlier years, pending in appeals and potential tax demands in future years in respect of some uncertain tax issues [₹ 439.4 million (previous year ₹ 16.3 million) consequent to department preferring appeals against the order of the Appellate Authority passed in favour of the company] Amount paid there against and included under "Non-Current Tax Assets (Net)" ₹ 1239.9 million (previous year ₹ 839.8 million)	2258.7	2028.4
b)	Customs duty, Excise duty, Service tax and Sales tax demands for input tax credit disallowances and demand for additional Entry Tax arising from dispute on applicable rate are in appeals and pending decisions. Amount paid there against and included under Note 7 "Other Non-Current Assets" ₹ 23.9 million (previous year ₹ 24.2 million).	122.6	122.2
c)	Claims against the Company not acknowledged as debts [excluding interest (amount unascertained) in respect of a claim] for transfer charges of land, octroi duty, local body tax, employee claims, power*, trademarks, pricing and stamp duty. Amount paid there against without admitting liability and included under Note 7 "Other Non-Current Assets" ₹ 206.8 million (previous year ₹ 206.5 million). *Demand raised by Maharashtra State Electricity Development Corporation Limited (MSEDCL) challenging Group Captive Generating Plant (GCGP) status of power supplier's Plant at Tarapur and Pune location.	1814.9	1103.3
d)	Letter of comfort issued by the Company towards the credit facilities sanctioned by the bankers of subsidiary companies aggregating ₹ 29.2 million (previous year ₹ 7566.5 million).	-	7566.5
e)	Outstanding credit facilities against corporate guarantees given in respect of credit facilities sanctioned by bankers of subsidiary companies for the purpose of acquisitions, working capital and other business requirements aggregating ₹ 49702.5 million (previous year ₹ 60993.6 million).	44559.7	54777.1
f)	Financial guarantee aggregating to ₹ 3399.6 million (previous year ₹ 9382.4 million) given to third party on behalf of subsidiaries for contractual obligations.	-	-

Notes

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Future cash outflows in respect of the above, if any, is determinable only on receipt of judgment/decisions pending with the relevant authorities. The Company does not expect the outcome of the matters stated above to have a material adverse impact on the Company's financial condition, results of operations or cash flows.

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

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

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

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

(₹ in million)

Particulars	**2020-2021**	2019-2020
Opening balance	392.8	407.5
Incurred during the year:		
Salaries, allowances and contribution to funds	87.7	109.5
Legal and Professional Charges	-	0.5
Travelling and Conveyance	6.2	8.9
Power and fuel	1.6	0.6
Others	9.4	11.8
Total incurred during the year	104.9	131.3
Less: Capitalised during the year	119.7	146.0
Closing balance	**378.0**	**392.8**

39. Revenue (Ind AS 115)

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

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

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

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

Notes

Forming part of the Standalone Financial Statements

b) Disaggregation of revenue:

(₹ in million)

Nature of segment	**2020-2021**	2019-2020
A. Major Product/Service line:		
- Sale of pharmaceutical goods	108736.7	106290.6
- Income from research services and sale of IPs	273.5	1767.7
Total revenue from contracts with customers	**109010.2**	**108058.3**
B. Primary geographical market:		
- India	57833.1	56454.2
- USA	32371.1	31204.3
- Japan	1094.6	950.1
- Others	17711.4	19449.7
Total revenue from contracts with customers	**109010.2**	**108058.3**
C. Timing of the revenue recognition:		
- Goods/Services transferred at a point in time	108769.7	107731.6
- Services transferred over time	240.5	326.7
Total revenue from contracts with customers	**109010.2**	**108058.3**

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

(₹ in million)

Particulars	**2020-2021**	2019-2020
Revenue as per contracted price	118403.9	116568.2
Adjusted for:		
- Sales returns	1934.9	2100.2
- Discounts/Chargebacks/Rebates	6468.6	5979.8
- Others	990.2	429.9
Total revenue from contracts with customers	**109010.2**	**108058.3**

d) Reconciliation of revenue recognised from Contract liability:

(₹ in million)

Particulars	**2020-2021**	2019-2020
Balance in contract liability at the beginning of the period that was not recognized as revenue	709.7	955.8
Add: Increases due to cash received during the year excluding amounts recognized as revenue during the year	148.4	22.8
Less: Revenue recognized that was included in the contract liability balance at the beginning of the period	253.5	268.9
Balance in contract liability at the end of the period that is not recognized as revenue	604.6	709.7

40. Segment Reporting:

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

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41. Auditors' Remuneration:

(₹ in million)

Particulars	2020-2021	2019-2020
Payment to Auditors*:		
a) As Auditors	16.6	14.6
b) For other services including Certification	3.4	10.5
c) Reimbursement of out-of-pocket expenses	1.1	1.2
Total	**21.1**	**26.3**

* Excluding GST

42. Leases:

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

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

i) Right of Use Assets

(₹ in million)

Particulars	As at 01.04.2020	As at 01.04.2019
Carrying amount of :		
Right-of-Use: Land	1058.2	1069.3
Right-of-Use: Buildings	685.3	706.1
Right-of-Use: Plant & Equipment	22.0	-
Right-of-Use: Furniture & Fixtures	337.6	76.0
Right-of-Use: Vehicles	119.2	89.1
Right-of-Use: Office Equipment	28.4	44.6
Total	**2250.7**	**1985.1**

(₹ in million)

Particulars	Right-of-Use: Land	Right-of-Use: Buildings	Right-of-Use: Plant & Equipment	Right-of-Use: Furniture & Fixtures	Right of-Use: Vehicles	Right-of-Use: Office Equipment	Total
Cost							
Balance at April 1, 2020	1104.5	1104.6	26.4	443.1	187.1	52.8	**2918.5**
Additions	27.5	1034.7	-	-	120.4	-	**1182.6**
Disposal/Derecognized during the year	-	449.9	-	-	61.5	13.7	**525.1**
Balance at March 31, 2021	1132.0	1689.4	26.4	443.1	246.0	39.1	**3576.0**

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Accumulated depreciation							
Balance at April 1, 2020	46.3	419.3	4.4	105.5	67.9	24.4	**667.8**
Depreciation expense	13.0	421.8	8.8	106.0	78.8	17.8	**646.2**
Disposal/Derecognized during the year	-	(401.6)	-	-	(51.1)	(13.7)	**(466.4)**
Balance at March 31, 2021	59.3	439.5	13.2	211.5	95.6	28.5	**847.6**
Net Balance at March 31, 2021	**1072.7**	**1249.9**	**13.2**	**231.6**	**150.4**	**10.6**	**2728.4**
Net Balance at April 1, 2020	**1058.2**	**685.3**	**22.0**	**337.6**	**119.2**	**28.4**	**2250.7**

(₹ in million)

Particulars	**Right-of-Use: Land**	**Right-of-Use: Buildings**	**Right-of-Use: Plant & Equipment**	**Right-of-Use: Furniture & Fixtures**	**Right-of Use: Vehicles**	**Right-of-Use: Office Equipment**	**Total**
Cost							
Balance at April 1, 2019	1104.5	706.1	-	76.0	89.1	44.6	**2020.3**
Additions	-	389.5	26.4	367.1	99.5	8.2	**899.7**
Disposal/Derecognized during the year	-	-	-	-	1.5	-	**1.5**
Balance at March 31, 2020	1104.5	1104.6	26.4	443.1	187.1	52.8	**2918.5**
Accumulated depreciation							
Balance at April 1, 2019	35.2	-	-	-	-	-	**35.2**
Depreciation expense	11.1	419.3	4.4	105.5	68.7	24.4	**633.4**
Disposal/Derecognized during the year	-	-	-	-	(0.8)	-	**(0.8)**
Balance at March 31, 2020	46.3	419.3	4.4	105.5	67.9	24.4	**667.8**
Net Balance at March 31, 2020	**1058.2**	**685.3**	**22.0**	**337.6**	**119.2**	**28.4**	**2250.7**
Net Balance at April 1, 2019	**1069.3**	**706.1**	**-**	**76.0**	**89.1**	**44.6**	**1985.1**

Notes

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Lease liabilities

(₹ in million)

Particulars	Right-of-Use: Land	Right-of-Use: Buildings	Right-of-Use: Plant & Equipment	Right-of-Use: Furniture & Fixtures	Right-of Use: Vehicles	Right-of-Use: Office Equipment	Total
Balance at April 1, 2020	110.0	786.3	22.5	357.9	122.1	27.8	1426.6
Addition	-	1034.7	-	-	120.4	-	1155.1
Accreditation of interest	8.7	78.2	1.6	26.3	12.7	1.5	129.0
Payments	(7.3)	(520.7)	(10.1)	(131.1)	(90.5)	(19.6)	(779.2)
Adjustments for Disposals	-	(57.4)	-	-	(10.5)	-	(67.9)
Balance at March 31, 2021	**111.4**	**1321.1**	**14.1**	**253.1**	**154.2**	**9.7**	**1863.6**
Current	**4.9**	**363.2**	**9.2**	**86.2**	**70.4**	**9.4**	**543.3**
Non-Current	**106.5**	**957.9**	**4.9**	**166.9**	**83.8**	**0.3**	**1320.3**

(₹ in million)

Particulars	Right-of-Use: Land	Right-of-Use: Buildings	Right-of-Use: Plant & Equipment	Right-of-Use: Furniture & Fixtures	Right-of-Use: Vehicles	Right-of-Use: Office Equipment	Total
Balance at April 1, 2019	108.7	863.4	-	86.3	91.5	43.9	1193.8
Addition	-	398.5	26.4	367.1	99.5	8.2	899.7
Accreditation of interest	8.6	80.5	1.1	35.0	10.3	3.2	138.7
Payments	(7.3)	(556.7)	(10.1)	(131.1)	(90.5)	(19.6)	(815.2)
Adjustments for Disposals	-	(57.4)	-	-	-	-	(57.4)
Balance at March 31, 2020	**110.0**	**728.3**	**17.5**	**357.3**	**110.8**	**35.7**	**1359.3**
Current	**5.3**	**372.7**	**8.4**	**104.8**	**70.4**	**9.4**	**571.0**
Non-Current	**104.7**	**355.6**	**9.1**	**253.1**	**40.4**	**26.3**	**789.2**

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

Amounts recognised in Profit and Loss

(₹ in million)

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
Depreciation expense of right-of-use assets (Refer Note No. 2)	646.2	633.4
Interest expense on lease liabilities (Refer Note No. 32)	129.0	138.7
Expense relating to short-term leases (Refer Note No. 33)	25.4	1.3
Expense relating to low value assets (Refer Note No. 33)	126.0	146.3
Total	**926.6**	**919.7**

Notes

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ii) Financial risk management

(A) Maturities of financial liabilities

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

(₹ in million)

Contractual maturities of financial liabilities	Less than 1 Year	More than 1 Year	Total
As at March 31, 2021			
Lease liabilities	659.7	2886.4	3546.1
As at March 31, 2020			
Lease liabilities	655.4	2410.6	3066.0

iii) Commitments and contingencies

The Company has not entered into lease contracts that have not yet commenced as at March 31, 2021.

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

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

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

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

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

(₹ in million)

Assets	Amount
Right-of-use assets	915.8
Deferred Tax Assets	46.7
Total assets	**962.5**

(₹ in million)

Liabilities	Amount
Financial liabilities - Lease liabilities	1085.1
Lease Equalization Liability	(35.7)
Total liabilities	**1049.4**

(₹ in million)

Total adjustment on equity	Amount
Retained earnings	86.9
Non-controlling interests	-
Total	**86.9**

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As at the date of intial application of ₹ AS 116 i.e. April 1, 2019 Right of Use assets and lease liabilities were measured at ₹ 915.8 million and ₹ 1085.1 million respectively.

The difference between Right of use assets along with lease equalization liability and lease liabilities was recognised in Retained earnings. Deferred Tax Asset of ₹ 46.7 million was recognized on Retained earnings.

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

Particulars	As at 01.04.2019 (₹ in million)
Assets	
Operating lease commitments as at March 31, 2019	1748.0
Discounted operating lease commitments as at April 1, 2019	1085.1
Finance lease liabilities recognised as at March 31, 2019	108.7
Less:	
Commitments relating to short-term leases	-
Add:	
Lease payments relating to renewal periods not included in operating lease commitments as at March 31, 2019	-
Lease liabilities as at April 1, 2019	**1193.8**

Weighted average incremental borrowing rate as at April 1, 2019 is 8.58%.

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

Particulars	**Year Ended 31.03.2021**	Year Ended 31.03.2020
Profit attributable to Equity Shareholders (₹ in million)	12586.2	7275.5
Weighted average number of Equity Shares:		
- Basic	453280606	452713439
Add : Effect of dilutive issue of employees stock options (ESOPs) - converted during the year and ESOPs outstanding as at the year end	1956031	2357930
- Diluted	455236627	455071369
Earnings per Share (in ₹)		
- Basic	27.77	16.07
- Diluted	27.65	15.99

44. Share-based payment arrangements:

Employee stock options – equity settled

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

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

Notes

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

Current Year

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	2368280	455.7-2037.5	1155.1	4.7
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	298941	455.7-1563.0	1290.6	NA
Less: Options exercised during the year	115919	455.7-864.8	462.4	NA
Options outstanding at the year end	1953420	455.7-2037.5	1167.0	3.7
Exercisable at the end of the period	1955056	455.7-2037.5	1165.3	3.7

Previous Year

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	2719654	217.8-2037.5	1124.7	5.5
Add: Options granted during the year	40000	701.2-809.4	755.3	9.3
Less: Options lapsed during the year	241928	217.8-1521.7	1218.0	NA
Less: Options exercised during the year	149446	217.8-556.0	394.4	NA
Options outstanding at the year end	2368280	455.7-2037.5	1155.1	4.7
Exercisable at the end of the period	2193814	455.7-2037.5	1139.3	4.5

The weighted average grant date fair value of the options granted under Category A during the years ended March 31, 2021 and 2020 was ₹ Nil and ₹ 157.7 per option, respectively.

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

Current Year

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

Previous Year

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	1762924	2.0	2.0	8.6
Add: Options granted during the year	759636	2.0	2.0	9.6
Less: Options lapsed during the year	113431	2.0	2.0	NA
Less: Options exercised during the year	354978	2.0	2.0	NA
Options outstanding at the year end	2054151	2.0	2.0	7.8
Exercisable at the end of the period	396098	2.0	2.0	7.2

The weighted average grant date fair value of the options granted under Category B during the years ended March 31, 2021 and 2020 was ₹ 1006.8 and ₹ 756.4 per option, respectively.

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

Current Year

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

Previous Year

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	200000	415.7-891.5	688.1	7.1
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	-	-	-	NA
Less: Options exercised during the year	-	-	-	NA
Options outstanding at the year end	200000	415.7-891.5	688.1	6.1
Exercisable at the end of the period	200000	415.7-891.5	688.1	6.1

The weighted average grant date fair value of options granted under Category C during the years ended March 31, 2021 and 2020 was ₹ nil and ₹ nil per option, respectively.

The weighted average share price during the years ended March 31, 2021 and 2020 was ₹ 943.8 and ₹ 739.8 per share respectively.

Valuation of stock options

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

Share price: The closing price on NSE as on the date of grant has been considered for valuing the options granted.

Exercise Price: Exercise Price is the market price or face value or such other price as determined by the Remuneration and Compensation Committee.

Expected Volatility: The historical volatility of the stock till the date of grant has been considered to calculate the fair value of the options.

Expected Option Life: Expected Life of option is the period for which the Company expects the options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.

Expected dividends: Expected dividend yield has been calculated as an average of dividend yields for four years preceding the date of the grant.

Risk free interest rate: The risk free interest rate on the date of grant considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero coupon yield curve for Government Securities.

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

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

Weighted average information – 2020-2021

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

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

Weighted average information – 2019-2020

Category	Grant date	Exercise price	Risk free rate (%)	Expected life (years)	Expected Volatility (%)	Dividend yield (%)	Weighted average share price	Weighted Option Fair Value
A	April 12, 2019	809.4	6.7%	2.0	29.0%	0.5%	832.8	131.5
B	May 27, 2019	2.0	6.6%	2.7	30.5%	0.5%	743.3	733.1
B	July 31, 2019	2.0	6.1%	3.5	29.1%	0.5%	764.8	749.4
B	July 31, 2019	2.0	6.1%	3.5	29.1%	0.5%	764.8	749.4
A	October 4, 2019	701.2	5.8%	3.0	28.2%	0.5%	686.5	169.9
B	November 6, 2019	2.0	5.9%	3.5	28.9%	0.5%	771.5	755.9
B	December 4, 2019	2.0	5.8%	3.5	28.3%	0.5%	791.9	776.0
B	December 4, 2019	2.0	5.8%	3.5	28.3%	0.5%	791.9	776.0
B	December 4, 2019	2.0	5.6%	2.7	28.2%	0.5%	791.9	779.3
B	February 3, 2020	2.0	6.0%	3.5	28.3%	0.5%	708.7	694.3
B	February 3, 2020	2.0	6.0%	3.5	28.3%	0.5%	708.7	694.3
B	February 3, 2020	2.0	5.8%	2.7	27.4%	0.5%	708.7	697.2

Category	Weighted Average Option Fair Value	Weighted Average Share Price
A	157.7	759.6
B	756.4	771.4

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45. Post-Employment Benefits:

(i) Defined Contribution Plans:

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

The Company recognised ₹ 174.7 million (previous year ₹ 186.9 million) for superannuation contribution and ₹ 274.3 million (previous year ₹ 266.5 million) 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:

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

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

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

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2021. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

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

(₹ in million)

Sr. No.	Particulars	Gratuity (Funded)		Gratuity (Unfunded)	
		As at 31.03.2021	As at 31.03.2020	**As at 31.03.2021**	As at 31.03.2020
I)	**Reconciliation in present value of obligations ('PVO') – defined benefit obligation:**				
	Current service cost	223.9	185.3	115.4	101.8
	Past service cost	-	-	-	-
	Interest cost	148.7	136.6	94.8	88.1
	Actuarial loss/(gain)				
	- Due to demographic assumption	-	(0.5)	-	0.9
	- Due to finance assumption	68.4	202.9	47.7	122.7
	- Due to experience assumption	(5.5)	34.3	(95.9)	18.4
	Benefits paid	(225.4)	(139.9)	(77.0)	(77.2)
	PVO at the beginning of the year	2190.4	1771.7	1396.0	1141.3
	PVO at the end of the year	2400.5	2190.4	1481.0	1396.0
II)	**Change in fair value of plan assets:**				
	Expected return on plan assets	19.0	2.5	-	-
	Interest Income	108.3	107.2	-	-
	Contributions by the employer	225.9	234.3	-	-
	Benefits paid	(225.4)	(139.9)	-	-
	Fair value of plan assets at the beginning of the year	1595.3	1391.2	-	-
	Fair value of plan assets at the end of the year	1723.1	1595.3	-	-

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(₹ in million)

Sr. No.	Particulars	Gratuity (Funded)		Gratuity (Unfunded)	
		As at 31.03.2021	As at 31.03.2020	**As at 31.03.2021**	As at 31.03.2020
III)	**Reconciliation of PVO and fair value of plan assets:**				
	PVO at the end of the year	2400.5	2190.4	1481.0	1396.0
	Fair Value of plan assets at the end of the year	1723.1	1595.3	-	-
	Funded status	(677.4)	(595.1)	(1481.0)	(1396.0)
	Unrecognised actuarial gain/(loss)	-	-	-	-
	Net liability recognised in the Balance Sheet	(677.4)	(595.1)	(1481.0)	(1396.0)
IV)	**Expense recognised in the Statement of Profit and Loss:**				
	Current service cost	223.9	185.3	115.4	101.8
	Past service cost	-	-	-	-
	Interest cost	40.4	29.4	94.8	88.1
	Total expense recognised in the Statement of Profit and Loss	264.3*	214.7*	210.2*	189.9*
V)	**Other Comprehensive Income**				
	Actuarial loss/(gain)				
	- Due to demographic assumption	-	(0.5)	-	0.9
	- Due to finance assumption	68.4	202.8	47.7	122.7
	- Due to experience assumption	(5.5)	34.3	(95.9)	18.4
	Return on plan assets excluding net interest	(19.0)	(2.5)	-	-
	Total amount recognised in OCI	43.9	234.1	(48.2)	142.0
VI)	**Category of assets as at the end of the year:**				
	Insurer Managed Funds (100%) (Fund is Managed by LIC as per IRDA guidelines category-wise composition of the plan assets is not available)	1723.1	1595.3	-	-
VII)	**Actual return on the plan assets:**	127.3	109.7	-	-
VIII)	**Assumptions used in accounting for the gratuity plan:**				
	Mortality (%)	Rates stipulated in Indian Assured Lives Mortality 2006-08 upto 31.03.2019 Rates stipulated in Indian Assured Lives Mortality 2012-14 from 01.04.2019 onwards			
	Discount rate (%)	6.7	6.8	6.7	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	9.0 for first three years and 6.0 thereafter	9.0 for first three years and 6.0 thereafter
	Average Remaining Service (years)	10.9	11.3	10.9	11.3
	Employee Attrition Rate (%)				
	up to 5 years	15.0	15.0	15.0	15.0
	above 5 years	5.0	5.0	5.0	5.0
IX)	**Estimate of amount of contribution in immediate next year**	357.6	333.3	NA	NA

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

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X) Expected future benefit payments

(₹ in million)

Particulars	As at 31.03.2021
1 year	583.9
2 to 5 years	1216.1
6 to 10 years	1494.2
More than 10 years	4643.5

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

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

(₹ in million)

Gratuity (Funded)	2020-2021		2019-2020	
	Increase	**Decrease**	Increase	Decrease
Discount Rate (1% movement)	(310.1)	(360.0)	(282.4)	327.6
Future salary growth (1% movement)	356.0	(312.3)	324.2	(284.6)

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

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

The Company has an obligation to service the shortfall on account of interest generated by the fund and on maturity of fund investments and hence the same has been classified as Defined Benefit Plan in accordance with Ind AS 19 "Employee Benefits". As per the Guidance Note from the Actuarial Society of India, the Company has obtained the actuarial valuation of interest rate obligation in respect of Provident Fund as at March 31, 2021 and based on the same, there is no shortfall towards interest rate obligation.

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

(₹ in million)

Sr. No.	Particulars	As at 31.03.2021	As at 31.03.2020
I)	PVO and fair value of plan assets:		
	Fair Value of plan assets	10332.3	9492.4
	Present Value of defined benefit obligations	10524.7	9559.1
	Net excess/(shortfall)	(192.4)	(66.8)
II)	Changes in defined benefit obligation:		
	Liability at the beginning of the year	9559.1	8332.2
	Interest cost	801.4	706.9
	Current service cost	521.2	475.7
	Employee contribution	915.0	836.3
	Liability Transferred in	(248.3)	(105.4)
	Benefits paid	(1092.2)	(717.6)
	Actuarial gain/(loss) on experience variance	68.5	31.0
	Liability at the end of the year	10524.7	9559.1

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(₹ in million)

Sr. No.	Particulars	**As at 31.03.2021**	As at 31.03.2020
III)	Changes in fair value of plan assets:		
	Fair value of plan assets at the beginning of the year	9492.4	8332.4
	Investment income	808.5	720.8
	Employer's contributions	521.2	475.7
	Employee's contribution	915.0	836.3
	Transfers in	(237.5)	(117.9)
	Benefits paid	(1092.2)	(717.6)
	Return on plan assets, excluding amount recognised in net interest expense	(75.1)	(37.3)
	Fair value of plan assets at the end of the year	10332.3	9492.4
IV)	Expenses recognized in Statement of Profit and Loss:		
	Current service cost	521.2	475.7
	Interest cost	801.4	706.9
	Expected return on plan assets	(808.5)	(720.8)
	(Income)/Expense recognised in the Statement of Profit and Loss	514.1	461.8
V)	Major categories of Plan Assets (As per percentage of Total Plan Assets):		
	Government of India securities/State Government securities	52.1%	49.9%
	High quality corporate bonds	10.9%	39.6%
	Equity shares of listed companies	3.3%	1.1%
	Debt Mutual Fund	28.6%	2.1%
	Equity Mutual Fund	1.2%	2.9%
	Special Deposit Scheme	2.1%	2.2%
	Bank balance	1.8%	2.2%
	Total	100%	100%
VI)	Assumptions used in accounting for the provident fund plan:		
	Discount rate (%)	6.7	6.8
	Average remaining tenure of investment portfolio (years)	7.5	7.2
	Guaranteed rate of return (%)	8.5	8.5
	Attrition rate - upto 5 years	15.0%	15.0%
	Above 5 years	5.0%	5.0%

46. Income taxes:

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

(₹ in million)

Particulars	**Year Ended 31.03.2021**	Year Ended 31.03.2020
Current Tax Expense for the year	3671.0	3679.0
Tax expense w/back of prior years	(42.5)	(58.5)
Net Current Tax Expense	3628.5	3620.5
Deferred income tax liability/(asset) net		
Origination and reversal of temporary differences	82.3	(373.5)
Tax expense for the year	**3710.8**	**3247.0**

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

(₹ in million)

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	42.4	154.8
Items that will be reclassified to profit or loss		
The effective portion of gains and loss on hedging instruments in a cash flow hedge	(203.9)	157.7
Total	**(161.5)**	**312.5**

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

(₹ in million)

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
Profit before tax including exceptional item	16297.0	10522.5
Tax using the Company's domestic tax rate (March 31 2021: 34.94% March 31 2020: 34.94%)	5694.8	3677.0
Tax effect of:		
Expenses not deductible for tax purposes	1104.3	2774.1
Impact of change in tax rates	-	(11.8)
Incremental deduction allowed for Research and Development costs	-	(949.3)
Exemption of profit link incentives	(2980.7)	(1927.4)
Other Exemption Income	-	(51.6)
Other	(65.1)	(205.5)
Current and Deferred Tax expense (excluding prior year taxes) as per note 46(a)	**3753.3**	**3305.5**

d. Movement in deferred tax balances:

(Current Year ₹ in million)

Particulars	Net balance April 1 2020	Recognised in profit or loss	Recognised in Retained Earnings/ OCI	Net balance March 31 2021	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities)						
Property plant and equipment	(3682.2)	27.8	-	(3654.4)	-	(3654.4)
Cash Flow Hedge Reserve	133.0	-	(203.9)	(70.9)	-	(70.9)
Trade Receivables	74.0	58.7	-	132.7	132.7	-
Mark to Market (Gain)/Loss	(0.8)	(103.2)	-	(104.0)	-	(104.0)
Deferred Income	248.2	(36.7)	-	211.5	211.5	-
Interest on tax refunds to be taxed in the year of receipt – as per ICDS IV Para 8(2)	-	(74.0)	-	(74.0)	-	(74.0)
VRS Compensation	26.6	(3.0)	-	23.6	23.6	-
Employee benefits	1051.0	80.2	42.4	1173.6	1173.6	-
Other items	220.8	(32.1)	-	188.7	188.7	-
Net Deferred tax assets/ (liabilities)	**(1929.4)**	**(82.3)**	**(161.5)**	**(2173.2)**	**1730.1**	**(3903.3)**

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(Previous Year ₹ in million)

Particulars	Net balance **April 1 2019**	Recognised in profit or loss	Recognised in OCI	Net balance March 31 2020	Deferred tax asset	Deferred tax liability
Deferred tax assets/(liabilities)						
Property plant and equipment	(4044.7)	362.5	-	(3682.2)	-	(3682.2)
Cash Flow Hedge Reserve	(24.7)	-	157.7	133.0	133.0	-
Trade Receivables	57.2	16.8	-	74.0	74.0	-
Mark to Market (Gain)/Loss	-	(0.8)	-	(0.8)	-	(0.8)
Deferred Income	334.2	(86.0)	-	248.2	248.2	-
VRS Compensation	29.6	(3.0)	-	26.6	26.6	-
Employee benefits	808.2	88.0	154.8	1051.0	1051.0	-
Other items	178.0	(4.0)	46.8	220.8	220.8	-
Net Deferred tax assets/ (liabilities)	**(2662.2)**	**373.5**	**359.3**	**(1929.4)**	**1753.6**	**(3683.0)**

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.

The Ministry of Corporate Affairs, vide its notification dated 30th March 2019, inserted Appendix C "Uncertainty over Income Tax Treatments" to Ind AS 12 "Income Taxes", applicable from 1st April 2019. The company had opted the transition provision provided in this Appendix C. The company had identified uncertain tax positions and has estimated the liability based on the most likely amount. These estimates are based on its probability assessment of the uncertain tax treatment, accordingly the Company had recognised tax provision of ₹ 804.5 million as an adjustment to the opening balance of retained earnings on 1st April 2019.

47. The aggregate amount of revenue expenditure incurred during the year on Research and Development and shown in the respective heads of account is ₹ 11272.9 million (previous year ₹ 11700.7 million).

48. The aggregate amount of expenditure incurred during the year on Corporate Social Responsibility (CSR) is ₹ 351.1 million (previous year ₹ 342.0 million) and is shown separately under note 33 based on Guidance Note on Accounting for Expenditure on CSR Activities issued by the ICAI.

(₹ in million)

Particulars	**2020-2021**	2019-2020
Donations	323.3	307.3
Employee Benefits Expense	13.7	15.3
Others – Patient Awareness etc.	14.1	19.4
Total	**351.1**	**342.0**

The amount required to be spent by the Company during the year is ₹ 346.6 million (previous year ₹ 555.0 million). No amount was spent during the year towards construction/acquisition of any asset relating to CSR expenditure and there are no outstanding amounts payables towards any other purposes.

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

(₹ in million)

Particulars		**As at 31.03.2021**	As at 31.03.2020
i.	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	912.3 (interest ₹ nil)	989.4 (interest ₹ nil)
ii.	The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprises Development Act 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii.	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro Small and Medium Enterprises Development Act 2006	-	-
iv.	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v.	The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro Small and Medium Enterprises Development Act 2006	-	-

50. Exceptional Items:

During the previous year, the company recognized following items as exceptional items:

a) Settlement with the State of Texas:

The Texas Attorney General's office served Lupin Pharmaceuticals Inc. (LPI), with several Civil Investigative Demands from May 29, 2012 and continuing through 2016. The State of Texas (the "State") filed a lawsuit against LPI, Lupin Ltd (LL), Lupin Inc. (LI) and certain executives on June 14, 2016 (the Original Lawsuit) alleging violations of the Texas Medicaid Fraud Prevention Act (TMFPA). During the previous year, the State offered a settlement of $ 63.5 million to Lupin Group, of which $ 10.0 million was already accrued by LPI in earlier years. Under the settlement agreement, the State and Lupin Group had agreed on all of the terms of the settlement and the State agreed to dismiss the individual defendants, immediately. Final payment of $ 53.5 million (₹ 3791.8 million) by LL and $ 10 million by LPI made during the previous year.

b) Impairment of IPs:

Following our annual impairment review the impairment charges recognized during the previous year in the standalone profit and loss account in relation to certain intangible assets and intangible assets under development is as follows:

Intangible assets – ₹ 2122.8 million

Intangible assets under development – ₹ 1677.5 million

Both the categories referred to above relate to intangibles acquired as part of the acquisition of Gavis Group (Gavis), related to US market, having impaired primarily on account of (i) significant pricing pressure resulting from customer consolidation into large buying groups capable of extracting greater price reductions (ii) implementation of countermeasures against usage of Opioids in United states and (iii) delays in the launch of some of our new generic products.

The impairment has been determined by considering each individual intangible asset as a cash generating unit (CGU) except for IPs under development which have been assessed together as one CGU. Recoverable amount of CGUs for which impairment is done is ₹ 167.6 million. Recoverable amount (i.e. higher of value in use and fair value less cost to sell) of each individual CGU was compared to carrying value and impairment amount was arrived as follows:

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- CGUs where carrying value was higher than recoverable amount were impaired and
- CGUs where recoverable amount was higher than carrying value were carried at carrying value

The fair value so used is categorized as a level 3 valuation in line with the fair value hierarchy per requirements of Ind AS 113 "Fair Value Measurement" (Ind AS 113).
The fair value has been determined with reference to the discounted cash flow technique.

The key assumptions used in the estimation of the recoverable amounts is as mentioned below.
The value assigned to the key assumptions represents management's assessment of the future trends in the industry and have been based on historical data from both external and internal sources.

Assumption	How Determined
Projected cash flows	Based on past experience and adjusted for the following: - Current market dynamics - Anticipated competition - Impact due to COVID 19
Long term growth rate	Long term growth rate has been determined with reference to market dynamics of each individual product
Post-tax risk adjusted discounting rate	Projected cash flows were discounted to present value at a discount rate that is commensurate with all risks of ownership and associated risks of realizing the projected residual profits. Each product category (Currently Marketed Products and approved ANDAs, Filed ANDAs, and IP R&D) face different risks and accordingly different discount rates were determined based on each product category's risk profile. Discount rate was combination of cost of debt and cost of equity. Cost of equity was estimated using capital asset pricing model.

The projected cashflows are discounted at post-tax rate ranging from 6% to 15%. The terminal growth rate is considered at -5%.

The cash flow projections are based on five years specific estimates, five years estimates developed using internal forecasts and a terminal growth rate thereafter considering the life of intangibles being approx. 10 years. The management has considered ten year growth rate since the same appropriately reflects the period over which the future benefits of the intangibles will accrue to the Company.

Based on the assessment carried out as at March 31, 2020 and after considering performance for the full year ended March 31, 2020 no further provision have been made.

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

a) Probable return of goods from customers:

(₹ in million)

Particulars	**2020-2021**	2019-2020
Carrying amount at the beginning of the year	1420.8	1195.6
Add : Additional Provisions made during the year	1841.6	1957.8
Less : Amounts used/utilised during the year	1726.6	1732.6
Carrying amount at the end of the year	1535.8	1420.8

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b) European Commission fine:

(₹ in million)

Particulars	2020-2021	2019-2020
Carrying amount at the beginning of the year	3609.5	3335.8
Add : Additional Provisions (including interest) made during the year	57.1	54.8
Less : Amounts used/utilised during the year	-	-
Add : Exchange Difference during the year	129.5	218.9
Carrying amount at the end of the year	3796.1	3609.5

52. 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).

(₹ in million)

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

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(₹ in million)

As at 31.03.2021	Carrying amount				Fair value			
	FVTPL	Derivatives designated as hedge	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial liabilities								
Non-Current Borrowings	-	-	1.5	1.5	-	-	-	-
Other Non-Current Financial Liabilities								
- Derivative instruments	-	-	-	-	-	-	-	-
- Others	-	-	1359.9	1359.9	-	-	-	-
Current Borrowings	-	-	2987.9	2987.9	-	-	-	-
Trade Payables	-	-	11963.9	11963.9	-	-	-	-
Other Current Financial Liabilities								
- Derivative instruments	-	-	-	-	-	-	-	-
- Others	-	-	2965.0	2965.0	-	-	-	-
	-	**-**	**19278.2**	**19278.2**	**-**	**-**	**-**	**-**

(₹ in million)

As at 31.03.2020	Carrying amount				Fair value			
	FVTPL	Derivatives designated as hedge	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-Current Investments								
- In NCD's	-	-	-	-	-	-	-	-
- Others	19.7	-	-	19.7	-	-	19.7*	19.7
Non-Current Loans								
- Security Deposit	-	-	445.2	445.2	-	-	-	-
- Others	-	-	2.0	2.0	-	-	-	-
Other Non-Current Financial Assets								
- Derivative Instruments	-	-	-	-	-	-	-	-
- Others	-	-	9.7	9.7	-	-	-	-
Current Investments	13004.9	-	10292.4	23297.3	13004.9	-	-	13004.9
Trade Receivables	-	-	36163.3	36163.3	-	-	-	-
Cash and Cash Equivalents	-	-	11680.2	11680.2	-	-	-	-
Other Bank Balances including earmarked balances with banks	-	-	1379.1	1379.1	-	-	-	-
Current Loans	-	-	348.9	348.9	-	-	-	-
Other Current Financial Assets								
- Derivative instruments	-	-	-	-	-	-	-	-
- Others	-	-	3245.8	3245.8	-	-	-	-
	13024.6	**-**	**63566.6**	**76591.2**	**13004.9**	**-**	**19.7**	**13024.6**
Financial liabilities								
Non-Current Borrowings	-	-	3.1	3.1	-	-	-	-
Other Non-Current Financial Liabilities								

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(₹ in million)

As at 31.03.2020	Carrying amount				Fair value			
	FVTPL	Derivatives designated as hedge	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
- Derivative instruments	-	301.3	-	301.3	-	-	-	-
- Others	-	-	894.6	894.6	-	-	-	-
Current Borrowings	-	-	52.9	52.9	-	-	-	-
Trade Payables	-	-	15661.3	15661.3	-	-	-	-
Other Current Financial Liabilities								
- Derivative instruments	-	159.3	-	159.3	-	-	-	-
- Others	-	-	2587.8	2587.8	-	-	-	-
	-	**460.6**	**19199.7**	**19660.3**	**-**	**-**	**-**	**-**

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

B. Measurement of fair values:

Valuation techniques and significant unobservable inputs:

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

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

C. Financial risk management:

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

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

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

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

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks

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faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures the results of which are reported to the audit committee.

i. Credit risk:

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

Trade receivables

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

As at year end the carrying amount of the Company's largest customer (a Subsidiary based in North America) was ₹ 18998.2 million (previous year ₹ 24424.2 million).

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

(₹ in million)

Particulars	**As at 31.03.2021**	As at 31.03.2020
Not past due but impaired	57.2	1.5
Neither past due not impaired	28578.4	21981.8
Past due not impaired		
- 1-180 days	2963.9	13531.5
- 181-365 days	140.4	611.5
- more than 365 days	222.4	38.5
Past due impaired		
- 1-180 days	40.4	9.1
- 181-365 days	0.5	28.0
- more than 365 days	128.5	97.0
Total	**32131.7**	**36298.9**

Expected credit loss assessment

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

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

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

(₹ in million)

Particulars	**2020-2021**	2019-2020
Balance as at the beginning of the year	135.6	118.8
Impairment loss recognised (net)	94.0	37.0
Amounts written off	(2.2)	(20.4)
Exchange differences	(1.1)	0.2
Balance as at the year end	226.3	135.6

The impairment loss at March 31 2021 related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances mainly due to economic circumstances.

Cash and cash equivalents

As at the year end the Company held cash and cash equivalents of ₹ 1774.1 million (previous year ₹ 11680.2 million). The cash and cash equivalents are held with banks.

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Other Bank Balances
Other bank balances are held with banks.

Derivatives
The derivatives are entered into with banks.

Investment in mutual funds non-convertible debentures and commercial papers

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

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

ii. Liquidity risk:

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

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

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

(₹ in million)

As at 31.03.2021	Carrying amount	Contractual Cash Flows				
		Total	0-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non-Current Borrowings	3.1	3.1	1.6	1.0	0.5	-
Interest Payables	-	35.6	8.9	8.1	15.0	3.6
Other Non-Current Financial Liabilities	1359.9	1359.9	-	514.7	732.7	112.5
Current Borrowings	2987.9	2987.9	2987.9	-	-	-
Trade Payables Current	11963.9	11963.9	11963.9	-	-	-
Other Current Financial Liabilities	2965.0	2965.0	2965.0	-	-	-
Issued financial guarantee contracts on behalf of subsidiaries*	-	-	-	-	-	-
Derivative financial liabilities						
Forward exchange contracts (gross settled)						
- Outflow	-	-	-	-	-	-
- Inflow		-	-	-	-	-
Total	**19307.8**	**19315.4**	**17927.3**	**523.8**	**748.2**	**116.1**

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(₹ in million)

As at 31.03.2020	Carrying amount	Contractual Cash Flows				
		Total	0-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non-Current Borrowings	5.4	5.4	2.3	1.6	1.5	-
Interest Payables	-	45.3	9.6	8.9	20.0	6.8
Other Non-Current Financial Liabilities	894.6	894.6	-	333.7	462.4	98.5
Current Borrowings	52.9	52.9	52.9	-	-	-
Trade Payables Current	15661.3	15661.3	15661.3	-	-	-
Other Current Financial Liabilities	2585.5	2585.5	2585.5	-	-	-
Issued financial guarantee contracts on behalf of subsidiaries*	-	-	-	-	-	-
Derivative financial liabilities						
Forward exchange contracts (gross settled)						
- Outflow	460.6	460.6	159.3	301.3	-	-
- Inflow		-	-	-	-	-
Total	**19660.3**	**19705.6**	**18470.9**	**645.5**	**483.9**	**105.3**

* Guarantees issued by the Company on behalf of subsidiaries are with respect to borrowings raised by the respective subsidiary. These amounts will be payable on default by the concerned subsidiary. As of the reporting date none of the subsidiary have defaulted and hence the Company does not have any present obligation to third parties in relation to such guarantees (Refer note 56C).

iii. Market Risk:

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

Currency risk

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

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

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

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

(Amount in million)

Category	Instrument	Currency	Cross Currency	**As at 31.03.2021**	As at 31.03.2020	Buy/Sell
Hedges of highly probable forecasted transactions	Forward contract	USD	INR	USD 119.0	USD 163.0	Sell

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

Exposure to Currency risk

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

(₹ in million)

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

(₹ in million)

Particulars	As at 31.03.2020				
	USD	EURO	GBP	JPY	Others
Financial assets					
Cash and cash equivalents	18.9	-	-	-	5.0
Trade Receivables	28395.6	721.7	419.8	198.0	309.2
Other current financial assets	-	-	-	-	-
	28414.5	721.7	419.8	198.0	314.2
Financial liabilities					
Trade Payables	3306.2	490.9	93.4	42.9	80.8
Other current financial liabilities	50.7	3629.1	0.7	1.8	10.1
	3356.9	4120.0	94.1	44.7	90.9
Net statement of financial position exposure	**25057.6**	**(3398.3)**	**325.7**	**153.3**	**223.3**

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Sensitivity analysis

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

(₹ in million)

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

(₹ in million)

March 31, 2020	Profit or (loss)		Equity net of tax*	
1% movement	Strengthening	Weakening	Strengthening	Weakening
USD	(250.6)	250.6	(246.8)	246.8
EUR	34.0	(34.0)	22.4	(22.4)
GBP	(3.3)	3.3	(2.1)	2.1
JPY	(1.5)	1.5	(1.0)	1.0
Others	(2.2)	2.2	(1.5)	1.5
	(223.6)	**223.6**	**(229.0)**	**229.0**

* including other comprehensive income

Interest rate risk

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

Exposure to interest rate risk

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

(₹ in million)

Particulars	**As at 31.03.2021**	As at 31.03.2020
Non-Current Borrowings		
Fixed rate borrowings	3.1	5.4
Variable rate borrowings	-	-
	3.1	5.4
Current Borrowings		
Fixed rate borrowings	-	-
Variable rate borrowings	2987.9	52.9
	2987.9	52.9
Total	**2991.0**	**58.3**

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.

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Cash flow sensitivity analysis for variable-rate instruments

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

(₹ in million)

Particulars	Profit or (loss)	
	100 bp increase	100 bp decrease
Cash flow sensitivity (net)		
March 31, 2021		
Variable-rate borrowings	(29.9)	29.9
March 31, 2020		
Variable-rate borrowings	(0.5)	0.5

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

Commodity rate risk

The Company's operating activities involve purchase and sale of Active Pharmaceutical Ingredients (API) whose prices are exposed to the risk of fluctuation over short periods of time. Commodity price risk exposure is evaluated and managed through procurement and other related operating policies. As of March 31, 2021 and March 31, 2020 the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

53. Capital Management:

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

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

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

The Company's policy is to keep the ratio below 1.5. The Company's adjusted net debt to total equity ratio at March 31 2021 was as follows:

(₹ in million)

Particulars	**As at 31.03.2021**	As at 31.03.2020
Total borrowings	2991.0	58.3
Less : Cash and cash equivalent	1774.1	11680.2
Less : Other Bank Balances*	1076.5	1388.8
Less : Current Investments	23209.9	23297.3
Adjusted net debt	(23069.5)	(36308.0)
Total equity	185655.7	174732.0
Adjusted net debt to total equity ratio	(0.12)	(0.21)

* includes earmarked bank deposits against guarantees & other commitments of ₹ 10.5 million (previous year ₹ 9.7 million) classified as Other Non-Current Financial Assets.

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54. Hedge accounting:

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

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

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

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

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

(₹ in million)

As at 31.03.2021									
Type of hedge and risks	Nominal Value (in USD mn)	Carrying amount of hedging instrument		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognizing hedge effectiveness
		Assets	Liabilities						
Cash flow hedge	119.0	269.1	-	Other current/ non-current financial liability	April 2021 – March 2022	1:1	77.19	(279.7)	(268.7)
Forward exchange forward contracts	-	-	-	Other current financials liabilities/ non-current financial liabilities					

(₹ in million)

As at 31.03.2020									
Type of hedge and risks	Nominal Value (in USD mn)	Carrying amount of hedging instrument		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognizing hedge effectiveness
		Assets	Liabilities						
Cash flow hedge	163.0	-	460.6	Other current/ non-current financial liability	July 2020 – March 2022	1:1	76.59	510.3	507.2
Forward exchange forward contracts	-	-	-	Other current financials liabilities/ non-current financial liabilities					

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b. Disclosure of effects of hedge accounting on financial performance

(₹ in million)

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

(₹ in million)

As at 31.03.2020	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or (loss)	Line item in the statement of profit or loss that includes the hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or (loss)	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	(523.3)	(2.5)	Other Expenses - Net loss on Foreign Currency Transactions	38.8	Revenue from operations - Sale of goods

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

(₹ in million)

Movements in cash flow hedging reserve	
Balance at April 1, 2019	**77.5**
Add: Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	(523.3)
Less: Amounts re-classified to profit or loss	(36.3)
Less: Deferred tax	157.7
As at March 31, 2020	**(324.4)**
Add: Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	834.6
Less: Amounts re-classified to profit or loss	(106.5)
Less: Deferred tax	(203.9)
As at March 31, 2021	**199.8**

55. Off-setting or similar agreements:

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

(₹ in million)

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

The recognised financial instruments that are offset in balance sheet as at March 31, 2020:

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(₹ in million)

As at 31.03.2020	Effects of offsetting on the balance sheet			Amounts subject to master netting	
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Related amounts not offset	Net amount
Financial assets					
Derivative instruments	-	-	-	-	-
Trade and other receivables	-	-	-	-	-
Financial liabilities					
Derivative instruments	460.6	-	460.6	-	460.6
Trade and other payables	-	-	-	-	-

Offsetting arrangements

(i) Trade receivables and payables

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

(ii) Derivatives

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

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

A. Relationships –

Category I: Entity having significant influence over the Company:

Lupin Investments Pvt. Limited

Category II: Subsidiaries:

Lupin Pharmaceuticals Inc. USA
Kyowa Pharmaceutical Industry Co. Limited Japan (upto December 17, 2019)
Lupin Australia Pty Limited Australia
Nanomi B.V., Netherlands
Pharma Dynamics (Proprietary) Limited, South Africa
Hormosan Pharma GmbH Germany
Multicare Pharmaceuticals Philippines Inc. Philippines
Lupin Atlantis Holdings SA Switzerland
Lupin Healthcare (UK) Limited UK
Lupin Pharma Canada Limited Canada
Lupin Mexico S.A. de C.V. Mexico
Generic Health Pty Limited Australia
Bellwether Pharma Pty Limited Australia
Lupin Philippines Inc. Philippines
Lupin Healthcare Limited India
Generic Health SDN. BHD. Malaysia
Kyowa CritiCare Co. Limited Japan (upto September 30, 2019)
Lupin Middle East FZ-LLC UAE (upto July 02, 2020)
Lupin GmbH Switzerland (upto September 29,2020)
Lupin Inc. USA
Medquimica Industria Farmaceutica LTDA Brazil

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Laboratorios Grin S.A. de C.V. Mexico
Lupin Pharma LLC Russia (upto April 9, 2019)
Novel Laboratories Inc. USA
Lupin Research Inc. USA
Lupin Latam Inc. USA
Lupin Japan & Asia Pacific K.K. Japan (upto December 17, 2020)
Symbiomix Therapeutics LLC USA (upto December 30, 2019)
Lupin Management Inc., USA
Lupin Europe GmbH, Germany
Lupin Foundation India
Lupin Biologics Limited India (w.e.f. January 28, 2021)
Lupin Oncology Inc.,USA (w.e.f. March 15, 2021)

Category III: Jointly Controlled Entity:

YL Biologics Ltd. Japan

Category IV: Key Management Personnel (KMP)

Ms. Vinita Gupta	Chief Executive Officer
Mr. Nilesh D. Gupta	Managing Director
Mr. Ramesh Swaminathan (w.e.f. March 26, 2020)	Executive Director, Global CFO & Head Corporate Affairs
Mr. Sunil Makharia (from June 10, 2019 to March 25, 2020)	Interim Chief Financial Officer
Mr. R. V. Satam	Company Secretary
Non-Executive Directors	
Mrs. Manju D. Gupta	Chairman
Dr. Kamal K. Sharma	Vice Chairman
Mr. R. A. Shah (upto August 12, 2020)	
Mr. Richard Zahn (upto August 12, 2020)	
Dr. K. U. Mada (upto August 12, 2020)	
Mr. Dileep C. Choksi (upto August 12, 2020)	
Mr. Jean-Luc Belingard	
Ms. Christine Ann Mundkur (w.e.f. April 1, 2019)	
Mr. K.B.S. Anand (w.e.f August 12, 2020)	
Dr. Punita Kumar Sinha (w.e.f from August 12, 2020)	
Mr. Robert Funsten (w.e.f. November 10, 2020)	
Mr. Mark D. McDade (w.e.f. from January 28, 2021)	

Category V: Others (Relatives of KMP and Entities in which the KMP and Relatives of KMP have control or significant influence)

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

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B. Transactions with the related parties:

(₹ in million)

Sr. No.	Transactions	For the year ended 31.03.2021	For the year ended 31.03.2020
1.	Sale of Goods		
	Lupin Pharmaceuticals Inc.	28890.1	30756.4
	Other Subsidiaries	7571.1	5397.5
2.	Sale – Research Services-Others		
	Subsidiaries	142.7	231.5
3.	Royalty Income		
	Subsidiaries	10.1	-
4.	Fees Received against guarantees provided on their behalf		
	Subsidiaries	134.6	221.7
5.	Services Rendered (Income)		
	Subsidiaries	71.0	31.1
6.	Rent Paid		
	Others	54.9	66.2
7.	Research and Development Expenses		
	Lupin Research Inc.	1080.8	1334.0
	Other Subsidiaries	180.7	1.2
8.	Expenses incurred on their behalf Recovered/Rent Received		
	Subsidiaries	492.7	398.7
	Others	1.6	1.6
9.	Remuneration Paid		
	Key Management Personnel	146.8	101.4
10.	Purchases of Goods/Materials		
	Subsidiaries	-	19.0
	Jointly Controlled Entity	8.8	16.5
	Others	208.2	170.7
11.	Commission, Advisory Fees & Sitting Fees to Non-Executive Directors		
	Key Management Personnel	67.8	69.9
12.	Donations Paid		
	Subsidiaries	107.5	-
	Others	237.6	289.2
13.	Dividend Paid		
	Entity having significant influence over the Company	1233.6	1028.0
	Key Management Personnel	7.6	26.6
	Others	35.5	9.2
14.	Services Received (Expense)		
	Lupin Pharmaceuticals Inc.	79.3	103.1
	Other Subsidiaries	978.9	1045.2
	Others	83.8	85.6
15.	Expenses incurred on our behalf & Others Reimbursements		
	Subsidiaries	968.4	905.7
	Others	4.0	3.0
16.	Refund of Deposit		
	Others	14.4	-
17.	Interest Income		
	Subsidiaries	0.02	-
18.	Investment in Subsidiary		
	Subsidiaries	20228.9	-

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(₹ in million)

Sr. No.	Transactions	**For the year ended 31.03.2021**	For the year ended 31.03.2020
19.	Letter of Comfort issued by the Company to the bankers of a Subsidiary		
	Lupin Pharmaceuticals Inc.	-	1891.6
20.	Corporate guarantees issued by the Company to the bankers of subsidiary companies		
	Lupin Pharmaceuticals Inc.	11569.7	8550.1
	Other Subsidiaries	1326.6	-
21.	Letter of Awareness issued by the Company to the bankers of subsidiary companies		-
	Laboratorios Grin SA de CV, Mexico	29.2	-
22.	Withdrawal of corporate guarantees given by the Company to the bankers of subsidiary companies		
	Kyowa Pharmaceutical Industry Co. Limited	-	14293.6
	Hormosan Pharma GMBH Germany	620.8	77.7
	Generic Health Pty. Ltd., Australia	271.8	-
	Lupin Atlantis Holdings SA, Switzerland	378.3	-
	Kyowa Criticare Co. Ltd Japan	-	374.5
	Lupin Healthcare (UK) Limited, UK	60.8	-
	Lupin Inc. USA	21386.0	21991.3
23.	Withdrawal of Letter of Comfort by the Company to the bankers of subsidiary companies		
	Lupin Pharmaceuticals Inc.	7566.5	-
24.	Withdrawal of Guarantees issued by the Company on behalf of subsidiary companies for contractual obligations		
	Lupin Atlantis Holdings SA, Switzerland	5864.0	-

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

(₹ in million)

Compensation paid to Key Management Personnel	**For the year ended 31.03.2021**	For the year ended 31.03.2020
Short-term employee benefits	123.2	83.5
Post-employment benefits	12.1	12.1
Share based payments	11.5	5.8
Total	**146.8**	**101.4**

Terms and conditions of transactions with related parties:

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

C. Balances due from/to the related parties:

(₹ in million)

Sr. No.	Balances	**As at 31.03.2021**	As at 31.03.2020
1.	Investments		
	Subsidiaries	71976.2	51247.3
2.	Deposits paid under Leave and License arrangement for premises		
	Others	29.0	43.4
3.	Trade Receivables		
	Subsidiaries	22989.8	27081.9

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(₹ in million)

Sr. No.	Balances	As at 31.03.2021	As at 31.03.2020
4.	Trade Payables		
	Subsidiaries	848.6	1666.0
	Jointly Controlled Entity	-	8.1
	Others	6.4	13.0
5.	Expenses Payable		
	Subsidiaries	97.0	123.0
6.	Expenses Receivable		
	Subsidiaries	319.9	78.7
	Others	0.2	-
7.	Income/Interest Receivable		
	Subsidiaries	58.6	72.1
8.	Deposits received under Leave and License arrangement for premises		
	Others	0.1	0.1
9.	Letter of Comfort issued by the Company to the bankers of subsidiary companies	-	7566.5
10.	Corporate guarantees issued by the Company to the bankers of subsidiary companies	49702.5	60993.6
11.	Guarantees issued by the Company on behalf of subsidiary companies for contractual obligations	3399.6	9382.4
12.	Letter of Awareness issued by the Company to the bankers of subsidiary companies	29.2	-

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

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

(₹ in million)

Particulars	April 1, 2020	Cash Flows	Non-Cash Changes			March 31, 2021
			Acquisition	Foreign Exchange Movement	Fair Value Changes	
Non-Current Borrowings						
Unsecured						
Deferred Sales Tax Loan from Government of Maharashtra	3.1	(1.6)	-	-	-	1.5
Current maturities of Non-Current Borrowings	2.3	(0.7)	-	-	-	1.6
Current Borrowings						
Secured						
Loans from banks	52.9	455.0	-	-	-	507.9
Unsecured						
Loans from banks	-	2480.0	-	-	-	2480.0
Interest accrued but not due on Borrowings	-	-	-	-	-	-
Total Liabilities from financing activities	**58.3**	**2932.7**	**-**	**-**	**-**	**2991.0**

Notes

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(₹ in million)

Particulars	April 1, 2019	Cash Flows	Non-Cash Changes			March 31, 2020
			Acquisition	Foreign Exchange Movement	Fair Value Changes	
Non-Current Borrowings						
Unsecured						
Deferred Sales Tax Loan from Government of Maharashtra	5.3	(2.2)	-	-	-	3.1
Current maturities of Non-Current Borrowings	35.5	(33.2)	-	-	-	2.3
Current Borrowings						
Secured						
Loans from banks	16.8	36.1	-	-	-	52.9
Interest accrued but not due on Borrowings	0.1	(0.1)	-	-	-	-
Total Liabilities from financing activities	**57.7**	**0.6**	**-**	**-**	**-**	**58.3**

58. In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. Supply Chain disruptions as a result of the outbreak started with restrictions on movement of goods, closure of borders etc., in several countries followed by a global lockdown in March 2020 announced by the various governments, to contain the spread of COVID-19. Similar restrictions continue to prevail in 2021 in various geographies. Since the Company manufactures and supplies pharmaceutical products which is categorized under essential goods, the manufacturing and supplies of the products has been functioning with minimal disruptions. The situation is likely to further improve with easing of restrictions in the coming days.

In light of these circumstances, the Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption including remote working, maintaining social distancing, sanitization of workspaces etc. The Company has considered internal and external information while finalizing various estimates in relation to its financial statement up to the date of approval of the financial statements by the Board of Directors and has not identified any material impact on the carrying value of tangible and intangible assets, financials assets, inventory, receivables etc as well as borrowings and liabilities accrued.

As mentioned above, since the Company is into manufacturing and supply of pharmaceutical products (essential goods) there is no significant impact on the overall demand of the goods and its supply chain. The Company has also not observed any significant delay in the collection from customers thus there is no significant increase in Credit risk. Further, the Company's liquidity position is adequate to service all its near term debt and other financing arrangements/liabilities.

The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID-19 situation evolves globally. The Company will continue to closely monitor any material changes to future economic conditions.

Signature to note 1 to 58

In terms of our report attached
For **B S R & Co. LLP**

Chartered Accountants
Firm Registration No. 101248W/W – 100022

Venkataraman Vishwanath
Partner
Membership No. 113156

Place: Bengaluru
Dated: May 12, 2021

For and on behalf of
Board of Directors of Lupin Limited

Manju D. Gupta
Chairman
DIN: 00209461

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh D. Gupta
Managing Director
DIN: 01734642

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

R. V. Satam
Company Secretary
ACS – 11973

Place: Mumbai
Dated: May 12, 2021