



LUPIN BIOLOGICS LIMITED

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

MARCH 31, 2022

**Kalpataru Inspire, 3rd Floor, Off Western Express Highway, Santacruz
(East) | Mumbai 400055**

INDEPENDENT AUDITOR'S REPORT

**To the Members of
Lupin Biologics Limited
Mumbai**

Report on the Audit of the Financial Statements**Opinion**

We have audited the financial statements of **Lupin Biologics Limited** ('the Company') which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of 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 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, 2022, loss 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 specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 6 to the financial statements which indicate that the Company has incurred losses during the current year and in the preceding year. Further, the Company's current liabilities exceeded its current assets as at the balance sheet date. Based on the details in the said note, in our opinion, these conditions do not indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of this matter.

Other Information

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

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind As) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 purpose 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 Balance Sheet, the Statement of Profit and Loss, Other comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, we have to state that no remuneration has been paid to the directors during the year.

ARORA & ARORA

CHARTERED ACCOUNTANTS

105 Kadangiri Apartments, Hanuman Road, Vile Parle (E), Mumbai 400 057

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- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - (v) The Company has not declared or paid any dividends during the year.

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

Girish Arora
Partner
Membership No.: 41019
UDIN : 22041019AIRKUK7310
Mumbai, May 09, 2022

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in the paragraph 1 of the section Report on Other Legal and Regulatory Requirements of our report of even date to the Members of **LUPIN BIOLOGICS LIMITED** on the financial statements for the year ended **March 31, 2022**).

- i. The Company did not have any Property, Plant and Equipment or Intangible assets during the year. Hence reporting under clauses 3(i)(a) to 3(i)(e) of the Order are not applicable.
- ii. (a) The Company did not have any inventories during the year. Hence reporting under clause 3 (ii)(a) of the Order is not applicable.
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Hence reporting under clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable.
- iv. According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 (“the Act”) are not applicable to the Company. Hence reporting under clause 3(iv) of the Order is not applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Hence reporting under clause 3(v) of the Order is not applicable.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act in respect of the activities of the Company. Hence reporting under clause 3(vi) of the Order is not applicable.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in respect of undisputed statutory dues including Goods and Services Tax , Income-Tax and other statutory dues have been regularly deposited by the Company with the appropriate authorities. Till the year end, the Company did not have any liability in respect of Provident Fund, Employees’ State Insurance, Sales tax , Service tax, Duty of Customs, Duty of excise, Value added tax and Cess . According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Service Tax, Income tax and other statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
(b) There were no dues of Goods and Service Tax, Income tax and other statutory dues which have not been deposited on account of any disputes.
- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings (whatsoever) from any lender in the past or in the year. Hence reporting under clauses 3(ix)(a) to 3(ix)(a)(f) of the Order are not applicable.

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- x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments Hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- b) No report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Hence reporting under clause 3(xii)(a) to 3(xii)(c) of the Order are not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. We are informed that section 177 of the Act is not applicable to the Company.
- xiv. In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act. Hence reporting under clause 3(xiv)(a) and 3(xiv)(b) of the Order are not applicable.
- 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 directors or persons connected with him and hence reporting under clause 3(xv) of the Order is not applicable.
- xvi. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
- b) In our opinion and according to the information and explanations given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities and is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not any have any CIC.
- xvii. The Company has incurred cash losses of Rs. 64.3 thousands in the current financial year and Rs.1171.5 thousands in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year.
- xix. We draw attention to Note 6 to the financial statements, which indicates that the Company has incurred losses during the current year and in the preceding year. Further, the Company's current liabilities exceeded its current assets as at the balance sheet date. As explained in the aforesaid note, a substantial amount of current liability is to the holding company only and the holding company guarantees the funds necessary for the Company to continue as a going concern.

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of

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the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Hence reporting under clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Girish Arora
Partner
Membership No.: 41019
UDIN : 22041019AIRKUK7310
Mumbai, May 09, 2022

Annexure - B to the Independent Auditors' Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")****Opinion**

We have audited the internal financial controls over financial reporting of **LUPIN BIOLOGICS LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting 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.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Arora & Arora

Chartered Accountants

Firm's Registration No: 100544W

Girish Arora

Partner

Membership No.: 41019

UDIN : 22041019AIRKUK7310

Mumbai, May 09, 2022

LUPIN BIOLOGICS LIMITED
BALANCE SHEET AS AT MARCH 31, 2022

	<u>Note</u>	<u>As at 31.03.2022 ₹ in thousands</u>	<u>As at 31.03.2021 ₹ in thousands</u>
ASSETS			
Current Assets			
(a) Financial Assets			
(i) Cash and Cash Equivalents	2	18.6	100.0
		18.6	100.0
	Total	18.6	100.0
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	3	1,000.0	1,000.0
(b) Other Equity		(1,235.8)	(1,171.5)
		(235.8)	(171.5)
Liabilities			
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables			
- Total outstanding dues of Micro Enterprises and Small Enterprises	4	-	-
- Total outstanding dues of other than Micro Enterprises and Small Enterprises	4	254.4	271.5
		254.4	271.5
	TOTAL	18.6	100.0

In terms of our report attached
For Arora & Arora
Chartered Accountants
Firm Registration No. 100544W

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

Girish Arora
Partner
Membership No. 41019

Nilesh D. Gupta
Director
DIN: 01734642

Ramesh Swaminathan
Director
DIN: 01833346

Place : Mumbai
Dated : May 09, 2022

Place : Mumbai
Dated : May 09, 2022

LUPIN BIOLOGICS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

	<u>Note</u>	For the Current Year ended 31.03.2022 ₹ in thousands	For the Previous period from 28.01.2021 to 31.03.2021 ₹ in thousands
INCOME:			
Other Income		-	-
Total Income		-	-
EXPENSES:			
Other Expenses	5	64.3	1,171.5
Total Expenses		64.3	1,171.5
Profit / (Loss) before Tax		(64.3)	(1,171.5)
Tax Expense:			
Current Tax (Net)		-	-
Deferred Tax		-	-
Profit/(Loss) for the year		(64.3)	(1,171.5)
Other Comprehensive Income/(Loss)			
(A)(i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to item that will not be reclassified to profit or loss		-	-
(B)(i) Items that will be reclassified subsequently to profit or loss:		-	-
(ii) Income tax relating to item that will be reclassified to profit or loss		-	-
Other Comprehensive Income/(Loss) for the year, net of tax	Total	-	-
Total Comprehensive Income /(Loss) for the year		(64.3)	(1,171.5)
Earnings per equity share (in ₹)	8		
Basic		(0.64)	(11.72)
Diluted		(0.64)	(11.72)
Face Value of Equity Share (in ₹)		10	10

See accompanying notes forming part of the financial statements

In terms of our report attached
For Arora & Arora
Chartered Accountants
Firm Registration No. 100544W

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

Girish Arora
Partner
Membership No. 41019

Nilesh D. Gupta
Director
DIN: 01734642

Ramesh Swaminathan
Director
DIN: 01833346

Place : Mumbai
Dated : May 09, 2022

Place : Mumbai
Dated : May 09, 2022

LUPIN BIOLOGICS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

(a) Equity share capital	2021-22		2020-21	
	No. of Shares	₹ in thousands	No. of Shares	₹ in thousands
Balance at the beginning of the reporting year	100,000.00	1,000.00	-	-
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-
Changes in equity share capital during the year	-	-	100,000	1,000.0
Balance at the end of the reporting year	100,000	1,000.0	100,000	1,000.0

(b) Other equity

₹ in thousands

Particulars	Reserves & Surplus		Total
	Securities Premium	Retained Earnings	
Balance as at 28.01.2021	-	-	-
Profit/(Loss) for the period	-	(1,171.5)	(1,171.5)
Other comprehensive income/(Loss)	-	-	-
Balance as at 31.03.2021	-	(1,171.5)	(1,171.5)
Profit/(Loss) for the period	-	(64.3)	(64.3)
Other comprehensive income/(Loss)	-	-	-
Balance at 31.03.2022	-	(1,235.8)	(1,235.8)

In terms of our report attached
For Arora & Arora
Chartered Accountants
Firm Registration No. 100544W

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

Girish Arora
Partner
Membership No. 41019

Nilesh D. Gupta
Director
DIN: 01734642

Ramesh Swaminathan
Director
DIN: 01833346

Place : Mumbai
Dated : May 09, 2022

Place : Mumbai
Dated : May 09, 2022

LUPIN BIOLOGICS LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

	For the Current Year ended 31.03.2022 ₹ in thousands	For the Previous Period from 28.01.2021 to 31.03.2021 ₹ in thousands
A. Cash Flow from Operating activities		
Profit /(Loss)before Tax	(64.3)	(1,171.5)
Operating Profit/(Loss) before Working Capital Changes	(64.3)	(1,171.5)
Changes in working capital:		
Adjustments for :		
Trade Payables	(17.1)	271.5
Other Financial Assets	-	-
Cash (Used in) / Generated from Operations	(81.4)	(900.0)
Direct Taxes paid	-	-
Net Cash (Used in)/Generated Operating Activities	(81.4)	(900.0)
C. Cash Flow from Financing Activities		
Proceeds from issue of equity shares	-	1,000.0
Net Cash (Used in)/Generated from Financing Activities	-	1,000.0
Net increase/(decrease)in Cash and Cash equivalents	(81.4)	100.0
Cash and Cash equivalents at the beginning of the period	100.0	-
Cash and Cash equivalents at the end of the period (Refer Note 2)	18.6	100.0

Note :

1) The 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".

In terms of our report attached
For Arora & Arora
Chartered Accountants
Firm Registration No. 100544W

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

Girish Arora
Partner
Membership No. 41019

Nilesh D. Gupta
Director
DIN: 01734642

Ramesh Swaminathan
Director
DIN: 01833346

Place : Mumbai
Dated : May 09, 2022

Place : Mumbai
Dated : May 09, 2022

LUPIN BIOLOGICS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1A. Company Overview:

The Company was incorporated under the Companies Act, 2013, on 28th January, 2021. The Company is a wholly owned Subsidiary of Lupin Limited. 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

i. Basis of preparation of Financial Statements:

The Financial Statement of the Company have been prepared in all material aspects in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under section 133 of the Companies Act, 2013 ('the Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India.

ii. Use of Estimates:

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

iii. Property, Plant and Equipment:

Fixed Assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Amortisation of lease hold land is provided over the lease period.

iv. Financial Instruments

A) Financial Assets

Classification

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.

Equity investments

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

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

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

The Company has elected to continue with the carrying value of all its equity investments as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101

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 recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes 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 recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

B) Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, 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.

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.

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/loss 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. The Company has not designated any financial liability as at fair value through profit or loss.

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.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

v. Revenue Recognition:

Interest income is recognised with reference to the Effective Interest Rate method. Dividend from investments is recognized as revenue when right to receive is established.

vi. Income Tax:

Income Taxes are accounted for in accordance with Indian Accounting Standard 12 on “Income Taxes” (Ind AS 12). Tax expense comprises both current tax and deferred tax. Current tax is measured at the amount expected to be paid or recovered from the tax authorities using applicable tax rates.

Deferred tax assets and liabilities are recognized for future tax consequence attributable to timing difference between taxable income and accounting income that are measured at relevant tax rates. At each Balance Sheet date the Company reassesses unrealized deferred tax assets, to the extent they become reasonably certain or virtually certain of realization, as the case may be.

vii. Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

viii. Earnings per share:

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year adjusted for the effects of all dilutive potential equity shares.

ix. Segment Reporting:

The Company Operates in one reportable business segment i.e “Pharmaceuticals”.

x. Operating Cycle:

Based on the nature of products /activities of the company and the normal time between acquisition of assets and their realization in cash or cash equivalent, 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:

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date.

Ind AS 103 – Business Combination

Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.

Ind AS 16 – Proceeds before intended use

The amendments requires an entity to deduct from the cost of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.

Ind AS 41 – Taxation in fair value measurements

The amendment removes the requirement in Ind AS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113 Fair Value Measurement.

2. CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents
(as per Ind AS-7 - "Statement of Cash Flows")

	As at 31.03.2022	As at 31.03.2021
	₹ in thousands	₹ in thousands
Bank Balances		
- In Current Account	18.6	100.0
Total	18.6	100.0

3. EQUITY SHARE CAPITAL**a) Share Capital**

Particulars	As at 31.03.2022		As at 31.3.2021	
	Number of shares	₹ in thousands	Number of shares	₹ in thousands
Authorised Equity Shares of ₹ 10 each	10,000,000	100,000.0	10,000,000	100,000.0
Issued, Subscribed & Paid up Equity Shares of ₹ 10 each fully paid (All the above shares are held by Lupin Limited, the Holding Company and its nominees)	100,000	1,000.0	100,000	1,000.0
Total	100,000	1,000.0	100,000	1,000.0

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

Particulars	As at 31.03.2022		As at 31.3.2021	
	Number of shares	₹ in thousands	Number of shares	₹ in thousands
Equity Shares outstanding at the beginning of the year	100,000	1,000.0	-	-
Equity Shares Issued during the year	-	-	100,000	1,000.0
Equity Shares outstanding at the end of the year	100,000	1,000.0	100,000	1,000.0

c) Rights attached to Equity Shares

The Company has only one class of Equity shares having a par value of Rs. 10 per share. Each holder of Equity share is entitled to one vote per share. 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) More than 5% shareholding in the Company by each shareholder

Name of Shareholder	As at 31.03.2022		As at 31.3.2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Lupin Limited & its nominees	100,000	100.0	100,000	100.0

e) Shares held by promoters at the end of the period

Name of Shareholder	No. of Shares held		No. of Shares held		% change
	held	% of Holding	held	% of Holding	
Lupin Limited & its nominees	100,000	100.0	100,000	100.0	-

4. TRADE PAYABLES

[Refer note 11]

Acceptances

Other than Acceptances

- Total outstanding dues of Micro and Small Enterprises
- Total outstanding dues of Others

	As at 31.03.2022	As at 31.03.2021
	₹ in thousands	₹ in thousands
Acceptances		
Other than Acceptances		
- Total outstanding dues of Micro and Small Enterprises	-	-
- Total outstanding dues of Others	254.4	271.5
Total	254.4	271.5

	For the Current Year ended 31.03.2022 ₹ in thousands	For the Previous period from 28.01.2021 to 31.03.2021 ₹ in thousands
5. OTHER EXPENSES		
Company Formation Expenses	-	1,084.4
Legal and Professional Fees	58.4	64.9
Printing & Stationary	-	20.6
Miscellaneous Expenses	5.9	1.6
Total	64.3	1,171.5

6. The Company has incurred a loss in the current & in the preceding year. As on March 31, 2022, the Current liabilities exceeds the current assets. But a substantial amount of current liability is to the holding company only. The Company is taking steps to generate revenue and series of strategic measures which aim to reverse the losses. Further, the holding company supports the funds necessary for the Company to continue as a going concern. The financial statements have been prepared on the assumption that the Company will continue as a going concern and do not include any adjustments related to this matter.

7. **Auditors Remuneration** (including GST):

Particulars	2021-22 ₹ in thousands	2020-21 ₹ in thousands
Audit Fees	29.5	29.5
Reimbursement of out-of-pocket expenses	1.2	-

8. **Basic and Diluted earnings per share is calculated as under:**

Particulars	2021-22	2020-21
Net (Loss) after tax attributable to Equity Shareholders (₹ in thousands)	(64.3)	(1,171.5)
Weighted average number of equity shares outstanding during the period	100,000	100,000
Earnings per share - Basic and Diluted (₹)	(0.64)	(11.72)

9. Considering the definitions of reportable business segment and reportable geographical segment contained in Indian Accounting Standard 108 (Ind AS 108) "Operating Segments", the management is of the opinion that there is only one reportable business and geographical segment, the results of which are disclosed in the financial statements.

10. **Related party Disclosures:**

- a) Name of Related parties and description of relationship:

Category I : Company whose control exist:

- Lupin Limited (Holding Company)

Category II : Key management personnel:

- Ms. Vinita Gupta (Director)
- Mr. Nilesh D. Gupta (Director)
- Mr. Ramesh Swaminathan (Director)

Related party Transactions:

Sr. No.	Description and Nature of transactions	Description of Relationship	₹ in thousands	
			2021-22	2020-21
1.	Issue of Equity shares of Company to Lupin Limited & It's Nominees	Holding Company	-	1,000.0
2.	Paid by Lupin Limited on Company's behalf	Holding Company	-	1,121.4
3.	Repayment to Lupin Limited	Holding Company	-	900.0

- b) Balance due from / to related parties:

Sr. No.	Description and Nature of transactions	₹ in thousands	
		As at 31 March 2022	As at 31 March 2021
1.	Financial Liabilities: Payable to Lupin Limited	221.4	221.4

Related Party relationship is as identified by the Company and relied upon by the Auditors.

11. Additional disclosures required by Schedule III (amendments dated 24 March 2021) to the Companies Act, 2013:

(A) Trade payable ageing

₹ in thousands

Particular	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total as at 31 March 2022
(i) MSME	-	-	-	-	-	-
(ii) Others	29.5	3.5	221.4	-	-	254.4
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - other	-	-	-	-	-	-

Previous year

₹ in thousands

Particular	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total as at 31 March 2021
(i) MSME	-	-	-	-	-	-
(ii) Others	29.5	242.0	-	-	-	271.5
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - other	-	-	-	-	-	-

12. There are no transactions entered into by the Company with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

13. There is no Benami property held by the Company or initiation of proceedings under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

14. Financial Ratios

Current year

Ratios	Numerator	Denominator	Current Period	Previous Period	% of Variances	Reason for Variances
Current Ratio	Total Current Asset	Total Current Liabilities	7%	37%	-80%	Cash & Cash equivalent utilized to meet current loss
Debt-Equity Ratio	Total Debt=Non Current Borrowings+ Current Borrowings + Current Portion of NC Borrowings	Total Equity Attributable to owners	Nil	Nil	Nil	NA

Debt service coverage ratio	Earnings available for Debt Service = Net Profit after taxes before OCI + Non-cash operating expenses like depreciation and other amortizations - Unrealised gain + Interest + loss on sale of Fixed assets	Debt service (Debt service =Interest & Lease Payments + Principal Repayments)	NA (as no debt)	NA	NA	NA
Return on equity ratio (ROE)	Net profits after taxes	Average Shareholder's Equity	-32%	-1366%	98%	Previous year had one time company formation expenses
Inventory turnover ratio	Cost of Goods Sold	Average Inventory	NA (as no Inventory)	NA	NA	NA
Trade receivables turnover ratio	Net sales	closing Trade receivable	NA (as no Trade Receivable)	NA	NA	NA
Trade payables turnover ratio	Total Purchases	Closing Trade Payables	NA (as no Trade Payable)	NA	NA	NA
Net capital turnover ratio	Net sales	Working Capital = current assets minus current liabilities	Nil	Nil	Nil	NA
Net profit ratio	Net Profit after Tax	Net Sales	NA (as no Sales)	NA	NA	NA
Return on capital employed (ROCE)	Earnings before interest and taxes	Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liability (net)	-27%	-683%	96%	Previous year had one time company formation expenses
Return on investment (ROI)	(Market value at the end of the year - Market value at the beginning of the year – sum of cash inflow, cash outflow on specified date)	(Market value at the beginning +sum{ weights of the net cash flows (i.e. either net inflow or net outflow) on day 't', calculated as [T1 – t] / T1)	NA	NA	NA	NA

15. The provision of Section 135 to Companies Act, 2013 on Corporate Social responsibility (CSR) are not applicable to the Company.
16. The Company has not traded or invested in Crypto currency or Virtual Currency.
17. The Company does not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 for the year ended 31 March 2022.

18. There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
19. The Company has complied with number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
20. Previous year numbers are not comparable as the previous financial statements were the first financial statements of the Company from its date of incorporation i.e. from January 28, 2021 to March 31, 2021.

Signatures to notes 1 to 20

For Arora & Arora
Chartered Accountants
Registration No. 100544W

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

Girish Arora
Partner
Membership No. 41019
Place : Mumbai
Dated: May 9, 2022

Nilesh D. Gupta
Director
DIN: 01734642
Place : Mumbai
Dated: May 9, 2022

Ramesh Swaminathan
Director
DIN: 01833346
Place : Mumbai
Dated: May 9, 2022