AUDITED FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 24, 2023 TO MARCH 31, 2024

LUPIN MANUFACTURING SOLUTIONS LIMITED

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

B S R & Co. LLP
Chartered Accountants

14th Floor, Central B Wing and North C Wing
Nesco IT Park 4, Nesco Center
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Independent Auditor's Report

To the Members of Lupin Manufacturing Solutions Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Lupin Manufacturing Solutions Limited (the "Company") which comprise the balance sheet as at 31 March 2024, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the period beginning from 24 July 2023 to 31 March 2024 ("the period"), and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information (or another title if appropriate, such as "Information Other than the Financial Statements and Auditor's Report Thereon")

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 directors' report, but does not include the financial statements and auditor's report(s) 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.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

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

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the certain matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

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

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

e. On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

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

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

a. The Company does not have any pending litigations which would impact its financial position.

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

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 53 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 53 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software:

i. The feature of recording audit trail (edit log) was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of account.

ii. In the absence of sufficient and appropriate reporting on compliance with the audit trail requirements in the independent auditor's report of a service organization for an accounting software used for lease transactions, we are unable to comment whether audit trail feature for the said software was enabled and operated throughout the year for all relevant transactions recorded in the software.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of the audit trail feature being tampered with during the course of the audit.

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

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

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

Chartered Accountants

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

Siddharth Pandya

Partner

Place: Mumbai — Membership No.: 135037

Date: 06 May 2024 — ICAI UDIN:24135037BKDBET6941

Annexure A to the Independent Auditor's Report on the Financial Statements of Lupin Manufacturing Solutions Limited for the year ended 31 March 2024

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (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 a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified on annual basis. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) 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 revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, of the entity has been physically verified by the management during the year.There are no stock lying with third parties. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in companies, firms, limited liability partnership or any other parties. The Company has provided guarantee and security and has granted loans and advances in the nature of loans to Companies during the year in respect of which the requisite information is as below. The Company has not provided any guarantee or security, granted any loans or advances in the nature of loans, secured or unsecured, to limited liability partnership or any other parties during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans or provided advances in the nature of loans, as below:

Annexure A to the Independent Auditor's Report on the Financial Statements of Lupin Manufacturing Solutions Limited for the year ended 31 March 2024 *(Continued)*

Particulars	Loans
Aggregate amount during the year Subsidiaries* Joint ventures* Associates* Others -Employees	 - - - - 0.3 millions
Balance outstanding as at balance sheet date Subsidiaries* Joint ventures* Associates* Others -Employees	 - - - - 0.3 millions

**As per the Companies Act, 2013*

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided, security given during the year and the terms and conditions of the grant of loans and advances in the nature of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) 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 granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not

Annexure A to the Independent Auditor's Report on the Financial Statements of Lupin Manufacturing Solutions Limited for the year ended 31 March 2024 *(Continued)*

prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2024. Accordingly, clause 3(ix)(e) is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(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 made private placement of optionally convertible debentures during the year. In our opinion, in respect of private placement on preferential basis of optionally convertible debenture made during the year, the Company has duly complied with the requirements of Section 42 and Section 62 of the Act. The proceeds from issue of optionally convertible debentures have been used for the purposes for which the funds were raised.

(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) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) 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. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.

(b) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) 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 without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per 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. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC.

(xvii) After considering the effect of the quantified qualifications in the relevant audit reports, the Company has incurred cash losses of Rs. 164.4 Millions in the current financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities,

Annexure A to the Independent Auditor's Report on the Financial Statements of Lupin Manufacturing Solutions Limited for the year ended 31 March 2024 *(Continued)*

other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

(b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

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

Siddharth Pandya
Partner
Membership No.: 135037
ICAI UDIN:24135037BKDBET6941

Place: Mumbai
Date: 06 May 2024

Annexure B to the Independent Auditor's Report on the financial statements of Lupin Manufacturing Solutions Limited for the year ended 31 March 2024

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

(Referred to in paragraph 2(A)(g) 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 Manufacturing Solutions Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

Annexure B to the Independent Auditor's Report on the financial statements of Lupin Manufacturing Solutions Limited for the year ended 31 March 2024 *(Continued)*

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

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

Chartered Accountants

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

Siddharth Pandya

Partner

Place: Mumbai
Membership No.: 135037

Date: 06 May 2024
ICAI UDIN:24135037BKDBET6941

LUPIN MANUFACTURING SOLUTIONS LIMITED

BALANCE SHEET AS AT MARCH 31, 2024

		Note	As at March 31, 2024 ₹ in million
ASSETS			
Non-Current Assets			
a.	Property, Plant and Equipment	2	3,964.0
b.	Capital Work-in-Progress	3	1,023.4
c.	Other Intangible Assets	4	11.1
d.	Right-of-use Assets	5	69.9
e.	Financial Assets		
	(i) Non-Current Investments	6	1.0
	(ii) Other Non-Current Financial Assets	7	15.4
f.	Non-Current Tax Assets (Net)		0.0
g.	Other Non-Current Assets	8	12.3
			5,097.1
Current Assets			
a.	Inventories	9	1,869.1
b.	Financial Assets		
	(i) Current Investments	10	159.5
	(ii) Trade Receivables	11	1,251.0
	(iii) Cash and Cash Equivalents	12	11.8
	(iv) Current Loans	13	0.5
	(v) Other Current Financial Assets	14	3.8
c.	Other current assets	15	693.0
			3,988.7
	TOTAL		**9,085.8**
EQUITY AND LIABILITIES			
Equity			
a.	Equity Share Capital	16	95.0
b.	Instruments entirely Equity in nature	16	8,000.0
c.	Other Equity		(667.8)
			7,427.2
Liabilities			
Non-Current Liabilities			
a.	Financial Liabilities		
	(i) Lease Liabilities	36	56.8
	(ii) Other Non-Current Financial Liabilities	17	8.3
b.	Non-Current Provisions	18	150.8
c.	Deferred Tax Liabilities (Net)	38	269.5
			485.4
Current Liabilities			
a.	Financial Liabilities		
	(i) Lease Liabilities	36	14.4
	(ii) Trade Payables	19	
	- Total outstanding dues of Micro Enterprises and Small Enterprises		31.4
	- Total outstanding dues of other than Micro Enterprises and Small Enterprises		973.3
	(iii) Other Current Financial Liabilities	20	84.0
b.	Other Current Liabilities	21	58.1
c.	Current Provisions	22	12.0
			1,173.2
	TOTAL		**9,085.8**

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

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

Siddharth Pandya
Partner
Membership No. 135037

Nilesh D. Gupta
Director
DIN: 01734642

Ramesh Swaminathan
Director
DIN: 01833346

Place : Mumbai
Dated :

LUPIN MANUFACTURING SOLUTIONS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD FROM JULY 24, 2023 TO MARCH 31, 2024

	Note	For the Period From July 24, 2023 to March 31, 2024 ₹ in million
INCOME		
Revenue from Operations	23	1,228.8
Other Income	24	7.0
Total Income		**1,235.8**
EXPENSES		
Cost of Materials Consumed	25	1,671.9
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade [(Increase)/Decrease]	26	(1,242.7)
Employee Benefits Expense	27	290.3
Finance Costs	28	9.1
Depreciation, Amortisation and Impairment Expense	2,4 & 5	225.5
Other Expenses	29	673.7
Net (gain) / loss on foreign currency transactions		(2.3)
Total Expenses		**1,625.5**
Profit / (Loss) before Tax		**(389.7)**
Tax Expense	38	
- Current Tax (Net)		-
- Deferred Tax (Net)		(24.6)
Total Tax Expense		(24.6)
Profit / (Loss) for the year		**(365.1)**
Other Comprehensive Income / (Loss)		
(A) (i) Items that will not be reclassified subsequently to profit or loss:		
- Remeasurements of Defined Benefit Liability		(2.1)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.5
Other Comprehensive Income / (Loss) for the year, net of tax		**(1.6)**
Total Comprehensive Income / (Loss) for the year		**(366.7)**
Earnings per equity share (in ₹)	35	
Basic		**(125.39)**
Diluted		**(125.39)**
Face Value of Equity Share (in ₹)		10.00

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	For and on behalf of **Board of Directors of Lupin Manufacturing Solutions Limited**	
Siddharth Pandya Partner Membership No. 135037	**Nilesh D. Gupta** Director DIN: 01734642	**Ramesh Swaminathan** Director DIN: 01833346

Place : Mumbai
Dated :

LUPIN MANUFACTURING SOLUTIONS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2024

A. Equity Share Capital [Refer note 16]

Particulars	As at 31.03.2024	
	No. of Shares	**₹ in million**
Balance as at July 24, 2023	**-**	**-**
Changes in Equity Share Capital during the period	9,500,000	95.0
Balance as at March 31, 2024	**9,500,000**	**95.0**

B. Instruments entirely Equity in nature [Refer note 16]

(i) 0.01% Unsecured Optionally Convertible Debentures

Particulars	As at 31.03.2024	
	No. of Shares	**₹ in million**
Balance as at July 24, 2023	**-**	**-**
Changes in Unsecured Optionally Convertible Debentures during the period	800,000,000	8,000.0
Balance as at March 31, 2024	**800,000,000**	**8,000.0**

C. Other Equity **(₹ in million)**

Particulars	Reserves and Surplus		Total Other Equity
	Capital Reserve	**Retained Earnings**	
Balance as at July 24, 2024	**-**	**-**	**-**
Profit / (Loss) for the period	-	(365.1)	(365.1)
Remeasurements of defined benefit plans (net of tax)	-	(1.6)	(1.6)
Total Comprehensive Income / (Loss) for the period	**-**	**(366.7)**	**(366.7)**
Acquisition under common control	(301.1)	-	(301.1)
Balance as at March 31, 2024	**(301.1)**	**(366.7)**	**(667.8)**

Nature of Reserves

a) Capital Reserve

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

In terms of our report attached

For **B S R & Co. LLP** Chartered Accountants Firm Registration No. 101248W/W - 100022	For and on behalf of **Board of Directors of Lupin Manufacturing Solutions Limited**	
Siddharth Pandya Partner Membership No. 135037	**Nilesh D. Gupta** Director DIN: 01734642	**Ramesh Swaminathan** Director DIN: 01833346

Place : Mumbai
Dated :

LUPIN MANUFACTURING SOLUTIONS LIMITED

STATEMENT OF CASH FLOWS FOR THE PERIOD FROM JULY 24, 2023 to MARCH 31, 2024

		For the Period From July 24, 2023 to March 31, 2024 ₹ in million
A.	**Cash Flow from Operating Activities**	
	Profit / (Loss) before Tax	(389.7)
	Adjustments for:	
	Depreciation, Amortisation and Impairment Expense	225.5
	Loss / (Profit) on Sale / Write-off of Property, Plant and Equipment / Intangible Assets	0.6
	Finance cost	9.1
	Doubtful Trade Receivables / Advances provided	6.3
	Interest on Deposits with Banks	(0.3)
	Net gain on foreign currency transactions	(2.3)
	Net gain on sale of Mutual Fund Investments	(4.3)
	Unrealised Gain on Mutual Fund Investments (net)	(2.3)
	Operating Cash Flows before Working Capital Changes	**(157.4)**
	Changes in working capital:	
	Adjustments for (increase) / decrease in operating assets:	
	Inventories	(279.0)
	Trade Receivables	(758.7)
	Current Loans	(0.5)
	Other Current Financial Assets	15.4
	Other Current Assets	(43.1)
	Other Non-Current Assets	6.2
	Other Non-Current Financial Assets	(15.4)
	Adjustments for increase / (decrease) in operating liabilities:	
	Trade Payables	696.2
	Other Current Financial liabilities	8.1
	Other Current liabilities	58.1
	Other Non-Current liabilities	-
	Other Non-Current Financial liabilities	0.7
	Current Provisions	(75.3)
	Non-Current Provisions	57.2
	Cash Generated from Operations	**(487.5)**
	Net Income tax paid	-
	Net Cash Flow used in Operating Activities	**(487.5)**
B.	**Cash Flow from Investing Activities**	
	Payment for acquisition of business, net of cash acquired	(7,221.1)
	Payment for acquisition of Property, Plant and Equipment / Intangible Assets, including capital advances	(213.4)
	Proceeds from sale of Property, Plant and Equipments / Intangible Assets	1.4
	Purchase of Current Investments	(922.6)
	Proceeds from sale of Current Investments	769.8
	Interest on Deposits with Banks and others	0.3
	Net Cash Flow used in Investing Activities	**(7,585.6)**
C.	**Cash Flow from Financing Activities**	
	Proceeds from issue of 0.01% Unsecured Optionally Convertible Debentures	8,000.0
	Proceeds from issue of equity shares	95.0
	Payment of Lease liabilities	(8.1)
	Finance Costs	(2.0)
	Net Cash Flow generated from Financing Activities	**8,084.9**
	Net Increase / (Decrease) in Cash and Cash Equivalents	**11.8**
	Cash and Cash Equivalents as at the beginning of the year	-
	Cash and Cash Equivalents as at end of the year	**11.8**

Reconciliation of Cash and Cash Equivalents with the Balance Sheet

Cash and Cash Equivalents as per Balance Sheet [Refer note 12]	11.8
Cash and Cash Equivalents as at the end of the year	**11.8**

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

   For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.
3. Refer note 47 for Non Cash Changes in Cash Flows from Financing Activities.

In terms of our report attached

For **B S R & Co. LLP** Chartered Accountants Firm Registration No. 101248W/W - 100022	For and on behalf of **Board of Directors of Lupin Manufacturing Solutions Limited**	
Siddharth Pandya Partner Membership No. 135037	**Nilesh D. Gupta** Director DIN: 01734642	**Ramesh Swaminathan** Director DIN: 01833346

Place : Mumbai
Dated :

2. PROPERTY, PLANT AND EQUIPMENT

(₹ in million)

Particulars	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Total
At cost or deemed cost						
Balance at the beginning of the period	-	-	-	-	-	-
Additions	44.5	77.7	150.3	0.3	4.1	276.9
Taken over on Acquisition	382.3	1,846.3	5,024.1	140.8	123.8	7,517.3
Disposals	-	-	22.9	1.4	3.9	28.2
Balance as at 31.03.2024	**426.8**	**1,924.0**	**5,151.5**	**139.7**	**124.0**	**7,766.0**
Accumulated Depreciation and Impairment						
Balance at the beginning of the period	-	-	-	-	-	-
Depreciation charge for the period	-	27.2	181.0	5.1	3.7	217.0
Taken over on Acquisition	-	460.6	2,950.6	96.7	103.3	3,611.2
Disposals	-	-	21.3	1.3	3.6	26.2
Impairment charge for the period	-	-	-	-	-	-
Balance as at 31.03.2024	**-**	**487.8**	**3,110.3**	**100.5**	**103.4**	**3,802.0**
Net Block						
Balance as at 31.03.2024	**426.8**	**1,436.2**	**2,041.2**	**39.2**	**20.6**	**3,964.0**

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

3. CAPITAL WORK-IN-PROGRESS (CWIP)

(₹ in million)

Particulars	As at 31.03.2024
Balance at the beginning of the period	-
Additions during the period	82.4
Taken over on acquisition	1,071.5
Capitalised during the period	130.5
Balance as at 31.03.2024	**1,023.4**

a) Refer note 51 for CWIP ageing.

4. OTHER INTANGIBLE ASSETS

(₹ in million)

Particulars	**Computer Software**	**Total**
At cost or deemed cost		
Balance at the beginning of the period	**-**	**-**
Additions	8.9	8.9
Taken over on Acquisition	8.5	8.5
Disposals	-	-
Balance as at 31.03.2024	**17.4**	**17.4**
Accumulated Amortisation and Impairment		
Balance at the beginning of the period	**-**	**-**
Amortisation charge for the period	1.5	1.5
Taken over on Acquisition	4.8	4.8
Disposals	-	-
Impairment charge for the period	-	-
Balance as at 31.03.2024	**6.3**	**6.3**
Net Block		
Balance as at 31.03.2024	**11.1**	**11.1**

a) The Company has not revalued any of its Other Intangible Assets.

5. RIGHT-OF-USE ASSETS

(₹ in million)

Particulars	**Leasehold Buildings**	**Vehicles**	**Total**
At cost or deemed cost			
Balance at the beginning of the period	**-**	**-**	**-**
Additions	70.3	3.0	73.3
Taken over on Acquisition	0.4	7.0	7.4
Disposals	0.4	0.5	0.9
Balance as at 31.03.2024	**70.3**	**9.5**	**79.8**
Accumulated Depreciation			
Balance at the beginning of the period	**-**	**-**	**-**
Depreciation charge for the period	5.9	1.1	7.0
Taken over on Acquisition	0.3	3.5	3.8
Disposals	0.4	0.5	0.9
Balance as at 31.03.2024	**5.8**	**4.1**	**9.9**
Net Block			
Balance as at 31.03.2024	**64.5**	**5.4**	**69.9**

a) The Company has not revalued any of its Right-of-use assets.

		As at 31.03.2024 ₹ in million
6.	**NON-CURRENT INVESTMENTS**	
	In others	
	Unquoted	
	- In Equity shares at Fair Value through Profit or Loss (fully paid)	
	- Enviro Infrastructure Co. Limited, India (100,000 shares @ ₹10 per share)	1.0
	Total	**1.0**
-	Aggregate amount of quoted investments and market value thereof	
	Book value	-
	Market value	-
-	Aggregate amount of unquoted investments	1.0
7.	**OTHER NON-CURRENT FINANCIAL ASSETS**	
	Unsecured, considered good unless otherwise stated	
	Security Deposits	
	-with Others	15.4
	Total	**15.4**
8.	**OTHER NON-CURRENT ASSETS**	
	Capital Advances	5.6
	Prepaid Expenses	6.7
	Total	**12.3**
9.	**INVENTORIES**	
	Raw Materials	472.6
	Packing Materials	4.0
	Work-in-progress	552.6
	Finished Goods	690.1
	Consumable Stores and Spares	149.8
	Total	**1,869.1**

During the period, the Company recorded inventory write-downs of ₹ 12 million.These adjustments were included in cost of material consumed and changes in inventories.

10.	**CURRENT INVESTMENTS**	
	Measured at Fair Value through Profit or Loss	
	Unquoted	
	In Mutual Funds	159.5
	Total	**159.5**
a)	Aggregate amount of quoted investments and market value thereof	
	Book value	-
	Market value	-
b)	Aggregate amount of unquoted investments	159.5
c)	Unrealised Loss on Mutual Fund Investments (net)	-
11.	**TRADE RECEIVABLES**	
	Unsecured	
	- Considered Good	1,251.0
	- Considered Doubtful	6.3
		1,257.3
	Less : Allowances for credit losses	6.3
	Total	**1,251.0**

Refer note 48 for Trade Receivable ageing.
[There are no other trade receivables which have significant increase in credit risk. Refer note 43 (C) for information about credit risk and market risk of trade receivables].

12.	**CASH AND CASH EQUIVALENTS**	
	Bank Balances	
	- In Current Accounts	10.4
	Cash on hand	1.4
	Total	**11.8**

	As at 31.03.2024 ₹ in million
13. CURRENT LOANS	
Unsecured, considered good	
Loans to Employees	0.5
Total	**0.5**
[There are no current loans which have significant increase in credit risk]	
14. OTHER CURRENT FINANCIAL ASSETS	
Unsecured, considered good	
Export Benefits receivables	3.7
Security Deposits	
-with Others	0.1
Total	**3.8**
15. OTHER CURRENT ASSETS	
Advances to Employees	0.1
Advances to Vendors	
- Considered Good	29.2
Prepaid Expenses	9.8
Export Benefits receivable / Balances with Government Authorities (GST credit / refund receivable)	653.9
Total	**693.0**

	As at 31.03.2024
	₹ in million
17. OTHER NON-CURRENT FINANCIAL LIABILITIES	
Employee Benefits Payables	8.3
Total	**8.3**
18. NON-CURRENT PROVISIONS	
Provisions for Employee Benefits [Refer note 22]	
Gratuity [Refer note 37 (ii) A]	124.9
Compensated Absences	25.9
Total	**150.8**
19. TRADE PAYABLES	
Acceptances	
Other than Acceptances	
- Total outstanding dues of Micro Enterprises and Small Enterprises [Refer note 42]	31.4
- Total outstanding dues of other than Micro Enterprises and Small Enterprises	973.3
Total	**1,004.7**
Refer note 50 for Trade Payable ageing.	
20. OTHER CURRENT FINANCIAL LIABILITIES	
Payable for Purchase of Fixed Assets	27.8
Deposits	0.1
Employee Benefits Payables	56.1
Total	**84.0**
21. OTHER CURRENT LIABILITIES	
Statutory Dues Payables	52.9
Advances from customers	5.2
Total	**58.1**
22. CURRENT PROVISIONS	
Provisions for Employee Benefits [Refer note 18]	
Compensated Absences	12.0
Total	**12.0**

16. SHARE CAPITAL

a) Equity Share Capital

Particulars	As at 31.03.2024	
	No. of Shares	**₹ in million**
Authorised **Equity Shares** Equity shares of ₹ 10 each	40,000,000	400.0
Instruments entirely Equity in nature 0.01% Unsecured Optionally Convertible Debentures of ₹ 10 each fully paid	800,000,000	8,000.0
Total	**840,000,000**	**8,400.0**
Issued, Subscribed and Paid up **Equity Shares** Equity shares of ₹ 10 each fully paid	9,500,000	95.0
Total	**9,500,000**	**95.0**
Instruments entirely Equity in nature 0.01% Unsecured Optionally Convertible Debentures of ₹ 10 each fully paid	800,000,000	8,000.0
Total	**800,000,000**	**8,000.0**

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

(i) Equity Shares

Particulars	As at 31.03.2024	
	No. of Shares	**₹ in million**
Equity Shares outstanding as at July 24, 2023	-	-
Equity Shares issued during the period	9,500,000	95.0
Equity Shares outstanding as at March 31, 2024	**9,500,000**	**95.0**

(ii) Instruments entirely Equity in nature - 0.01% Unsecured Optionally Convertible Debentures

Particulars	As at 31.03.2024	
	No. of Shares	**₹ in million**
Balance as at July 24, 2023	-	-
Changes in Unsecured Optionally Convertible Debentures during the period	800,000,000	8,000.0
Balance as at March 31, 2024	**800,000,000**	**8,000.0**

c) Rights attached to Equity Shares

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

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

d) Terms/rights attached to Instruments entierly Equity in nature

During the year, the Company had issued 800 million 0.01% Unsecured Optionally Convertible Debentures of ₹ 10/- each aggregating ₹ 8,000 million by way of preferential allotment. The holder and the issuer has option to convert the Unsecured Optionally Convertible Debentures into equity shares from the date of issue till the end of 10 years from the date of issue in the ratio of 1 equity share for 8 Unsecured Optionally Convertible Debentures. The Unsecured Optionally Convertible Debentures can be redeemed anytime at the option of the issuer, from the date of issue till the expiry of 10 years from the date of issue. In case the option to redeem is chosen by the issuer, the redemption amount, in addition to the principal amount, shall include redemption premium of 15% p.a from the date of issue till the date of exercising redemption option.

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

Name of Shareholder	As at 31.03.2024	
	No. of Shares	**% of Holding**
Equity shares of ₹ 10 each fully paid		
Lupin Limited & its nominees	9,500,000	100%
0.01% Unsecured Optionally Convertible Debentures of ₹ 10 each fully paid		
Lupin Limited & its nominees	800,000,000	100%

f) Shares held by promoters at the end of the year

Promoter name	As at 31.03.2024	
	No. of Shares	**% of total shares**
Equity shares of ₹ 10 each fully paid		
Lupin Limited & its nominees	9,500,000	100%

g) No shares have been allotted without payment being received in cash or by way of bonus shares during the period.

		For the Period From July 24, 2023 to March 31, 2024 ₹ in million
23. REVENUE FROM OPERATIONS		
Sale		
Goods [Refer note 33]		1,206.7
Research Services		3.5
		1,210.2
Other Operating Revenue		
Export Benefits and Other Incentives		2.4
Scrap Sales		16.2
		18.6
	Total	**1,228.8**
24. OTHER INCOME		
Income on Financial Assets carried at amortised cost		
Interest on Deposits with Banks		0.3
Income on Financial Assets carried at fair value through profit or loss		
Net gain on sale of Mutual Fund Investments		4.3
Unrealised Gain on Mutual Fund Investments (net)		2.3
Miscellaneous Income		0.1
	Total	**7.0**
25. COST OF MATERIALS CONSUMED		
Raw Materials Consumed		1,662.0
Packing Materials Consumed		9.9
	Total	**1,671.9**
26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE [(Increase)/Decrease]		
Opening Stock:		
Finished Goods		-
Stock-in-Trade		-
Work-in-Progress		-
		-
Less:		
Closing Stock:		
Finished Goods		690.1
Stock-in-Trade		-
Work-in-Progress		552.6
		1,242.7
Changes In Inventories:		
Finished Goods		(690.1)
Stock-in-Trade		-
Work-in-Progress		(552.6)
	Total	**(1,242.7)**
27. EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages		243.5
Contribution to Provident and Other Funds		18.5
Retirement Benefits Expense		1.3
Share Based Payments Expense		10.3
Staff Welfare Expenses		16.7
	Total	**290.3**

	For the Period From July 24, 2023 to March 31, 2024 ₹ in million
28. FINANCE COSTS	
Interest on Unsecured Optionally Convertible Debentures	0.2
Interest on Intercompany Loan	1.5
Interest cost on Finance lease obligation	2.3
Interest on defined benefit liablities (net)	4.7
Other Borrowing Costs (includes bank charges, etc.)	0.4
Total	**9.1**

29. OTHER EXPENSES	
Processing Charges	26.1
Stores and Spares Consumed	77.4
Repairs and Maintenance:	
- Buildings	9.0
- Plant and Machinery	44.6
- Others	40.7
Rates and Taxes	26.8
Insurance	15.1
Power and Fuel	98.9
Contract Labour Charges	49.2
Selling and Promotion Expenses	2.3
Commission and Brokerage	2.1
Freight and Forwarding	6.8
Rent and Other Hire Charges [Refer note 36]	6.2
Postage and Telephone Expenses	1.4
Travelling and Conveyance	4.4
Legal and Professional Charges [Refer note 40 for Auditor's remuneration]	11.5
Clinical and Analytical Charges	232.5
Loss on Sale / Write-off of Property, Plant and Equipment / Intangible Assets (net)	0.6
Impairment Allowances for Doubtful Trade Receivables / Advances (net)	6.3
Business Compensation and settlement expense	1.3
Miscellaneous Expenses	10.5
Total	**673.7**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1A. OVERVIEW:

Lupin Manufacturing Solutions Limited, ('the Company') (CIN: U21001MH2023PLC407210) incorporated in July 24, 2023, 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. These Financial Statements were authorized for issue by the Company's Board of Directors on May 06, 2024.

The address of its registered office is Kalpataru Inspire, 3rd floor, Western Express Highway, Santacruz (East), Mumbai 400055.

1B. MATERIAL ACCOUNTING POLICIES:

a) Basis of accounting and preparation of Financial Statements:

Basis of preparation

i) These Financial Statements of the Company have been prepared and presented in all material aspects in accordance with the 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.

Going Concern

ii) As at March 31, 2024, the Company's paid up share capital is ₹ 95.0 million and the Company has incurred a loss of ₹ 365.1 million during the period and has net current assets of ₹ 2,815.5 million as at 31 March 2024. The company has negative operating cash flow during the period amounting to ₹ 487.5 million.

The above events/conditions cast doubt on entity's ability to continue as a going concern. However, these events/conditions are mitigated as follows:
Company has an unconditional financial support from the holding company in order to meet all its liabilities as and when they fall due for payment, for a period of not less than 12 months from the approval of these financial statements.

Based on the above mitigating factors, material uncertainty relating to events/conditions that cast doubt on entity's ability to continue as going concern does not exist. Accordingly, the financial statements have been prepared on a going concern basis.

Functional and Presentation Currency

iii) These 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

The Financial Statements have been prepared on the historical cost basis, except for: (i) certain financial instruments that are measured at fair values at the end of each reporting period; and (ii) defined benefit plans – plan assets that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Use of Significant Estimates and Judgements

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

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

- Measurement and likelihood of occurrence of provisions and contingencies (Refer note o);

- Impairment of financial assets (Refer note g);
- Provision for Income taxes and uncertain tax positions (Refer note I).

b) Property, Plant and Equipment and Depreciation:

I. Recognition and Measurement:

Freehold land is carried at historical cost. 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 recognized in the 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.

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 capitalized 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**
Building	5 to 80 years
Plant and Equipment	10 to 15 years
Office Equipment (Desktop and Laptop)	4 years

Depreciation method, useful live and residual values are reviewed at each financial year end and adjusted if appropriate. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

IV. Derecognition

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

c) Intangible assets:

I. Recognition and Measurement:

Intangible assets are carried at cost less accumulated amortization 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.

II. Subsequent Expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

III. Derecognition of Intangible Assets

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

IV. Amortization

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

Particulars	Estimated Useful Life
Computer Software	5 to 6 years

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

d) Research and Development:

Revenue expenditure pertaining to research is charged to the respective heads in the Statement of Profit and Loss in the year it is incurred. Development costs of products are also charged to the Statement of Profit and Loss in the year it is incurred, unless following conditions are satisfied in which case such expenditure is capitalized:
- a product’s technical feasibility has been established
- development costs can be measured reliably
- future economic benefits are probable
- the company intends to and has sufficient resources / ability to complete development and to use or sell the asset.

The amount capitalized 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 utilized for research and development are capitalized 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 capitalized, 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 capitalized since the probability of expected future economic benefits criterion is always considered to be satisfied for separately acquired intangible assets.

e) Impairment of non-financial Assets:

The carrying values of Property, Plant and Equipment and Intangible assets at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the assets are 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 Property, Plant and Equipment and Intangible assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the asset's fair value less cost of disposal 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 rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash generating unit for which the estimates of future cash flows have not been adjusted.

When there is indication that an impairment loss recognized 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 recognized 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 recognized.

f) Foreign Currency Transactions/Translations:

i) Transactions denominated in foreign currency are recorded at exchange rates prevailing at the date of transaction or at rates that closely approximate the rate at the date of the transaction.
ii) Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate of the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.
iii) Exchange differences arising on the settlement of monetary items or on translating monetary items at reporting date at rates different from those at which they were translated on initial recognition during the period or in previous Financial Statements are recognized in the Statement of Profit and Loss in the period in which they arise.

g) Financial Instruments:
Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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 are recognised initially at fair value plus, in case of financial assets not recorded at fair value through Profit or Loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, Company's trade receivables that do not contain a significant financial component are measured at transaction price under Ind AS 115 "Revenue from Contracts with Customers". 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.
Subsequent measurement -

For purposes of subsequent measurement, financial assets are classified in below categories:

i) Debt instruments at amortised costs
ii) Equity instruments at fair value through profit or loss (FVTPL)

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.

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

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

Derecognition -

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

- The rights to receive cash flows from the asset have expired, or

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

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

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

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

Impairment of financial assets -

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

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

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

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.

Write – off

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

II. *Financial Liabilities*

<u>Classification</u>

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 are subsequently measured at fair value with changes in fair value being recognised in the Statement of Profit and Loss.

<u>Initial recognition and measurement</u>

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, at amortised cost (Trade Payables), 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.

<u>Financial liabilities at fair value through profit or loss</u>

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 recognized 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 recognized in the Statement of Profit and Loss.

<u>Loans and borrowings -</u>

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

Amortized 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 amortization is included as finance costs in the Statement of Profit and Loss.

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

<u>Derecognition</u>

A financial liability is derecognized 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 recognized in the Statement of Profit and Loss.

<u>Offsetting of financial instruments -</u>

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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

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).

h) Business combinations:

i) The Company accounts for each business combination by applying the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

ii) Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

iii) The Company measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount of the identifiable assets acquired and liabilities assumed (including contingent liabilities in case such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably). When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognized as capital reserve.

iv) Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to settlement of pre-existing relationships.

v) Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise subsequent changes in the fair value of the contingent consideration are recognized in the Statement of Profit and Loss.

vi) Transaction costs that the Company incurs in connection with a business combination, such as finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

vii) On an acquisition-by-acquisition basis, the Company recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

viii) Any goodwill that arises on account of such business combination is tested annually for impairment.

i) Income tax:

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized 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 recognized amounts; and
ii) Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred taxes are recognized 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 recognized 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 realized; such reductions are reversed when the probability of future taxable profits improves.

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

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

The Company recognizes 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 recognized 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, raw materials and packing materials are considered to be realisable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, 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.

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

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

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

The Company disaggregates revenue from contracts with customers by major Products/ Service lines, geography and timing of the revenue recognition.

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

Interest income

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

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

Defined benefit plans

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

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

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

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

Other long-term employee benefits

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

Other Benefit Plans

Liability in respect of compensated absences becoming due or expected to be availed within one year from the reporting date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the reporting date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the profit or loss and are not deferred.

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.

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

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 standalone price of the lease component and the aggregate standalone price of the non-lease components.

i) Right-of-Use Assets

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

ii) Lease Liabilities

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

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

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

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

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

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.

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

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

r) Optionally Convertible Debentures :

Convertible debentures are separated into liability and equity components based on the terms of the contract. On issuance of the convertible debentures, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortized cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognized and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible debentures based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

s) Earnings per share:

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

t) Current vs Non-Current:

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities

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

1C. RECENT ACCOUNTING PRONOUNCEMENTS:

Ministry of Corporate Affairs ("MCA") has not notified any new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time which are applicable effective 1st April 2024.

30 COMMITMENTS

a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances, ₹ 44.6 million.

b) Other commitments – Non-cancellable short-term leases is nil. Low value leases is ₹ 13.1 million.

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

31 CONTINGENT LIABILITIES

The Company does not have any Contingent Liability as on March 31, 2024.

32 PRE-OPERATIVE EXPENSES

Expenditure 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 the pre-operative expenses are:

(₹ in million)

Particulars	**For the period from July 24, 2023 to March 31, 2024**
Opening balance	-
Incurred during the period:	
Transfer on acquisition	42.8
Salaries, allowances and contribution to funds	0.6
Travelling and Conveyance	0.1
Others	0.0
Total incurred during the period	43.5
Less: Capitalised during the period	4.9
Closing balance	**38.6**

33 REVENUE (IND AS 115) :

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

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

b) Disaggregation of revenue:

(₹ in million)

Nature of segment	**For the period from July 24, 2023 to March 31, 2024**
A. Service line:	
- Sale of pharmaceutical goods	1,206.7
`- Income from research services	3.5
Total revenue from contracts with customers	**1,210.2**
B. Primary geographical market:	
- India	1,080.3
- USA	0.1
- Others	129.8
Total revenue from contracts with customers	**1,210.2**
C. Timing of the revenue recognition:	
- Goods/Services transferred at a point in time	1,210.2
Total revenue from contracts with customers	**1,210.2**

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

(₹ in million)

Particulars	**For the period from July 24, 2023 to March 31, 2024**
Revenue as per contracted price	**1,237.2**
Adjusted for:	
- Sales returns	27.0
Total revenue from contracts with customers	**1,210.2**

The revenue from the major customer is ₹ 973.3 million which is more than 10% of the total revenue from operations of the Company.

34 SEGMENT REPORTING

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

35 BASIC AND DILUTED EARNING PER SHARE

Particulars	**For the period from July 24, 2023 to March 31, 2024**
Profit/(Loss) attributable to Equity Shareholders (₹ in million)	(365.4)
Weighted average number of Equity Shares:	
- Basic	2,913,889
- Diluted	2,913,889
Earnings per Share (in ₹)	
- Basic	(125.39)
- Diluted	(125.39)

36 LEASES

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

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

(i) Lease liabilities

(₹ in million)

Particulars	Building	Vehicles	Total
Balance at 24.07.2023	**-**	**-**	**-**
Addition	70.3	6.7	**77.0**
Accreditation of interest (refer note 28)	2.2	0.1	**2.3**
Payments	(6.8)	(1.3)	**(8.1)**
Adjustments for Disposals	-	-	**-**
Balance at 31.03.2024	**65.7**	**5.5**	**71.2**
Current	**11.8**	**2.6**	**14.4**
Non-current	**53.9**	**2.9**	**56.8**

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

(ii) Amounts recognised in Profit and Loss

(₹ in million)

Particulars	For the period from July 24, 2023 to March 31, 2024
Depreciation expense of right-of-use assets (Refer Note No. 5)	7.0
Interest expense on lease liabilities (Refer Note No. 28)	2.3
Expense relating to short-term leases (Refer Note No. 29)	1.3
Total	**10.6**

(iii) Financial risk management

Maturities of financial liabilities:

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

(₹ in million)

Contractual maturities of financial liabilities	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
As at 31.03.2024				
Lease liabilities	16.7	17.4	48.2	82.3

(iv) Commitments and contingencies

The Company has not entered into lease contracts that have not yet commenced as at 31.03.2024.

37 POST-EMPLOYMENT BENEFITS

(i) Defined Contribution Plans:

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

The Company recognised ₹ 1.29 million for superannuation contribution and ₹ 13.2 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:

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

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

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

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31.03.2024. 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 31.03.2024	**As at 31.03.2024**
I)	**Change in present value of obligation ('PVO') - defined benefit obligation:**		
	PVO as at 24.07.2023	85.0	30.2
	Current service cost	4.0	1.3
	Past service cost	-	-
	Interest cost	2.5	0.9
	Actuarial loss / (gain)	-	-
	- Due to demographic assumption	-	-
	- Due to finance assumption	-	-
	- Due to experience adjustment	0.5	1.6
	Benefits paid	-	(0.2)
	PVO at the end of the year	**92.0**	**33.8**
II)	**Change in fair value of plan assets:**		
	Fair value of plan assets as at 24.07.2023	-	-
	Expected return on plan assets	-	-
	Interest Income	-	-
	Contributions by the employer	0.9	-
	Benefits paid	-	-
	Fair value of plan assets at the end of the year	**0.9**	**-**
III)	**Reconciliation of PVO and fair value of plan assets:**		
	PVO at the end of the year	92.0	33.8
	Fair Value of plan assets at the end of the year	0.9	-
	Funded status	(91.1)	(33.8)
	Unrecognised actuarial loss/(gain)	-	-
	Net liability recognised in the Balance Sheet	**(91.1)**	**(33.8)**
IV)	**Expense recognised in the Statement of Profit and Loss:**		
	Current service cost	4.0	1.3
	Past service cost	-	-
	Interest cost	2.5	0.9
	Total expense recognised in the Statement of Profit and Loss *	**6.5**	**2.2**

V)	**Other Comprehensive Income**		
	Actuarial loss / (gain)		
	- Due to demographic assumption	-	-
	- Due to finance assumption	-	-
	- Due to experience adjustment	0.5	1.6
	Return on plan assets excluding net interest	-	-
	Total amount recognised in OCI	**0.5**	**1.6**
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	0.9	-
VII)	**Actual return on the plan assets:**	-	-
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 (%)	7.2%	7.2%
	Salary escalation rate (%)	9.0 for first three years and 6.0 thereafter	9.0 for first three years and 6.0 thereafter
	Average Remaining Service (years)	10.5	10.5
	Employee Attrition Rate (%) up to 5 years above 5 years	 15.0 5.0	 15.0 5.0
IX)	Estimate of amount of contribution in immediate next year	13.2	NA

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

X) **Expected future benefit payments**

(₹ in million)

Particulars	**As at 31.03.2024**
1 year	8.4
2 to 5 years	39.2
6 to 10 years	60.9
More than 10 years	165.4

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

Sensitivity analysis

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

(₹ in million)

Particulars	**31.03.2024**	
	Increase	**Decrease**
Discount Rate (1% movement)	(10.6)	12.2
Future salary growth (1% movement)	12.1	(10.7)
Attrition rate (- / + 50% of attrition rates)	(1.7)	2.0

38 INCOME TAXES

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

(₹ in million)

Particulars	For the period from July 24, 2023 to March 31, 2024
Current Tax Expense for the year	-
Tax expense of prior years	-
Net Current Tax Expense	**-**
Deferred income tax liability/(asset), net	
Origination and reversal of temporary differences	(24.6)
Tax expense for the year	**(24.6)**

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

(₹ in million)

Particulars	For the period from July 24, 2023 to March 31, 2024
Items that will not be reclassified to profit or loss	
Remeasurements of the defined benefit plans	0.5
Total	**0.5**

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

(₹ in million)

Particulars	For the period from July 24, 2023 to March 31, 2024
Profit/(Loss) before tax	(390.0)
Tax using the Company's domestic tax rate (31.03.2024 : 25.17%)	(98.2)
Tax effect of:	
Expenses not deductible for tax purposes	4.4
Unrecognised Deferred Tax Assets	69.2
Current and Deferred Tax expense (excluding prior year taxes) as per note 38(a)	(24.6)

d) Movement in deferred tax balances:

(₹ in million)

Particulars	As at 24.07.2023	Taken over on Acquisition	Recognised in/under		**As at 31.03.2024**	As at 31.03.2024	
Deferred Tax Assets/(Liabilities)	Net balance		Profit or Loss	Retained Earnings / OCI	**Net balance**	Deferred Tax Asset	Deferred Tax Liability
Property, Plant and Equipment	-	(294.6)	15.7	-	(278.9)	-	(278.9)
Mark to Market (Gain)/Loss	-	-	(0.6)	-	(0.6)	-	(0.6)
Trade Receivables	-	-	1.6	-	1.6	1.6	-
Employee Benefits	-	-	2.3	0.5	2.8	2.8	-
Others	-	-	5.6	-	5.6	5.6	-
Net Deferred tax assets / (liabilities)	**-**	**(294.6)**	**24.6**	**0.5**	**(269.5)**	**10.0**	**(279.5)**

Reflected in the balance sheet as follows:

(₹ in million)

Particulars	**As at 31.03.2023**
Deferred Tax Asset	10.0
Deferred Tax Liability	(279.5)
Deferred Tax Asset/(Liabilities)(net)	**(269.5)**

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.

e) Operating loss carry forward consists of business losses and unabsorbed depreciation. Deferred tax assets have not been recognized on operating losses of ₹ 274.7 million because currently there is no reasonable certainty that the company will be utilizing the benefits in near future. A portion of the total loss can be carried forward indefinitely and the remaining amount willl expire in 2032.

39 RESEARCH AND DEVELOPMENT

Details of Research and Development expenses incurred during the period and shown in the respective heads of account is given below:

(₹ in million)

Particulars	For the period from July 24, 2023 to March 31, 2024
Materials and stores and spares consumption	242.2
Employee benefits expense	17.2
Depreciation expense	10.8
Others	3.8
Total	**274.0**

40 AUDITOR'S REMUNERATION

(₹ in million)

Particulars	For the period from July 24, 2023 to March 31, 2024
Payment to Auditors*:	
a) As Auditors	1.0
b) Reimbursement of out-of-pocket expenses	0.1
Total	**1.1**

* Excluding GST

41 ACQUISITION THROUGH BUSINESS COMBINATION

Pursuant to the meeting of the Board of Directors held on September 15, 2023, the Company entered into an agreement with Lupin Limited (Holding Company) to acquire their Active Pharmaceutical Ingredients (API) manufacturing sites at Dabhasa, Vizag and Fermentation and Enzymatic research at Lupin Research Park, Pune (collectively 'Business Undertaking'), as a going concern for a consideration of ₹ 7,222.3 million.

Upon execution of the Business Transfer Agreement, the Business Undertaking was transferred on November 01, 2023. The purchase price allocation carried out during the year resulted in Goodwill of ₹ 6.4 million.

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

(₹ in million)

Particulars	**As on 01.11.2023**
Purchase Consideration paid (A)	**7,222.3**
Fair Value of Assets Acquired :	
Non-Current	
Property, Plant and Equipment	3,906.1
Capital work-in-progress	1,071.5
Other Intangible assets	3.7
Right-of-use Assets	3.6
Financial Assets	
(i) Non-current Investments	1.0
Other Non-current Assets	12.9
Current	
Inventories	1,590.1
Financial Assets	
(i) Trade receivables	498.6
(ii) Cash and cash equivalents	1.2
(iii) Short term loans and advances	0.0
(iv) Others Financial Assets	19.2
Other Current Assets	649.9
Total Assets [i]	**7,757.8**
Liabilities Acquired :	
Non-Current	
Financial Liabilities	
(i) Lease Liability	3.6
(ii) Other financial liabilities	7.5
Long-term provisions	88.9
Current	
Financial Liabilities	
(i) Trade payables	308.6
(ii) Other financial liabilities	48.1
Short-term provisions	85.2
Total Liabilities [ii]	**541.9**
Total Identifiable Net Assets [i-ii] (B)	**7,215.9**
Goodwill arising on acquisition (A-B)	**6.4**
Cash Outflows arising on acquisition	
Purchase consideration paid/payable in cash	7,222.3
Total	**7,222.3**

42 MICRO, SMALL AND MEDIUM ENTERPRISES (MSME):

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

(₹ in million)

Particulars	**For the period from July 24, 2023 to March 31, 2024**
i. The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year (Micro Enterprises and Small Enterprises)	31.4 (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	-

43 FINANCIAL INSTRUMENTS

Financial instruments – Fair values and risk management:

A. Accounting classification and fair values:

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

Fair value hierarchy

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

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

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

(₹ in million)

As at 31.03.2024	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Non-Current Investments								-
- Others	1.0	-	-	1.0	-	-	1.0	1.0
Other Non-Current Financial Assets								
- Security Deposit	-	-	15.4	15.4	-	-	-	-
Current Investments	159.5	-	-	159.5	-	159.5	-	159.5
Trade Receivables	-	-	1,251.0	1,251.0	-	-	-	-
Cash and Cash Equivalents	-	-	11.8	11.8	-	-	-	-
Current Loans								
-Others	-	-	0.5	0.5	-	-	-	-
Other Current Financial Assets								
- Security Deposit	-	-	0.1	0.1	-	-	-	-
-Others	-	-	3.7	3.7	-	-	-	-
Total Financial Assets	**160.5**	**-**	**1,282.5**	**1,443.0**	**-**	**159.5**	**1.0**	**160.5**
Financial Liabilities								
Lease Liability (Non Current)	-	-	56.8	56.8	-	-	-	-
Other Non-Current Financial Liabilities								
- Others	-	-	8.3	8.3	-	-	-	-
Lease Liability (Current)	-	-	14.4	14.4	-	-	-	-
Trade Payables	-	-	1,004.7	1,004.7	-	-	-	-
Other Current Financial Liabilities								
- Others	-	-	84.0	84.0	-	-	-	-
Total Financial Liabilities	**-**	**-**	**1,168.2**	**1,168.2**	**-**	**-**	**-**	**-**

B. Measurement of fair values:

Valuation techniques and significant unobservable inputs:

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

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

C. Financial risk management:

The Company has exposure to the following risks arising from financial instruments:
- Credit risk ;
- Liquidity risk; and
- Market risk

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

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

i Credit risk:

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

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

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

(₹ in million)

Particulars	As at 31.03.2024
Not past due but impaired	-
Neither past due nor impaired	564.8
Past due not impaired	
- 1-180 days	686.2
- 181- 365 days	-
- more than 365 days	-
Past due impaired	
- 1-180 days	6.3
- 181- 365 days	-
- more than 365 days	-
Total	**1,257.3**

Expected Credit Loss ageing

(₹ in million)

Ageing of ECL (in days)	As at 31.03.2024
1-180	6.3
181- 365	-
Total	**6.3**

Expected credit loss assessment

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

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

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

(₹ in million)

Particulars	As at 31.03.2024
Balance as at July 24, 2023	-
Impairment loss recognised (net)	6.3
Amounts written off	-
Exchange differences	-
Balance as at the year end	6.3

Cash and cash equivalents

As at the year end, the Company held cash and cash equivalents of ₹ 11.8 million. The cash and cash equivalents are held with banks.

Other financial assets

Other financial assets are neither past due nor impaired.

ii **Liquidity risk:**

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

Exposure to liquidity risk

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

(₹ in million)

As at 31.03.2024	Carrying Amount	Contractual Cash flows				
		Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities :						
Lease Liabilities - Non Current	56.8	65.6	-	17.5	48.2	-
Other Non-Current Financial Liabilities	8.3	8.3	-	8.3	-	-
Lease Liabilities - Current	14.4	16.7	16.7	-	-	-
Trade Payables - Current	1,004.7	1,004.7	1,004.7	-	-	-
Other Current Financial Liabilities	84.0	84.0	84.0	-	-	-
Total	**1,168.2**	**1,179.3**	**1,105.4**	**25.7**	**48.2**	**-**

iii **Market risk:**

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

Currency risk

The Company 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.

The following table sets forth information relating to unhedged foreign currency exposure as at 31.03.2024

(₹ in million)

Particulars	As at 31.03.2024	
	USD	EURO
Financial Assets	96.1	24.2
Financial Liabilities	98.6	3.9
Net Asset/(Liability)	**(2.5)**	**20.3**

Exposure to Currency risk

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

(₹ in million)

Particulars	As at 31.03.2024	
	USD	EURO
Financial assets		
Cash and cash equivalents	71.6	-
Trade receivables	23.2	24.0
Other current financial assets	1.3	0.2
	96.1	**24.2**
Financial liabilities		
Trade Payables	98.6	3.8
Other current financial Liabilities	-	0.1
	98.6	**3.9**
Net statement of financial position exposure	**(2.5)**	**20.3**

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)

31.03.2024	Impact on Profit or (loss)		Equity, net of tax	
5% movement	Strengthening	Weakening	Strengthening	Weakening
USD	0.1	(0.1)	0.1	(0.1)
EURO	(1.0)	1.0	(0.8)	0.8
Total	**(0.9)**	**0.9**	**(0.7)**	**0.7**

Interest rate risk

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

Exposure to interest rate risk

The Company's interest rate risk arises from borrowings and INR 8000 million 0.01% unsecured optionally convertible debentures are not considered above.

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Commodity rate risk

The Company's operating activities involve purchase and sale of 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.

44 CAPITAL MANAGEMENT

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

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

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

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

(₹ in million)

Particulars	**As at 31.03.2024**
Total borrowings	-
Less : Cash and cash equivalent	11.8
Less : Current Investments	159.5
Adjusted net debt	(171.3)
Total equity	7,427.2
Adjusted net debt to total equity ratio	(0.0)

45 OFF-SETTING OR SIMILAR ARRANGEMENTS

There are no off-setting or similar arrangements as on 31.03.2024.

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

A. Relationships -

Category I: Company whose control exist
Lupin Limited (Holding Company)

Category II: Fellow Subsidiary
Medquímica Indústria Farmacêutica LTDA

Category III: Key Management Personnel (KMP) :

Mr. Nilesh D. Gupta	Director
Mr. Naresh Kumar Gupta	Director
Mr. Ramesh Swaminathan	Director

B. Transactions with the related parties:

(₹ in million)

Sr. No.	Transactions	For the period from July 24, 2023 to March 31, 2024
1	Sale of Goods	
	Medquímica Indústria Farmacêutica LTDA	7.4
	Lupin Limited	973.3
2	Income from Research Services	
	Lupin Limited	3.5
3	Purchase of Goods/Materials	
	Lupin Limited	223.4
4	Expenses on Research	
	Lupin Limited	230.3
5	Legal and Professional Charges	
	Lupin Limited	3.0
6	Acquisition of Business Undertaking (refer note 41)	
	Lupin Limited	7,222.3
7	Loan taken	
	Lupin Limited	135.0
8	Repayment of Loan	
	Lupin Limited	135.0
9	Interest paid on loan taken	
	Lupin Limited	1.5
10	Issuance of 0.01% Unsecured Optionally Convertible Debentures	
	Lupin Limited	8,000.0
11	Interest on 0.01% Unsecured Optionally Convertible Debentures	
	Lupin Limited	0.2
12	Lease rent payment	
	Lupin Limited	6.4
13	Expenses on Marketing and Logistics	
	Lupin Limited	2.3
14	Expenses incurred on our behalf & other Reimbursements	
	Lupin Limited	97.6
15	Expenses incurred on our behalf recovered	
	Lupin Limited	8.2
16	Purchase of IP rights	
	Lupin Limited	0.2
14	Issue of Equity Shares	
	Lupin Limited	95.0

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

C. Balances due from/to the related parties:

(₹ in million)

Sr. No.	Balances	As at 31.03.2024
1	Trade Receivables	
	Lupin Limited	1,117.0
	Medquímica Indústria Farmacêutica LTDA	11.5
2	Payable towards issuance of 0.01% Unsecured Optionally Convertible Debentures	
	Lupin Limited	8,000.0
3	Trade Payables	
	Lupin Limited	491.7

47 NON CASH CHANGES IN CASH FLOWS FROM FINANCING ACTIVITIES

(₹ in million)

Particulars	As at 24.07.2023	Cash flows	Non-Cash Changes			As at 31.03.2024
			Interest Expense	Foreign Exchange Movement	Fair Value Changes	
Current Borrowings						
Unsecured						
Loans from banks	-	-	-	-	-	-
Lease liabilities (Refer Note 36)	-	(8.1)	79.3	-	-	71.2
Total Liabilities from financing activities	**-**	**(8.1)**	**79.3**	**-**	**-**	**71.2**

48 The Company evaluates events or transactions that occur after the balance sheet date but prior to the issuance of financial statements and concluded that no material subsequent events have occurred through 06.05.2024 that require adjustment to or disclosure in the financial statements.

49 TRADE RECEIVABLES AGEING

(₹ in million)

Particulars	Outstanding for following periods from due date of payment			
	Not due	Less than 6 months	6 months to 1 year	**Total as at 31 March 2024**
(i) Undisputed Trade receivables – considered good	564.8	686.2	-	1,251.0
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	6.3	-	6.3
(iv) Disputed Trade Receivables – considered goood	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-
	564.8	**692.5**	**-**	**1,257.3**
Allowance for credit loss				**(6.3)**
Total				**1,251.0**

50 TRADE PAYABLES AGEING

(₹ in million)

Particulars	Outstanding for following periods from due date of payment		
	Not due	Less than 1 year	**Total as at 31 March 2024**
Outstanding dues of Micro and Small Enterprises	31.4	-	31.4
Outstanding dues of other than Micro and Small Enterprises	762.3	149.5	911.8
Disputed - Outstanding dues of Micro and Small Enterprises	-	-	-
Disputed - Outstanding dues of other than Micro and Small Enterprises	-	-	-
	793.7	**149.5**	**943.2**
Accrued Expenses			61.5
Total			**1,004.7**

51 CAPITAL WORK-IN-PROGRESS (CWIP)

(a) Capital Work-In-Progress (CWIP) ageing

(₹ in million)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	**Total as at 31 March 2024**
Projects in progress	1,023.4	-	-	-	1,023.4
Projects temporarily suspended	-	-	-	-	-
Total	**1,023.4**	**-**	**-**	**-**	**1,023.4**

(b) There are no CWIP where completion is overdue or cost has exceeded as compared to its original plans as on 31.03.2024, excluding plants that are not ready for intended use pending regulatory inspection and approvals.

52 FINANCIAL RATIOS

Ratios	Numerator	Denominator	**31-Mar-24**
Current Ratio	Total Current Asset	Total Current Liabilities	3.40
Debt-Equity Ratio	Total Debt = Non Current Borrowings+ Current Borrowings	Total Equity Attributable to owners	-
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)	31.43
Return on equity ratio (ROE)	Net profits after taxes	Average Shareholder's Equity = (Opening Shareholder's Equity + Closing Shareholder's Equity)/2	(0.10)
Inventory turnover ratio	Cost of Goods Sold = Cost of Materials Consumed + Purchases of Stock-in-Trade + Changes in inventories of Finished Goods / Work in Progress / Stock-in-Trade	Average Inventory = (Opening inventory + Closing inventory)/2	0.46
Trade receivables turnover ratio	Total sales	Closing Trade receivable	0.97
Trade payables turnover ratio	Total Purchases	Closing Trade Payables	2.36
Net capital turnover ratio	Net sales	Working Capital = current assets - current liabilities	0.43
Net profit ratio	Net Profit after Tax	Revenue from Operations	(0.30)
Return on capital employed (ROCE)	Earnings before interest and taxes	Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liability (net)	(0.05)
Gross profit Ratio (in %)	Gross Profit = Net sales - Cost of Materials	Net Sales	64.53%
EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) (in %)	EBITDA	Net sales	-12.82%
Return on investment (ROI) Mutual Fund	Income generated from investment (A)	Average Investment (B)	0.08

As the Company was incorporated on July 24, 2023, the comparable numbers, percentage of variance and reasons for variance are not applicable.

53 Other Statutory Information

(A) The Company has not entered into any transactions with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 for the year ended 31 March 2024.

(B) The Company has not granted any loans or advances in the nature of loans to promoters, directors and KMPs, either severally or jointly with any other person. No trade or other receivable are due from directors either severally or jointly with any other person.

(C) The Company has not traded or invested in Crypto Currency or Virtual Currency.

(D) The Company does not have any transaction not recorded in the books of account that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 for the year ended 31 March 2024.

(D) 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.

(E) There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.

(F) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(G) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(G) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds), other than in the ordinary course of business by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Signature to note 1 to

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

For and on behalf of **Board of Directors of Lupin Manufacturing Solutions Limited**
CIN : U21001MH2023PLC407210

Siddharth Pandya
Partner
Membership No. 135037

Nilesh D. Gupta
Director
DIN: 01734642

Ramesh Swaminathan
Director
DIN: 01833346

Place : Mumbai
Dated :