



LUPIN

August 3, 2016

✓ **BSE Limited**

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai Samachar Marg,
Mumbai - 400 001.

National Stock Exchange of India Limited

Exchange Plaza,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051.

Dear Sirs,

Sub: Compliance with Regulation 34(1) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015.

In compliance with Regulation 34(1) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, ('Listing Regulations'), enclosed is the Company's Annual Report for the year ended March 31, 2016 along with the Notice convening the Thirty-Fourth Annual General Meeting today i.e. Wednesday, August 3, 2016.

It may please be noted that the said Annual Report contains information prescribed under Regulations 34(2) and (3) of the Listing Regulations.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,
FOR LUPIN LIMITED

R. V. SATAM
COMPANY SECRETARY

Encl.: a/a.



LUPIN

NOTICE TO MEMBERS

NOTICE is hereby given that the Thirty-Fourth Annual General Meeting of Lupin Limited will be held at Rang Sharda Natyamandir, Bandra Reclamation, Bandra (West), Mumbai - 400 050, on Wednesday, August 3, 2016 at 2.30 p.m., to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Standalone audited financial statements including Balance Sheet as at March 31, 2016, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Consolidated audited financial statements including Balance Sheet as at March 31, 2016, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and report of the Auditors thereon.
3. To declare dividend at ₹ 7.50 per equity share for the year ended March 31, 2016.
4. To consider the re-appointment of Mr. Nilesh Gupta, as a director, who retires by rotation and being eligible, offers himself, for re-appointment.
5. To appoint BSR & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company, for a term of five years from the conclusion of the Thirty-Fourth Annual General Meeting till the conclusion of the Thirty-Ninth Annual General Meeting, or any adjournment thereof, subject to ratification of their appointment by the Members at every Annual General Meeting and to fix their remuneration.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution: -

“RESOLVED THAT pursuant to the provisions of Sections 139 and 141 and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 3 of the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, and as recommended by the Audit Committee, BSR & Co. LLP, Chartered Accountants (ICAI Firm Registration No.: 101248W/W-100022), be and are hereby appointed as the Statutory Auditors of the Company, for a term of five years from the conclusion of the Thirty-Fourth Annual General Meeting till the conclusion of the Thirty-Ninth Annual General Meeting, subject to ratification of their appointment by the Members at every Annual General Meeting, on such terms as agreed upon between the Board of Directors and the Auditors.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to fix the remuneration payable to the Statutory Auditors as recommended by the Audit Committee.”

SPECIAL BUSINESS

6. To consider and if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution for the appointment of Mr. Ramesh Swaminathan as Chief Financial Officer and Executive Director: -

“RESOLVED THAT pursuant to the provisions of the Articles of Association of the Company, Sections 196 and 197, Schedule V and other applicable provisions of the Companies Act, 2013 (‘Act’), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any amendments and enactments thereof, provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), Mr. Ramesh Swaminathan, (DIN No. 01833346), who in terms of Section 161 of the Act, was appointed by the Board of Directors as an Additional Director of the Company, effective October 27, 2015, and holds office until the date of this Annual General Meeting, and in respect of whom, the Company has received notices in writing from Members proposing his candidature, be and is hereby appointed as a regular Director and designated as Chief Financial Officer and Executive Director for a term of five years effective October 27, 2015, on payment of remuneration as per the terms and conditions set out in the Explanatory Statement annexed hereto.

RESOLVED FURTHER THAT Mr. Ramesh shall be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors (‘the Board’, which term shall be deemed to mean and include any Committee constituted by the Board) be and is hereby authorised to take such steps as may be necessary to give effect to this Resolution.”

7. To consider and if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution for the appointment of Mr. Jean-Luc Belingard as an Independent Director: -

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, read with Schedule IV to the Companies Act, 2013 (‘Act’) and any other applicable provisions of the Act and the Rules made thereunder including any statutory amendment(s) or re-enactment(s) thereof and Regulation 17 of the Listing Regulations, Mr. Jean-Luc Belingard, (DIN No. 07325356), who in terms of Section 161 of the Act, was appointed by the Board of Directors as an Additional Director of the Company, effective October 27, 2015, and holds office up to the date of this Annual General Meeting and who meets the criteria of independence as provided in Section 149(6) of the Act and is eligible for appointment and in respect of whom, the Company has received notices in writing from Members proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office from October 27, 2015, till the conclusion of the Thirty-Eighth Annual General Meeting.

RESOLVED FURTHER THAT the Board of Directors ('the Board', which term shall be deemed to mean and include any Committee constituted by the Board) be and is hereby authorised to take such steps as may be necessary to give effect to this Resolution."

8. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution for ratifying the remuneration payable to Mr. S. D. Shenoy, Cost Auditor, for conducting cost audit for the year ending March 31, 2017: -

"RESOLVED THAT pursuant to the provisions of Section 148 and any other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 including any statutory amendment(s) or re-enactment(s) thereof, Mr. S. D. Shenoy (FCMA, Membership No. 8318), practicing cost accountant, Cost Auditor, appointed by the Board of Directors, to conduct audit of the cost records of the Company, for the year ending March 31, 2017, be paid remuneration of ₹ 600,000/- (Rupees Six Hundred Thousand only) plus applicable service tax and out-of-pocket expenses.

RESOLVED FURTHER THAT the Board of Directors ('the Board', which term shall be deemed to mean and include any Committee constituted by the Board) be and is hereby authorised to take such steps as may be necessary to give effect to this Resolution."

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE PROXY, DULY COMPLETED AND SIGNED, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolutions/ authority, as applicable. A person can act as proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company, then such proxy shall not act as a proxy for any other person or Member.

2. An Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 ('Act') in respect of Item nos. 4 to 8 is annexed and forms part of this Notice.
3. The Register of Members and the Share Transfer Register will be closed from Wednesday, July 27, 2016 to Wednesday, August 3, 2016, (both days inclusive).
4. Dividend for the year ended March 31, 2016, if declared, at the Annual General Meeting (AGM), shall be paid to those Members, whose names appear: -
- as beneficial owners at the end of business hours on Tuesday, July 26, 2016 as per lists furnished by Central Depository Services (I) Limited (CDSL) and National Securities Depository Limited (NSDL) in respect of shares held in electronic form; and
 - on the Register of Members of the Company as on Tuesday, July 26, 2016, after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on Tuesday, July 26, 2016 in respect of shares held in physical form.
5. Members holding shares in dematerialised form are requested to intimate all particulars of bank mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc. to their Depository Participant (DP). Members holding shares in physical form are requested to intimate such details to the Company.

In order to enable the Company to remit dividend electronically through National Electronic Clearing Service (NECS), National Electronic Funds Transfer (NEFT), etc., Members are requested to provide/update details of their bank accounts indicating the name of the bank, branch, account number and the nine-digit MICR code and IFSC code (as appearing on the cheque) along with photocopy of the cheque/cancelled cheque. The said information should be submitted to the Company if the shares are held in physical form and to the DP concerned, if the same are held in electronic form.

6. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are requested to submit their PAN to their DPs. Members holding shares in physical form are requested to submit their PAN to the Company.
7. Members who have not encashed their dividend warrants for the year ended March 31, 2009 or any subsequent year(s) are requested to lodge their claims with the Company at the earliest.
8. The amounts of dividend remaining unclaimed/unpaid for a period of seven years are required to be transferred to the 'Investor Education and Protection Fund'. Accordingly, unpaid dividend up to the year ended March 31, 2008, has already been transferred to the said Fund. Since amounts once transferred to the said Fund cannot be claimed, you are advised to encash your dividend warrants promptly.
9. The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts or Arrangements in which Directors are interested, maintained under Sections 170 and 189 respectively of the Act, will be available for inspection by the Members at the AGM.

10. Pursuant to the provisions of Sections 101 and 136 of the Act read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail addresses either with their DP or the Company. The Notice of the AGM along with Annual Report for the year ended March 31, 2016 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless a Member has requested for a physical copy of the same. Physical copies of the Annual Report are being sent by the permitted mode to those Members who have not registered their e-mail addresses. Members desirous of receiving physical copies of the Annual Report are requested to write to the Investors' Services Department at the Registered Office of the Company. The Annual Report for the year ended March 31, 2016 circulated to the Members is also available on the Company's website www.lupin.com.
11. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015, Company is pleased to provide its Members, the facility to exercise their right to vote at the AGM by electronic means and business may be transacted through e-voting platform provided by NSDL on all Resolutions set-forth in this Notice. The 'process and manner for availing e-voting facility' is explained in the annexure which forms part of this Notice.
12. Members holding shares in physical form in single name are advised to avail of nomination facility. Nomination forms can be downloaded from the Company's website www.lupin.com or obtained from the Investors' Services Department of the Company.
13. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
14. Members are requested to:-
 - a. Quote ledger folio numbers/DP ID and Client ID numbers in all their correspondence;
 - b. Approach the Company for consolidation of multiple ledger folios into one;
 - c. To avoid inconvenience, get the shares transferred in joint names, if they are held in a single name and/or appoint a nominee; and
 - d. Bring with them at the meeting, their copy of the Annual Report and Attendance Slip.
15. NRI Members are requested to inform the Company immediately of:-
 - a. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier; and
 - b. Change in their residential status and address in India on their return to India for permanent settlement.
16. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their communications at the Registered Office of the Company, so as to reach at least seven days before the date of the meeting, so that the required information can be made available at the meeting, to the extent possible.
17. Members, who hold shares in electronic form, are requested to notify their DP and Client ID numbers at the AGM for easier identification.
18. As shares of the Company are traded under compulsory demat for all investors, Members are requested to dematerialise their shareholding to avoid inconvenience.

By Order of the Board of Directors

R. V. SATAM
Company Secretary
(ACS-11973)

Mumbai, May 19, 2016

Registered Office:

159, C.S.T. Road, Kalina, Santacruz (East),
Mumbai - 400 098.

With effect from June 1, 2016:

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

Corporate Identity Number: L24100MH1983PLC029442

Tel: +91 22 6640 2323 Ext: 2402/2403

Fax: +91 22 6640 8131

E mail: investorservices@lupin.com

Website: www.lupin.com

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO.4

A brief profile of Mr. Nilesh Gupta and names of companies in which he is director are given in the Corporate Governance Report, which forms part of this Annual Report.

Mr. Nilesh Gupta holds 625,240 fully paid-up equity shares of ₹ 2/- each in the Company.

Mr. Nilesh Gupta and Dr. Desh Bandhu Gupta, Mrs. M. D. Gupta and Ms. Vinita Gupta who are related to him are interested in the said Resolution. None of the other Directors/Key Managerial Personnel or their relatives are interested in or concerned with the said Resolution.

The Board recommends passing of the said Resolution.

ITEM NO.5

This Explanatory Statement is provided though strictly not required pursuant to the provisions of Section 102 of the Companies Act, 2013 ('Act').

Pursuant to the provisions of Section 139 of the Act and Rule 6 of the Companies (Audit and Auditors) Rules, 2014, at the Thirty-Second Annual General Meeting, the Members appointed Deloitte Haskins & Sells LLP, Chartered Accountants, as Statutory Auditors of the Company, for a period of two years, from the conclusion of the Thirty-Second Annual General Meeting till the conclusion of the Thirty-Fourth Annual General Meeting. It is now proposed to appoint another firm as Auditors in view of the requirement of rotation of Auditors pursuant to provisions of Sections 139 and 141 of the Act.

Pursuant to the provisions of Section 139 of the Act it is proposed to appoint Statutory Auditors of the Company for a term of five years from the conclusion of the Thirty-Fourth Annual General Meeting till the conclusion of the Thirty-Ninth Annual General Meeting. Pursuant to the provisions of Section 177(4) of the Act and Rule 3 of the Companies (Audit and Auditors) Rules, 2014, the Audit Committee has recommended the appointment of BSR & Co. LLP, Chartered Accountants, as the Statutory Auditors of the Company, for a term of five years from the conclusion of the Thirty-Fourth Annual General Meeting till the conclusion of the Thirty-Ninth Annual General Meeting, subject to ratification by the Members at every Annual General Meeting.

Pursuant to the provisions of Section 139 of the Act and Rule 4 of the Companies (Audit and Auditors) Rules, 2014, the Company has received written consent and certificate from BSR & Co. LLP, Chartered Accountants, certifying that if they are appointed as Auditors; their appointment would be as per the conditions prescribed by Section 141 of the Act and the said Rule.

Pursuant to the provisions of Section 139 of the Act and Rule 4 of the Companies (Audit and Auditors) Rules, 2014, the Company shall, within 15 days of the meeting in which the appointment is made, file a notice in Form ADT-1, with the Registrar of Companies, Maharashtra, for the said appointment.

None of the Directors/Key Managerial Personnel of the Company or their relatives are interested in or concerned with the said Resolution.

The Board recommends passing of the said Resolution.

ITEM NO.6

At its meeting held on October 27, 2015, the Board of Directors appointed Mr. Ramesh Swaminathan, as Chief Financial Officer and Executive Director, for a term of five years effective October 27, 2015, subject to the terms and conditions mentioned herein below: -

Salary and allowances:

- a) Basic ₹ 19,075,644/- per annum.
- b) Flexible Benefits ₹ 6,784,132/- per annum.

Performance-linked Incentive/Retention Bonus:

An amount not exceeding 50% of the fixed cost to the Company as may be determined by the Chief Executive Officer/ Managing Director of the Company, at the end of each financial year.

Others:

Mr. Ramesh shall be entitled to provident fund, superannuation, gratuity, key man insurance, mediclaim, accident and life insurance coverage and leave with full pay and encashment thereof as per Company rules. He shall be entitled to membership fees of maximum two clubs. Mr. Ramesh will be also entitled to stock options as may be determined by the Nomination and Remuneration Committee from time to time.

Subject to overall ceiling on the remuneration, Mr. Ramesh may be given annual increments not exceeding 15% of his last drawn fixed cost to the Company and any other allowances, benefits and perquisites as approved by the Chief Executive Officer/Managing Director of the Company. The next increment will be effective from July 1, 2016, in line with the Company's annual increment cycle.

Explanation:

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such rules, at actual cost.

Overall remuneration:

The overall remuneration of Mr. Ramesh in any one financial year shall not exceed the limits prescribed by Section 197 and Schedule V and other applicable provisions of the Companies Act, 2013 ('Act') including any amendments and re-enactments thereof as may from time to time be in force.

Minimum remuneration:

In the event of loss or inadequacy of profits in any financial year during the currency or tenure of his service, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Schedule V of the Act including any amendments and re-enactments thereof as may from time to time be in force.

The above terms of remuneration were recommended by the Nomination and Remuneration Committee.

A brief profile of Mr. Ramesh Swaminathan and names of companies in which he is director are given in the Corporate Governance Report, which forms part of this Annual Report.

Considering Mr. Ramesh's experience, qualifications, expertise and responsibilities shouldered by him, volume of the Company's business and profits earned by it, the terms of his remuneration are reasonable.

Mr. Ramesh holds 8197 fully paid-up equity shares of the face value of ₹ 2/- each in the Company.

Mr. Ramesh is interested in the said Resolution. None of the other Directors/Key Managerial Personnel or their relatives are interested in or concerned with the said Resolution. This Explanatory Statement may also be regarded as a disclosure pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board recommends passing of the said Resolution.

ITEM NO. 7

A brief profile of Mr. Jean-Luc Belingard and names of companies in which he is director are given in the Corporate Governance Report, which forms part of this Annual Report.

At its meeting held on October 26, 2015, the Nomination and Remuneration Committee recommended to the Board the appointment of Mr. Jean-Luc Belingard, as an Independent Director of the Company and at its meeting held on October 27, 2015, the Board approved the same.

Pursuant to the provisions of Section 149(10) of the Companies Act, 2013 ('Act'), an Independent Director shall hold office for a term up to five consecutive years on the Board of a company.

Pursuant to Regulation 25(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations') a person shall not serve as an Independent Director in more than seven listed companies.

Pursuant to the provisions of Sections 149, 152, read with Schedule IV and any other applicable provisions of the Act and the Rules made thereunder including any statutory amendment(s) or re-enactment(s) thereof and Regulation 17 of the Listing Regulations, it is proposed to appoint Mr. Jean-Luc Belingard as an Independent Director, for a term of five years, by passing an Ordinary Resolution at the forthcoming Annual General Meeting.

Pursuant to the provisions of Section 149(8) of the Act, the Independent Director shall abide with the provisions of Code for Independent Directors specified in Schedule IV of the Act. The Company has received from Mr. Belingard, a declaration pursuant to the provisions of Section 149(7) of the Act, confirming that he meets the criteria of independence enumerated in Section 149(6) of the Act.

In the opinion of the Board of Directors, Mr. Belingard fulfills the conditions specified in the Act and Rules made thereunder and is independent of the management. The terms and conditions of his appointment are posted on the Company's website www.lupin.com and are open for inspection by the Members at the Registered Office of the Company during normal business hours on working days.

Mr. Belingard does not hold any shares in the Company.

Mr. Belingard is interested in the said Resolution. No other Director/Key Managerial Personnel of the Company and their relatives are interested in or concerned with the said Resolution. This Explanatory Statement may also be regarded as a disclosure pursuant to Regulation 36(3) of the Listing Regulations.

The Board recommends passing of the said Resolution.

ITEM NO. 8

The Board of Directors, on the recommendation of the Audit Committee, approved the appointment and remuneration of Mr. S. D. Shenoy (FCMA, Membership No. 8318), practicing cost accountant, Cost Auditor, to conduct the audit of the cost records of the Company for the year ending March 31, 2017.

Mr. S. D. Shenoy is a cost accountant as defined in Section 2(1)(b) of the Cost and Works Accountants Act, 1959, holding a valid certificate of practice under Section 6(1) of the said Act. He has not been disqualified to act as cost auditor pursuant to the provisions of Section 141 read with Section 148 of the Companies Act, 2013 and his appointment, is in accordance with the limits specified by Section 141(3)(g) read with Section 148 of the Companies Act, 2013. Mr. Shenoy is independent and maintains an arm's length relationship with the Company; and no orders or proceedings are pending against him relating to professional matters of conduct before the Institute of Cost Accountants of India or any court or competent authority.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 600,000/- plus applicable taxes and out of pocket expenses payable to the Cost Auditor as approved by the Board of Directors, needs to be ratified by the Members. Thus, consent of the Members is being sought for ratifying the remuneration payable to the Cost Auditor for the year ending March 31, 2017.

None of the Directors/Key Managerial Personnel or their relatives are interested in or concerned with the said Resolution.

The Board recommends passing of the said Resolution.

By Order of the Board of Directors

R. V. SATAM
Company Secretary
(ACS-11973)

Mumbai, May 19, 2016

Registered Office:

159, C.S.T. Road, Kalina, Santacruz (East),
Mumbai - 400 098.

With effect from June 1, 2016:

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

Corporate Identity Number: L24100MH1983PLC029442

Tel: +91 22 6640 2323 Ext: 2402/2403

Fax: +91 22 6640 8131

E mail: investorservices@lupin.com

Website: www.lupin.com

LUPIN LIMITED

Registered Office: 159, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098.
With effect from June 1, 2016; Kalpataru Inspire, 3rd Floor, Off Western Express Highway,
Santacruz (East), Mumbai - 400 055.
Corporate Identity Number: L24100MH1983PLC029442
Tel: +91 22 6640 2323 Ext: 2402/2403 Fax: +91 22 6640 8131
E mail: investorservices@lupin.com Website: www.lupin.com



ATTENDANCE SLIP

(To be handed over at the entrance of the meeting venue)

34th ANNUAL GENERAL MEETING - Wednesday, August 3, 2016 at 2.30 p.m.

Folio No. _____ DP ID No. _____ Client ID No. _____
Name of the Member _____ Signature _____
Name of the Proxyholder _____ Signature _____

- 1. Only Member/Proxyholder can attend the Meeting.
- 2. Interested joint members may obtain attendance slips from the Registered Office of the Company.
- 3. Members/joint members/proxies are requested to bring this slip with them. Duplicate slips will not be issued at the entrance of the Auditorium.
- 4. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.

-Please Cut Here-

LUPIN LIMITED

Registered Office: 159, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098.
With effect from June 1, 2016; Kalpataru Inspire, 3rd Floor, Off Western Express Highway,
Santacruz (East), Mumbai - 400 055.
Corporate Identity Number: L24100MH1983PLC029442
Tel: +91 22 6640 2323 Ext: 2402/2403 Fax: +91 22 6640 8131
E mail: investorservices@lupin.com Website: www.lupin.com



FORM NO. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

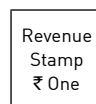
Name of the Member(s): _____
Registered address: _____
E-mail Id: _____
Folio No. _____ DP ID No. _____ Client ID No. _____

I / We, being the member(s) of _____ Equity Shares of Lupin Limited, hereby appoint:

- 1. Name: _____ E-mail Id: _____
Address: _____
Signature: _____
or failing him/her
- 2. Name: _____ E-mail Id: _____
Address: _____
Signature: _____
or failing him/her
- 3. Name: _____ E-mail Id: _____
Address: _____
Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the Company to be held at Rang Sharda Natyamandir, Bandra Reclamation, Bandra (West), Mumbai - 400 050, on Wednesday, August 3, 2016, at 2.30 p.m. and at any adjournment thereof in respect of resolutions as indicated below: -

- 1. Adoption of the Standalone audited financial statements including Balance Sheet as at March 31, 2016, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
- 2. Adoption of the Consolidated audited financial statements including Balance Sheet as at March 31, 2016, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the report of the Auditors thereon.
- 3. Declaration of dividend at ₹ 7.50 per equity share for the year ended March 31, 2016.
- 4. Appointment of Mr. Nilesh Gupta as a director, who retires by rotation and being eligible, offers himself, for re-appointment.
- 5. Appointment of BSR & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company for a term of five years from the conclusion of the 34th AGM till the conclusion of the 39th AGM subject to ratification of their appointment by the Members at every Annual General Meeting and to fix their remuneration.
- 6. Appointment of Mr. Ramesh Swaminathan as Chief Financial Officer and Executive Director.
- 7. Appointment of Mr. Jean-Luc Belingard as an Independent Director.
- 8. Ratifying the remuneration payable to Mr. S. D. Shenoy, Cost Auditor, for conducting cost audit for the year ending March 31, 2017.



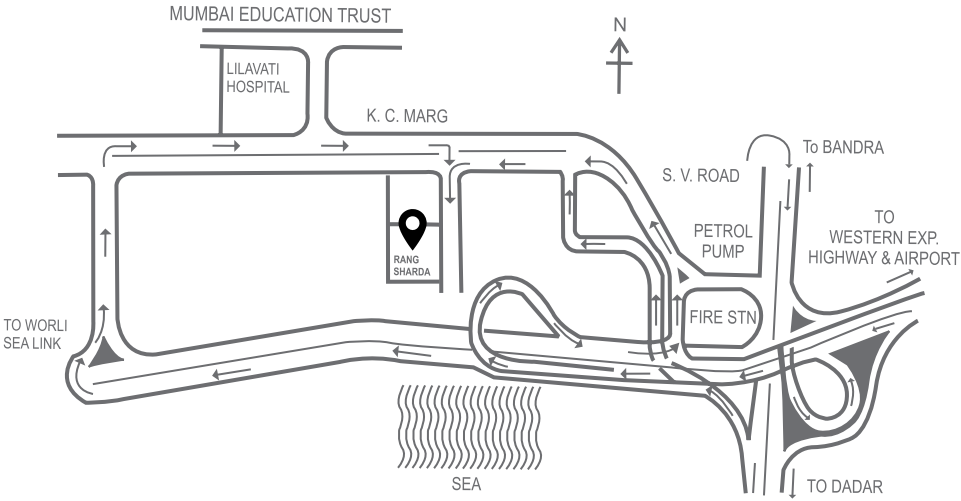
Signed this _____ day of _____ 2016

Signature of Member _____ Signature of Proxyholder(s) _____

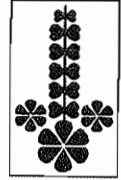
NOTE: This Proxy Form in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Please Cut Here

Directions for the 34th Annual General Meeting of Lupin Limited to be held at Rang Sharda Natyamandir, Bandra Reclamation, Bandra (West), Mumbai - 400 050, on Wednesday, August 3, 2016 at 2.30 p.m.



Bandra Station 2.7 Km. | Dadar Station 5.5 Km. | Kurla Station 7.7 Km. | International Airport 8.7 Kms. | Domestic Airport 6 Kms. | Lilavati Hospital 1 Km. | Worli - Bandra Sea Link 1 Km. |



LUPIN

August 3, 2016

✓ **BSE Limited**

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai Samachar Marg,
Mumbai - 400 001.

National Stock Exchange of India Limited

Exchange Plaza,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051.

Dear Sirs,

Sub: Compliance with Regulation 34(1) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015.

In compliance with Regulation 34(1) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, ('Listing Regulations'), enclosed is the Company's Annual Report for the year ended March 31, 2016 along with the Notice convening the Thirty-Fourth Annual General Meeting today i.e. Wednesday, August 3, 2016.

It may please be noted that the said Annual Report contains information prescribed under Regulations 34(2) and (3) of the Listing Regulations.

Kindly acknowledge receipt.

Thanking you,

Yours faithfully,
FOR LUPIN LIMITED

R. V. SATAM
COMPANY SECRETARY

Encl.: a/a.

LUPIN

Annual Report 2016

Vol-49

LUPIN

**LEADERSHIP
IN A CHANGING
WORLD**

**World's Most
Powerful
Companies**

Forbes Global 2000
1,046 [Market Value]
1,416 [Profits]
1,693 [Overall Score]

**\$ 2.09
Billion
Revenue**

**ADDING
MUSCLE**

Lupin acquires
US - based
Gavis Pharma
for \$ 880 mn

**PASSION
TO PERFORM**
India - Outpacing
the Industry

**ALCHEMY
FOR
GROWTH**
Stepping up
on R&D

Aerial view of Lupin offices, Baltimore, US

**LUPIN,
WHERE LEADERSHIP
IS A GIVEN AND
NUMBERS ARE
JUST MILESTONES
ON A GLORIOUS PATH**

**DR. DESH BANDHU GUPTA
FOUNDER & CHAIRMAN
LUPIN LIMITED**



Inside

02 LEADERSHIP IN A CHANGING WORLD
Chairman's Letter

04 CORPORATE INFORMATION

07 TAKING CENTERSTAGE
Awards

08 THE TRANSFORMATION DYNAMIC
Vice Chairman's Letter

12 POWERING UP
Chief Executive Officer & Managing Director's Letter

16 THE PERFORMANCE MATRIX
Financial Highlights 2016

MANAGEMENT DISCUSSION AND ANALYSIS

20 ADDING MUSCLE
United States

24 PASSION TO PERFORM
India

28 THE NEXT GROWTH MULTIPLIER
Asia Pacific (APAC)

32 GARNERING PACE
Europe, Middle-East & Africa (EMEA)

34 EXPANDING HORIZONS
Latin America (LATAM)

36 A STRONG FOUNDATION
Global Active Pharmaceutical Ingredients

38 ALCHEMY FOR GROWTH
Research & Development

42 ENGINEERED FOR EXCELLENCE
Global Manufacturing & Supply Chain

44 PEOPLE FIRST
Human Resources

46 SOCIAL CONSCIENCE
Corporate Social Obligation

48 A BALANCED RECIPE
Chief Financial Officer &
Executive Director's Letter – Financial Review

02

Leadership In A Changing World

Chairman's Letter



Dear Shareholders,

When I founded Lupin over 48 years ago, the goal was simple; to manufacture and deliver quality, affordable medicines of the highest national and social priority. It has been the core principle and guiding philosophy behind everything we have undertaken and achieved over now close to five decades. This is reflected in how Lupin has expanded over the years, the markets that we have chosen to focus on and in how we have nurtured and grown them. It is also reflected in how Lupin has gone about investing in and growing our research programs to build an impressive product pipeline and in how we have created a quality driven global manufacturing organization, second to none in the pharmaceutical industry. FY 2016 saw us invest the highest ever in Research & Development to date.

Today, it is clear to me that the unassuming choice that we made of being inclusive in creating relevant products that people need is what has made Lupin the global pharmaceutical powerhouse that it is. It has also been the key trigger driving Lupin to be creative in working together to innovate, execute and deliver efficacious products to our communities. This differentiator has ensured Lupin's continued progression and ascendance as a global leader and a true innovator.

At Lupin, success is not just about growth or performance, it has always been about doing the right thing no matter how challenging the environment; about backing our ideas and having the conviction to see them through. It is about being the transformation ourselves. That is the only thing that ensures leadership in a changing world.

At Lupin, leadership is a given and numbers are just milestones on a glorious path.

Dr. Desh Bandhu Gupta
Founder & Chairman
Lupin Limited



04

**Corporate
Information**

DIRECTORS

Dr. Desh Bandhu Gupta, Chairman
Dr. Kamal K. Sharma, Vice Chairman
Ms. Vinita Gupta, Chief Executive Officer
Mr. Nilesh Gupta, Managing Director
Mrs. Manju D. Gupta, Executive Director
Mr. Ramesh Swaminathan,
Chief Financial Officer & Executive Director
Dr. Vijay Kelkar, Independent Director
Mr. R. A. Shah, Independent Director
Mr. Richard Zahn, Independent Director
Dr. K. U. Mada, Independent Director
Mr. Dileep C. Choksi, Independent Director
Mr. Jean-Luc Belingard, Independent Director

COMPANY SECRETARY

Mr. R. V. Satam

AUDITORS

Deloitte Haskins & Sells LLP
Chartered Accountants

AUDIT COMMITTEE

Dr. K. U. Mada, Chairman
Dr. Kamal K. Sharma
Mr. Dileep C. Choksi

STAKEHOLDERS RELATIONSHIP COMMITTEE

Dr. Vijay Kelkar, Chairman
Dr. K. U. Mada

NOMINATION AND REMUNERATION COMMITTEE

Dr. K. U. Mada, Chairman
Mr. R. A. Shah
Mr. Richard Zahn

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Dr. Desh Bandhu Gupta, Chairman
Dr. Kamal K. Sharma
Mr. Nilesh Gupta
Dr. Vijay Kelkar

RISK MANAGEMENT COMMITTEE

Dr. Kamal K. Sharma, Chairman
Ms. Vinita Gupta
Mr. Nilesh Gupta
Mr. Ramesh Swaminathan
Mr. Sunil Makharia

SENIOR MANAGEMENT TEAM

Dr. Desh Bandhu Gupta, Chairman
Dr. Kamal K. Sharma, Vice Chairman
Ms. Vinita Gupta, Chief Executive Officer
Mr. Nilesh Gupta, Managing Director
Mr. Ramesh Swaminathan, Chief Financial Officer & Executive Director
Mr. Shakti Chakraborty, Group President - India Region Formulations
Dr. Rajender Kamboj, President - Novel Drug Discovery & Development
Mr. Naresh Gupta, President - API & Global TB
Mr. Divakar Kaza, President - Human Resources
Mr. Alok Ghosh, President - Technical Operations
Dr. Cyrus Karkaria, President - Biotechnology
Mr. Sunil Makharia, President - Finance
Mr. Debabrata Chakravorty, President - Global Sourcing
& Contract Manufacturing
Mr. Rajeev Sibal, President - India Region Formulations
Mr. Paul McGarty, President - Lupin Pharmaceuticals Inc., USA
Dr. Sofia Mumtaz, Head - Pipeline Management & Legal
Mr. Martin Mercer, President - Latin America
Dr. Thierry Volle, President - Europe, Middle-East & Africa
Dr. Fabrice Egros, President - Asia Pacific & Japan
Dr. Kurt Nielsen, President - Somerset, USA
Mr. Noriaki Tsunoda, President - Kyowa Pharmaceutical Co. Ltd., Japan

STRATEGIC ADVISORY BOARD

Mr. Jean-Luc Belingard

Mr. Francesco Granata

Ms. Yvonne Greenstreet

Mr. Dipak Jain

INTERNAL AUDITORS

Ernst & Young LLP

KPMG

REGISTERED OFFICE

Kalpataru Inspire, 3rd Floor

Off Western Express Highway

Santacruz (East), Mumbai - 400 055

Tel.: +91 22 6640 2323

Fax: +91 22 6640 8131

CORPORATE OFFICE

Laxmi Towers, 'B' Wing, 5th Floor

Bandra Kurla Complex, Bandra (East)

Mumbai - 400 051

Tel.: +91 22 6640 2222

Fax: +91 22 6640 2130

Website

www.lupin.com

E-Mail

info@lupin.com

CORPORATE IDENTITY NUMBER

L24100MH1983PLC029442

KEY CONTACTS

Mr. Shamsher Gorawara

Head - Corporate Communications

Email: shamshergorawara@lupin.com

Mr. Pradeep Bhagwat

General Manager, Investors' Services

Email: pradeepbhagwat@lupin.com

07

Taking Centerstage

Awards

Lupin named in the Forbes Global 2000 –
World's Most Powerful Public Companies

Lupin named amongst the Top 3 Research
Organizations in the country – Thomson
Reuters India Innovation Awards 2015

CNBC TV18 Firm of the Year in Pharma Sector:
India Risk Management Awards – 2015

Lupin named in Forbes Asia Fab 50 companies
2015 for the second year running

Lupin Limited ranked 5th in Best at Investor
Relations by FinanceAsia

Lupin ranked 15th in the Great Places to Work
Institute's Best Companies to Work for in Asia

Lupin in AON Best Employers India 2016 –
amongst the Top 25 Employers

Vinita Gupta, CEO & Nilesh Gupta, MD
awarded the Ernst & Young Entrepreneur
of the Year, India, 2015

Vinita Gupta awarded Outstanding Woman Business
Leader of the Year – CNBC India Business Leader
Awards (IBLA) FY 2015-16

Vinita Gupta named in Forbes Asia Business
Women – Power 50 list

Vinita Gupta named amongst The Most Powerful
Business Women 2015 by Business Today

Ramesh Swaminathan, CFO, Lupin Limited wins the
Best CFO by FinanceAsia

08

**The
Transformation
Dynamic**

Vice Chairman's Letter

Dear Shareholders,

As I write to you, what is certain and a given is that we are living in an increasingly uncertain and volatile world leading to huge amount of complexity and ambiguity with enhanced amplitude and frequency. This poses a special challenge to the process of designing growth strategies and planning of operations. Institutions around the globe are continuously being pushed to change; if they do not proactively do so. Pharmaceutical industry being a knowledge intensive industry faces its own share of challenges.

We, at Lupin, were quick to grasp this early on. We realized that spate of rapid changes demand both being adaptive and proactive. Hence, we have been investing ahead of the curve in building competencies and further sharpening our execution capabilities. We have been intuitive in our abilities to forecast changes and agile and swift in responding to them. The accent is on developing and adopting new technologies, expanding on our global footprint, building alliances, and enhancing operational excellence. We are continuously upgrading our processes to facilitate sharing of knowledge, information, and feedback seamlessly across the organization.

Our network of global teams is working in tandem to serve customers and communities better in participated geographies.

This Transformation Dynamic, be it in the environment or within the Company, has brought forth extraordinary opportunities of growth. We at Lupin are seizing these opportunities to create greater value. This is clearly visible in how Lupin has navigated its way through a rapidly changing world.

Our growth performance, duly supported by execution excellence over the last decade, has given us deep insight and confidence to be market leaders.

Confidence in people; in leadership and in innovation; We are the Transformation.

Dr. Kamal K. Sharma
Vice Chairman
Lupin Limited



Confidence in people;
in leadership and in innovation;
We are the Transformation

12

Powering Up

Chief Executive Officer and Managing Director's Letter

Dear Shareholders,

FY 2016 was a very important year for Lupin and marked the beginning of a new era in Lupin's evolution as a global pharmaceutical powerhouse. A transformational year, which saw us accelerate our efforts to increase depth and expand our presence in key markets such as US, India and Japan thus adding to our leadership credentials. It was a tough year for the Industry, but record approvals and significant launches enabled Lupin to deliver strong operational performance, countering a volatile economic environment, price erosion, customer consolidation and price cuts and controls. Lupin's Net Sales grew to ₹ 137,016 million; EBITDA stood at ₹ 39,412 million while our Net Profits were ₹ 22,707 million during FY 2016. The Company has delivered a Compounded Annual Growth Rate (CAGR) of 19% in Net Sales, 27% in EBITDA and 21% in Net Profits for the last 5 years.

Lupin is today the 7th and the 9th largest generic pharmaceutical company by market capitalization and sales globally (Bloomberg, FY 2016). The Company is also the 5th largest pharmaceutical player in the US (by prescriptions, IMS Health); the 3rd largest Indian pharmaceutical company by revenues and the 9th largest generic pharmaceutical company in Japan.

FY 2016 saw the Company make its highest investment in research so far, as we focused on building a pipeline in niche high-barrier segments such as Inhalation, Biosimilars and Complex Injectables. Lupin also added and operationalized 3 new manufacturing facilities (2 Formulations and 1 API facility) in India to meet future market demand.

Importantly, we completed the acquisition of US based Gavis Pharmaceuticals LLC and Novel Laboratories Inc. for USD 880 million. This is the largest acquisition made by an Indian pharmaceutical company in the US. It enhances Lupin's scale in the US generics market and broadens our pipeline of high-value complex generics and specialty products. With the addition of Gavis/Novel (Lupin Somerset), we now have the 5th largest ANDA pipeline pending approval with the US FDA. In FY 2016, we also acquired Medquímica Indústria Farmacêutica LTDA, in Brazil and a specialty portfolio of 13 products from Temmler Pharma GmbH & CO. KG in Germany.

We are inking a new future and have added depth to our leadership teams by appointing business leaders for Europe, Middle-East and Africa, Latin America and Asia Pacific to grow these markets. Our consistent investments in technology, people and systems has ensured operational excellence and leadership in areas of innovation and quality.

Our 16,000+ Lupinytts believe that our best is yet to come. We are powering up to embrace our future as a global generics powerhouse and a specialty pharmaceutical major.

Vinita Gupta
Chief Executive Officer
Lupin Limited

Nilesh Gupta
Managing Director
Lupin Limited

Our 16,000+ Lupinytts believe that our best is yet to come. We are powering up to embrace our future as a global generics powerhouse and a specialty pharmaceutical major.

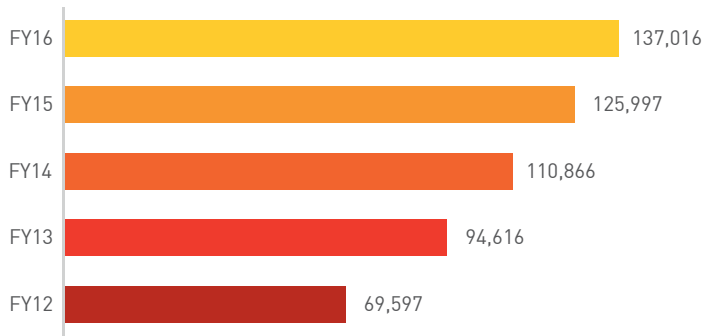


16

The Performance Matrix

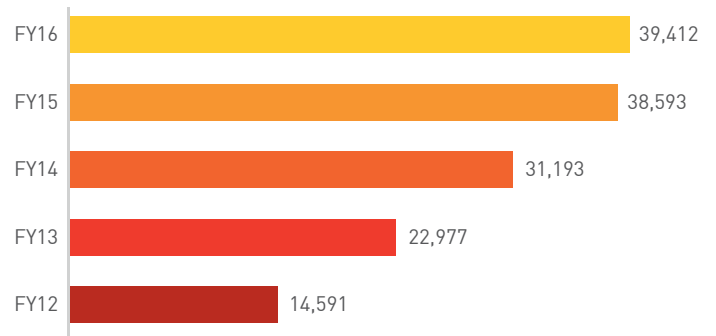
Financial Highlights 2016

Business Analysis – Revenue and Profitability



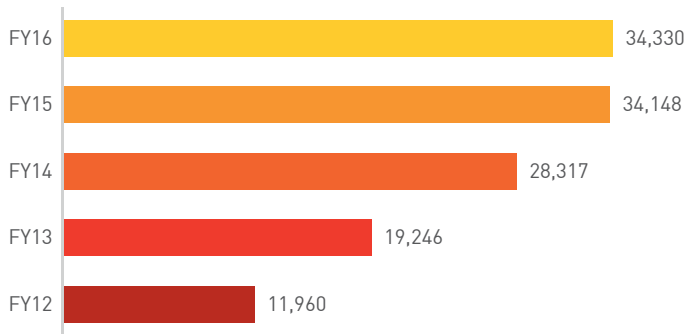
Net Sales (₹ million)

CAGR 18.5%



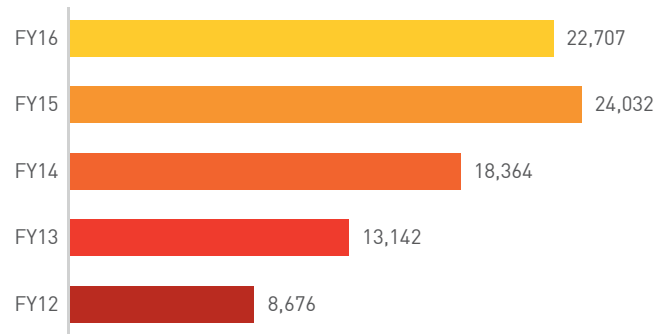
EBITDA (₹ million)

CAGR 28.2%



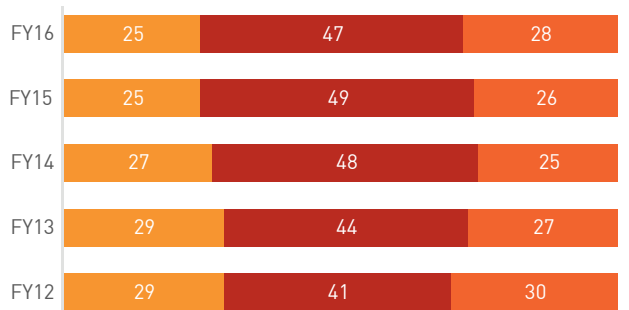
Profit Before Tax (₹ million)

CAGR 30.2%



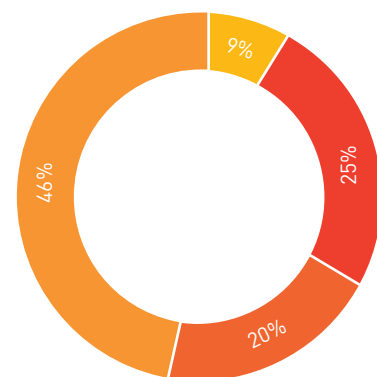
Net Profit (₹ million)

CAGR 27.2%



Exports - Emerging Markets Exports - Advanced Markets Domestic

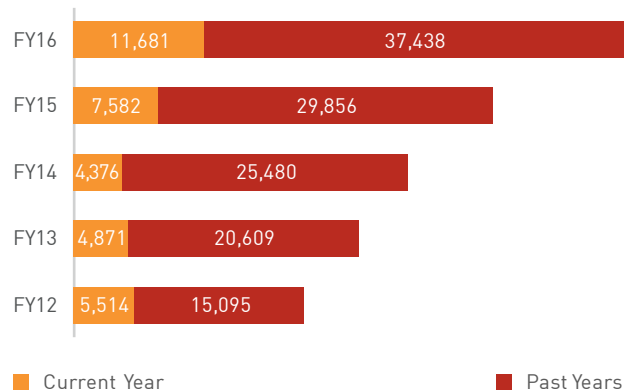
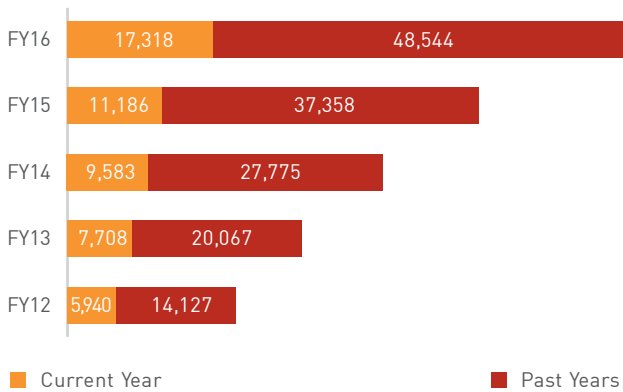
Geographic Break Down (% Contribution) (FML + API)



API Emerging Markets Formulations Domestic Formulations Advanced Markets Formulations

Revenue Composition (%)

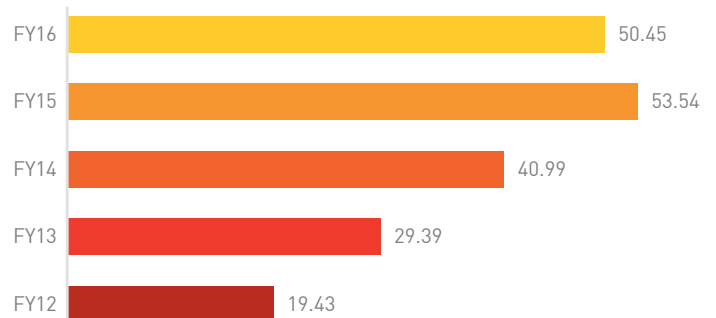
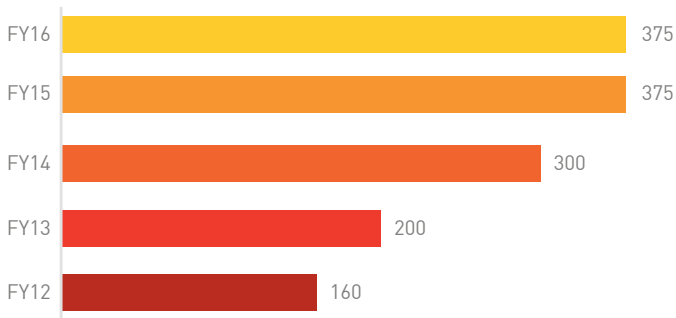
Business Critical Investment



Cumulative R&D (₹ million)

Cumulative Capex (₹ million)

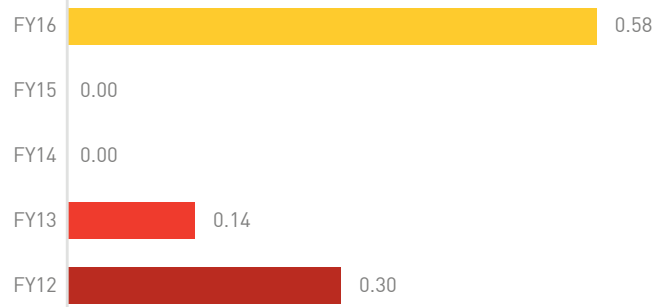
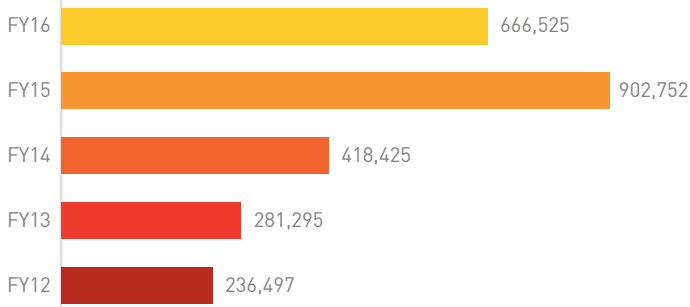
Shareholder Value Growth



Dividend (%)

Earning Per Share (₹)

CAGR 26.9%



Market Capitalization (₹ million) **CAGR 29.6%**

Debt Equity Ratio



20

Adding Muscle

United States

43% CONTRIBUTION
TO LUPIN'S
GLOBAL REVENUES

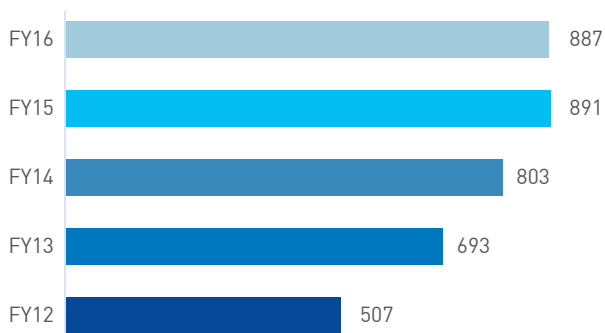
5th LARGEST GENERIC
PHARMACEUTICAL COMPANY
IN THE US BY PRESCRIPTIONS

343 ANDA
FILINGS
TILL DATE



Novel Laboratories facility, Somerset, New Jersey, USA

THE US IS LUPIN'S LARGEST AND MOST IMPORTANT MARKET AND INTEGRAL TO THE COMPANY'S PERFORMANCE. HEADQUARTERED IN BALTIMORE, MARYLAND, THE COMPANY'S US SUBSIDIARY, LUPIN PHARMACEUTICALS, INC. (LPI), IS DEDICATED TO DELIVERING HIGH-QUALITY, BRANDED AND GENERIC MEDICINES TRUSTED BY HEALTHCARE PROFESSIONALS AND PATIENTS ACROSS THE US.



US Formulation Revenues (USD million)

LPI enjoys strong brand equity in the US wholesale and retail channels as a preferred supplier of quality generics and is an emerging specialty major focusing on Paediatric specialists and Primary Care physicians. Strong commercial capabilities in the US market for both generic and branded products have made LPI a key contributor to the Company's growth.

FY 2016 was a year of heightened activity and consolidation in the US as we navigated our way through a fast changing and volatile pharmaceutical marketplace

while maintaining growth momentum and performance. Lupin clocked in US revenues of USD 887 million during FY 2016, contributing 43% of the Company's global revenues. This business performance has made Lupin the 5th largest pharmaceutical player in the US (4.68% market share by prescriptions – IMS Health, National Prescription Audit, MAT March 2016).

US Generics

FY 2016 saw the US Generics business record revenues of USD 841 million, contributing 95% of the Company's US sales. FY 2016 saw Lupin climb up one place in the leadership rankings to emerge as the 5th largest generic player in the US (5.51% generic market share by prescriptions – IMS Health, National Prescription Audit, MAT March 2016).

We continued to build for the future. In March, 2016 the Company completed its acquisition of privately held US based Gavis Pharmaceuticals LLC and Novel Laboratories Inc. which has since been renamed Lupin Somerset. The Company specializes in formulation development, manufacturing, packaging, sales,

marketing and distribution of pharmaceutical products. The acquisition enhances Lupin's scale in the US generics marketplace and also broadens the Company's pipeline in dermatology, controlled substance products and other niche, high-value complex generics and specialty segments. Gavis brings to Lupin a highly skilled US based manufacturing and research organization which would complement Lupin's brand new R&D center for Inhalation in Coral Springs in Florida. The acquired company's New Jersey facility also becomes Lupin's first manufacturing site in the US.

The Company today has a portfolio of 124 in-market products and 163 filings pending approval, not to mention a deep pipeline of products under development for the US. The Gavis acquisition creates the 5th largest pipeline of ANDA filings with the US FDA, addressing a USD 63.8 billion market. Lupin today has 45 First-to-File (FTF) products which include 25 exclusive FTF opportunities.

The Company also had to deal with acute pricing pressure as an outcome of the ongoing consolidation and expansion of alliances amongst key customers, as well as competition on previously exclusive and semi-exclusive products. FY 2016 saw Lupin launch

21 new products, including the successful commercialization of an exclusive generic version of Glumetza®. Lupin now has 124 products in the market and the Company is the market leader in 44 generic products marketed in the US and amongst the Top 3 in 79 products (IMS Health).

US Brands

One of Lupin's key differentiators has been our US branded business and the Company has been working hard to beef up and build on the same. The success of Lupin's US Branded franchise is critical for our aspirations to build a sizable Specialty Pharmaceutical play in the US.

The Branded business contributed 5% of Lupin's US revenues recording revenues of USD 46 million. The Company was able to garner 3.7% market share for its newly launched InspiraChamber® Anti-Static Valved Holding Chamber (VHC) in the US market. Lupin has exclusive rights to promote, distribute and market InspiraChamber® VHC in the US. The chewable tablet formulations for Suprax® grew 66% in prescription terms during FY 2016 as compared to FY 2015. Prescriptions for Antara® grew 16% over the previous year and branded Antara® revenues increased by 14% during FY 2016.

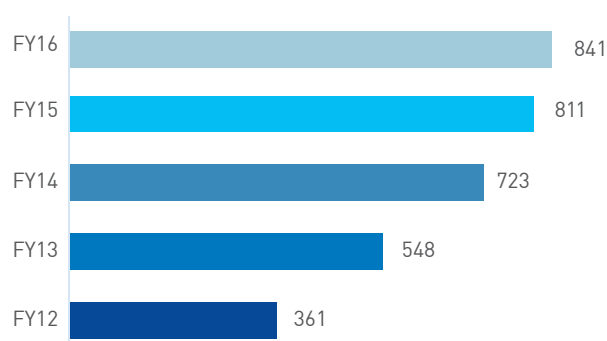


Secondary packaging at our Goa manufacturing facility, India

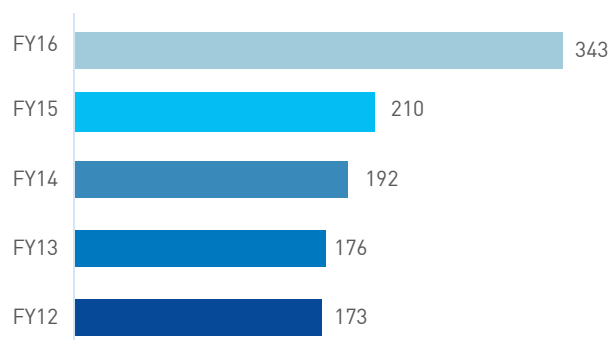
Lupin further strengthened its branded play in the US with the launch of two new products, Methergine® and Methylphenidate. The Company has re-introduced Methergine® (methylergonovine maleate) Oral Tablets 0.2mg for the prevention and management of postpartum hemorrhage (PPH). Methergine® is the only FDA-approved oral uterotonic and is a preferred oral agent in the management of PPH, according to guidelines issued by the American Congress of Obstetricians and Gynecologists (ACOG). More than half of all maternal deaths occur within 24 hours of birth, most commonly from excessive bleeding. Rates of maternal mortality continue to rise in the US where PPH is a leading cause of pregnancy complications. With Methergine®, Lupin is making a significant investment to help improve the management of PPH, providing professional medical education, leveraging a new specialized sales force to drive better awareness and access to care, and ensuring a more stable supply of this essential medicine.

As we move into FY 2017 and beyond, Lupin aims to continue to strengthen its market presence by launching new products; expanding its pipeline as well as targeting opportunities in therapeutic areas such as Inhalation, Paediatrics, Women’s Health, Complex Injectables and Dermatology.

We are building for the future, adding muscle to ensure that Lupin stands recognized as amongst the most successful generic and specialty pharmaceutical companies in the United States.



US Generic Revenues (USD million)



Cumulative ANDA Pipeline

Dispensed TRx US Pharmaceutical Industry

Dispensed TRx Total US Industry, MAT, March 2016

Lupin is ranked 5th in the US industry standings of all pharmaceuticals

Leading Corporations	MAT March 2016		
	TRx's mn	% Market Share	% Growth
US Industry			1.03
1 Teva	504	11.42	-4.63
2 Mylan	350	7.93	5.37
3 Allergan	302	6.84	-4.00
4 Novartis	296	6.71	-2.42
5 Lupin	206	4.68	2.52

Source: IMS Health, National Prescription Audit, March 2016

Dispensed TRx US Unbranded Generics, MAT, March 2016

Lupin is ranked 5th in the US industry standings of unbranded generics

Leading Corporations	MAT March 2016		
	TRx's mn	% Market Share	% Growth
US Industry			2.58
1 Teva	435	11.84	-5.31
2 Mylan	343	9.34	5.08
3 Sandoz (Novartis)	261	7.09	1.83
4 Actavis US	228	6.20	-3.12
5 Lupin	202	5.51	2.40

Source: IMS Health, National Prescription Audit, March 2016

24

Passion To Perform

India

25% CONTRIBUTION
TO LUPIN'S
GLOBAL REVENUES

17% CAGR OVER
THE LAST 5 YEARS

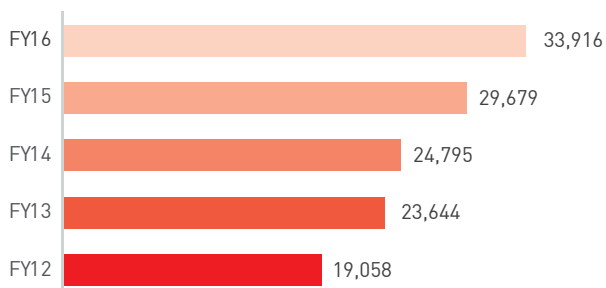
6600+ SPECIALTY
FIELD FORCE



Lupin India's medical representatives at a pharmacy

INDIA IS LUPIN'S 2ND LARGEST BUSINESS BY REVENUES AND CONTRIBUTED 25% OF THE COMPANY'S GLOBAL REVENUES DURING FY 2016.

Lupin's India business continues to witness strong growth, outpacing and outperforming the Indian Pharmaceutical Market (IPM). All of this, in spite of hyper-competition and regulatory challenges posed by frequent changes in drug prices by National Pharmaceutical Pricing Authority (NPPA) and the expansion of the National List of Essential Medicines (NLEM) that now covers 376 products.



Domestic Formulations - Sales (₹ million)

Therapy Area	Lupin Rank	Market growth %	Lupin growth %	Lupin Market Share %
Anti-TB	1	(2.1)	(0.3)	56
Cardiology	2	14.6	16.6	6.4
Respiratory	3	11.2	18.1	4.9
Anti-Diabetic	5	20.5	17.4	6.2
Neuro / CNS	8	15.9	7.5	2.4
Anti-Infectives	11	8.0	6.2	3.3
Gastro-Intestinal	12	15.6	22.0	2.3

Source: IMS TSA MAT March 2016
Lupin growth data: Company data

We have been able to counter these challenges by ramping up our sales force, setting up new divisions, entering new therapies and introducing first-in-class products to sharpen our approach in existing therapy segments. In FY 2016, the Company created 5 new business divisions to cater to high growth therapies and launched 19 brands.

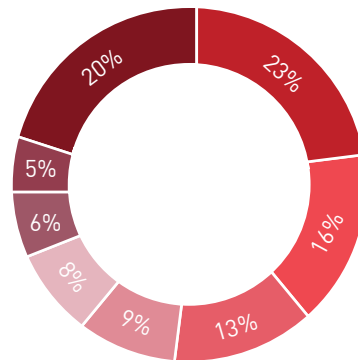


Driven by strong ambition and fueled by an extremely passionate 6600+ specialty field force, the Company has emerged as a market leader, outperforming peers and the IPM alike. Lupin's India business recorded revenues of ₹ 33,916 million in FY 2016, a growth of 14% over the previous year. Chronic and semi-chronic therapy segments today contribute 87% of Lupin's overall India revenues. The Company today has 3.3% market share and is the eighth largest player in the IPM (IMS MAT March, 2016).

The Company has been recalibrating its product mix by adding new products; moving from acute to high growth chronic and semi-chronic therapy segments and entering into strategic alliances with leading global players with the objective to widen our product portfolio to address unmet needs in the market. During the year, the Company added 1,000 representatives to enable the creation of new divisions and bring focus so that we can build strong pillar brands. Lupin also launched 'Ondero' (Linagliptin), in partnership with Boehringer Ingelheim, marking our foray into the high growth Dipeptidyl peptidase-4 (DPP-4) Inhibitors segment in the Anti-Diabetic space.

We continue to outperform in fast growing therapies of choice such as Cardiology, Respiratory, Gastro-Intestinal and Gynaecology. This bears testimony to the efficacy of the Company's sharp sales and marketing programs and our ability to nurture and grow brands in an extremely fragmented marketplace.

Lupin today has the largest portfolio of young high growth prescription brands in the IPM, over 29 brands with sales in excess of ₹ 300 million. 4 of the Company's brands have sales exceeding ₹ 1,000 million. Gluconorm®, Lupin's largest brand in India crossed ₹ 2,000 million in trade sales during FY 2016.



- Cardiac
- Anti-Diabetic
- Anti-Infectives
- Asthma
- Gastro-Intestinal
- Anti-TB
- Vitamins/Minerals/Nutrients
- Others

Therapeutic Contribution

The Company has created structured training programs and regular scientific inputs for its specialty sales force, so that they are in tune with the latest advances and innovations. We use specialized sales force automation and detailing tools to leverage the benefits of technology. The Company continues to expand its coverage in the country in its efforts to reach out to more doctors and medical institutions, associations to build stronger relationships with the medical fraternity. We are cross-leveraging our existing associations with global think tanks and institutions to bridge and bring the latest medical know-how and advances to the medical community. We are committed to improving patient care in the country by spreading awareness, health education and meaningful care.

The measure of our performance has never been in our growth numbers but in our collective passion to deliver.



28

The Next Growth Multiplier

Asia Pacific (APAC)

17% CAGR OVER
LAST FIVE YEARS
IN JAPAN

9th LARGEST GENERIC
PLAYER IN JAPAN

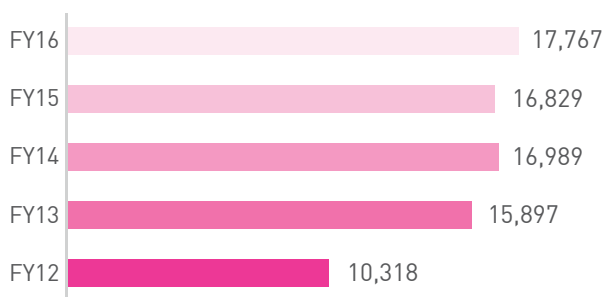
13% CONTRIBUTION TO
OVERALL COMPANY
REVENUES



Lupin's Sanda facility, Japan

LUPIN'S ASIA PACIFIC (APAC) REGION INCLUDES IMPORTANT BUSINESSES SUCH AS THE COMPANY'S 3RD LARGEST MARKET JAPAN FOLLOWED BY THE PHILIPPINES AND AUSTRALIA. APAC CONTRIBUTED 13% OF LUPIN'S GLOBAL REVENUES, RECORDING SALES OF ₹ 17,767 MILLION DURING FY 2016, A CAGR OF 15% OVER THE LAST 4 YEARS.

According to various industry and global think-tanks such as IMS, McKinsey and PWC, the APAC region is amongst the fastest growing markets in the world; and is currently sized at USD 350 billion, representing close to 30% of the global pharmaceutical market. Importantly, APAC is slated to drive close to 50% of the global incremental growth going forward. Demographic and epidemiologic factors suggest rapid urbanization, aging population and the growing prevalence of chronic diseases combined with strong GDP growth and increased healthcare spend will contribute to the region being a high growth market for the Industry.



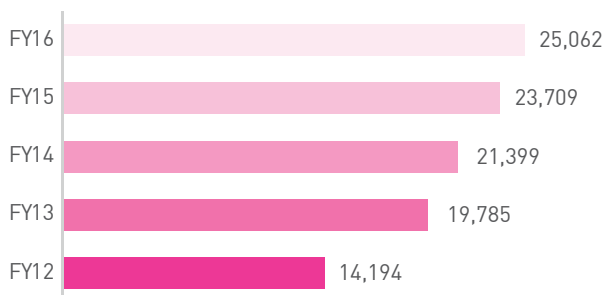
APAC Sales (₹ million)

Lupin's growing presence and leadership credentials in Japan, The Philippines and Australia coupled with our efforts to enter new geographies with meaningful acquisitions are going to help us address these growth opportunities. FY 2016 saw us add depth by focusing on creating a quality pipeline, entering new therapies and expanding our manufacturing capabilities to address future demand which would ensure long-term growth. We have also entered new markets like Vietnam, Myanmar and Malaysia where we function through local business partners. Additionally, the region also covers geographies like Greater China, Taiwan, Indonesia, South Korea and Thailand, where the Company is keen to expand its footprint. We are switching gears and the APAC markets could well be the next growth multiplier.

Japan

Japan is Lupin's 3rd largest market and contributed 10% to our global revenues during FY 2016. It is also the Company's largest market within APAC contributing 77% of the region's revenues. FY 2016 was a good year for Lupin's Japanese business, Kyowa Pharmaceutical Industry Co., Ltd. including Kyowa CritiCare Co., Ltd.





Japan Sales (¥ million)

(collectively Kyowa) with the Company generating revenues of ¥ 25,062 million (₹ 13,646 million), a growth of 6% over the previous year. Lupin remains the 9th largest generic pharmaceutical player in the Japanese market with a strong presence in the Neurology, Cardiovascular, Gastroenterology and Injectables segments. Japan is a very important market for Lupin and we plan to make significant investments in Japan and in India to address the Japanese market.

Japan is the 2nd largest pharmaceuticals market in the world with sales of over USD 115 billion. Generics account for 56% of total pharmaceutical volumes in Japan, growing by 8%. The Japanese Government has a target of 80% generic penetration by 2020 which translates into an additional 25-30% of overall pharmaceutical volumes going generic. Add to this, patent expiries valued at over USD 14-16 billion by 2018 and the sum total amounts to one of the largest growth opportunities available to Lupin globally. The Company has been working on streamlining its business operations in Japan by focusing on creating a quality pipeline that includes biosimilars, taking measures to improve market penetration and expanding its manufacturing operations to meet future demand.

Construction for a new dedicated Oral Solids manufacturing facility at Tottori, Japan is on track and in full swing. FY 2016 saw Lupin's dedicated offshore Japan manufacturing facility in Goa, India go operational and this will enable continued supplies from India and improved margins for the business. The new injectable line in Kyowa CritiCare has also gone on-stream this year.

The Philippines

The Philippines pharmaceutical market is valued at USD 3.4 billion. Lupin's subsidiary Multicare Pharmaceuticals Philippines Inc. (Multicare) had a very strong year recording revenues of PHP 1,626 million (₹ 2,297 million) clocking a growth of 42% for FY 2016 as against an Industry growth rate of 9%. Multicare is ranked 22nd and is amongst the fastest growing pharmaceutical players in The Philippines (IMS March 2016). Multicare is a premium branded generics company with a strong presence in Women's Health, Childcare, Anti-Infectives, Central Nervous System (CNS) and Paediatrics segments.

Australia

The Australian Pharmaceutical Market is valued at USD 12.5 billion with generics accounting for over 20% of the total market. Our Australian subsidiary Generic Health Pty Limited (Generic Health), generated revenues of AUD 29 million (₹ 1,395 million) and reported a growth of 12%, outperforming the market growth rate. A rapidly growing Over The Counter (OTC) market combined with factors like National Health Insurance coverage makes Australia a lucrative opportunity. Generic Health is a supplier of key generic prescription and OTC medicines to pharmacies and hospitals in Australia. Generic Health has also recently launched 'Pharmacy Action' – a new comprehensive range of quality, OTC products.



Scientists at the Kyowa Research Center, Japan

32

Garnering Pace

Europe, Middle-East & Africa (EMEA)

30% SALES GROWTH
IN THE EUROPEAN
MARKET

4th LARGEST GENERIC
PHARMACEUTICAL
COMPANY IN
SOUTH AFRICA

24% CAGR OVER
LAST 5 YEARS
IN SOUTH AFRICA



HEADQUARTERED IN ZUG, SWITZERLAND, LUPIN'S EMEA BUSINESS COVERS THE MARKETS OF EUROPE, MIDDLE-EAST AND AFRICA. LUPIN EMEA RECORDED REVENUES OF ₹ 8,863 MILLION DURING FY 2016, CONTRIBUTING 6% OF THE COMPANY'S GLOBAL REVENUES. LUPIN'S SOUTH AFRICAN SUBSIDIARY PHARMA DYNAMICS (PROPRIETARY) LIMITED (PD) ACCOUNTED FOR 45% OF THE REGION'S REVENUES DURING FY 2016.

Lupin is committed to increasing its presence in Europe, specifically in Russia, Poland and Eastern Europe. Healthcare spending for this region is forecasted to grow at 7.7% up to 2018. We are also looking to expand our presence in the Middle-East and Africa. We see rapid growth in healthcare spending in these two regions which would see an annual average increase of 8.7% till 2018, due, in part, to population growth and efforts to expand access to care.

Europe

Continuing its upward growth trajectory, Lupin's Europe business recorded a growth of 30% with sales of ₹ 4,278 million during FY 2016 as compared to ₹ 3,279 million in FY 2015. Lupin further strengthened its footprint by acquiring the specialty products portfolio of Temmler Pharma GmbH & CO. KG. This enables Lupin to bring an enhanced specialty portfolio of 13 products to the German market including key Central Nervous System (CNS) products and specialty products that address rare disease areas like Myasthenia Gravis, Huntington disease as well as fast-growing dermatology products for anti-wart treatment.

The Company continues to build its partnered business by building its product portfolio and forging deeper relationships with select partners within the European Union (EU). Lupin's business in UK, Germany as well as our partnered business in Europe contributed equally to the strong growth performance with our German subsidiary Hormosan Pharma GmbH, growing by 51%.

Lupin continues to invest in creating a quality pipeline for European markets. The Company filed 8 marketing authorization applications with European authorities and received 3 approvals during FY 2016. Cumulative filings for Europe now stand at 67 with the Company having received 52 approvals to date.

South Africa

The African Pharmaceutical Market is expected to grow by 10.6% on average, resulting in pharmaceutical sales of USD 45 billion by 2020. The growth in pharmaceutical sales is attributed to Governments striving to improve access to healthcare for their citizens as well as a very favourable economic and development outlook for the African continent. South Africa and North African countries boast of per capita incomes ranging between USD 6,000 and USD 11,000 and are important for our business as emerging markets.

The South African Pharmaceutical Market is valued at about USD 2.7 billion with the total market growing by 7.7% in value and 1.5% by volumes in FY 2016. Lupin's South African subsidiary Pharma Dynamics (Proprietary) Limited (PD) clocked in revenues of South African Rand (ZAR) 835 million (₹ 3,998 million) during FY 2016, growing by 10% over the previous year in ZAR terms. PD is the 4th largest generics player and ranks amongst the top 20 pharmaceutical companies in South Africa. The Company is also the largest cardiovascular player in South Africa, across all companies.

34

Expanding Horizons

Latin America (LATAM)

2nd LARGEST OPHTHALMIC
PLAYER IN MEXICO
BY PRESCRIPTION

4th LARGEST OPHTHALMIC
PLAYER IN MEXICO
BY VALUE

15% REVENUE GROWTH
YOY IN THE
BRAZILIAN MARKET



Scientists at the Medquímica facility, Brazil

THE LATIN AMERICA REGION (LATAM) REPRESENTS LUPIN'S YOUNGEST BUSINESS GLOBALLY WITH THE COMPANY HAVING ESTABLISHED OPERATIONS IN THE REGION'S TWO LARGEST MARKETS, MEXICO AND BRAZIL THROUGH ITS SUBSIDIARIES, LABORATORIOS GRIN S.A. DE C.V., MEXICO (GRIN) AND MEDQUÍMICA INDÚSTRIA FARMACÊUTICA LTDA, BRAZIL (MEDQUÍMICA). BOTH THESE BUSINESSES HAVE BEEN ACQUIRED BY LUPIN IN THE LAST 18 MONTHS.

The LATAM region is amongst the fastest growing pharmaceutical markets in the world, projected to grow at around 6.1% annually till 2018 with governments trying to improve accessibility as well public health care systems.

Lupin is working on an aggressive strategy in this region building on the existing presence and we continue to review bolt-on acquisitions that will complement both Grin and Medquímica. The Company is looking to build efficiencies in sales by expanding our distribution channels; growing our portfolio and relationships with existing partners and exporting from Mexico and Brazil to adjoining regions. Lupin's therapeutic focus in LATAM is on Ophthalmology, Dermatology, CNS and General Medicine and we are looking to expand this portfolio by leveraging Lupin's global portfolio, in-licensing, acquisitions and through strategic alliances.

Mexico

Mexico is LATAM's 2nd largest pharmaceutical market valued at about USD 12 billion, growing by 5% annually. Incorporated in 1955, Lupin's subsidiary Grin is a specialty pharmaceutical company engaged in the development, manufacturing and commercialization of branded Ophthalmic products. Grin is the 2nd largest

Ophthalmic player by prescriptions and the 4th largest Ophthalmic player by value; a trusted brand in Mexico. Grin recorded revenues of MXP 503 million (₹ 1,980 million) during FY 2016.

Brazil

The Brazilian Market is valued at over USD 25 billion, accounting for more than 35% of LATAM pharmaceutical sales and is expected to grow by 9-12%. Brazil is the 6th largest market in the world.

Lupin marked its foray into the high growth Brazilian market with the acquisition of Medquímica in May, 2015. Medquímica is a broad-based pharmaceutical company engaged in the development, manufacturing and commercialization of branded generics, pure generics and OTC products. It is one of the fastest growing companies in the Brazilian branded generics market and a trusted brand with the distribution channel. Revenues grew 15% as compared to last fiscal, reaching BRL 82 million (₹ 1,464 million) in 9 months post-acquisition. We plan to not only leverage our research and technology strengths to build a high quality product pipeline but also use Medquímica's commercial presence to expand business by targeting niche high-growth therapy segments.

36

A Strong Foundation

Global Active Pharmaceutical Ingredients

9% CONTRIBUTION
TO OVERALL
COMPANY REVENUES

No.1 IN ANTI-TB
SEGMENT
GLOBALLY

90% CAPTIVE
CONSUMPTION



Lupinytts at work at our Indore facility, India

INDIA HAS EMERGED AS ONE OF THE LEADING QUALITY MANUFACTURERS OF ACTIVE PHARMACEUTICAL INGREDIENTS (API). RECENT STUDIES INDICATE THAT THE INDIAN API INDUSTRY IS SET FOR SIGNIFICANT GROWTH WITH THE COUNTRY EMERGING AS THE LEADING AND MOST FAVORED SUPPLIER OF FORMULATIONS TO ADVANCED MARKETS SUCH AS THE US AND EUROPE.

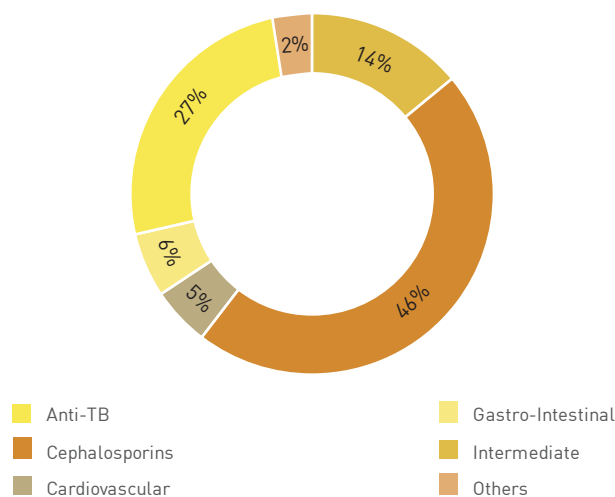
The market share of Indian API exports to regulated markets is expected to rise to about 51% by FY 2019. It is no surprise that India is the world leader in Drug Master Files (DMFs) applications filed with the US FDA.

Sustained leadership in APIs has helped Lupin leverage its scale to ensure competitive advantage and superior margins. Lupin continues to make new inroads into markets such as The US, Europe and Japan and we are also exploring emerging markets like China, Brazil, Mexico, Korea and Russia. FY 2016 saw Lupin venture into developing Oncology APIs by setting up a dedicated API manufacturing facility in Vishakhapatnam. Lupin's global API business generated revenues of ₹ 12,074 million contributing 9% to global revenues. The Company's Principal-to-Principal (P2P) business that is also managed by the same group grew by over 30%, given significant launches of several first-to-market products in India in the Anti-Diabetic and Gastro-Intestinal therapy segments.

Lupin is investing considerably in strengthening its API product portfolio. The Company is also consciously investing in adopting green chemistry-enzymatic technologies to improve efficiency and protect the environment.

Lupin continues to gain traction with its Global Institutional Business (GIB) and remains amongst the largest suppliers of Anti-TB products to the World Health

Organization's Global Drug Facility (WHO). The Company is a leading supplier to India's TB eradication program, as envisioned by the RNTCP. Lupin has the unique distinction of being the only Company to have its APIs and formulations for TB products prequalified by the WHO globally. The Company is now focusing on partnering with various health authorities in eradicating the menace of multidrug-resistant TB with a range of second line TB drugs.



Therapeutic Contribution

38

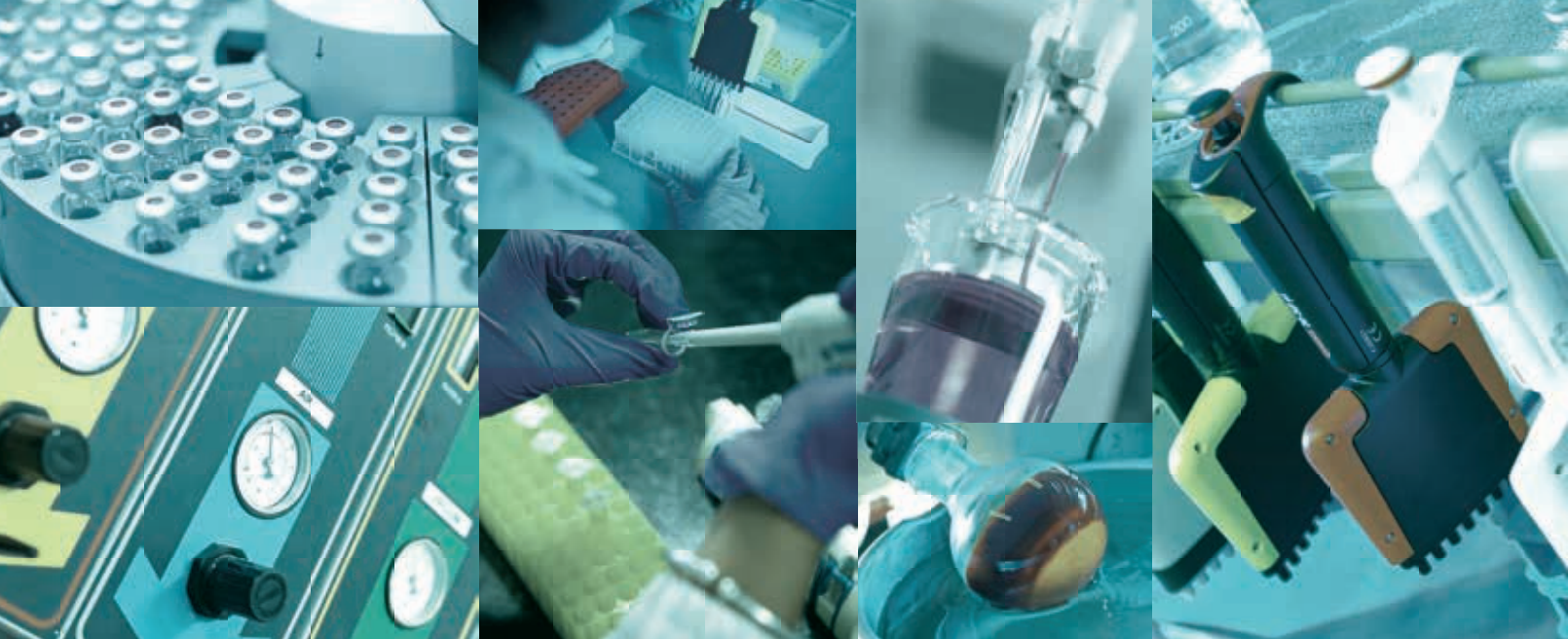
Alchemy For Growth

Research & Development

11.7% OF NET SALES
INVESTED IN
RESEARCH

5th LARGEST ANDA
PIPELINE PENDING
FDA APPROVAL

2525 PATENTS FILED
AS ON 31ST
MARCH 2016



WE ARE LIVING IN AN ERA OF UNPARALLELED SCIENTIFIC PROGRESS AND TECHNOLOGY ADVANCES. THE GLOBAL PHARMACEUTICAL INDUSTRY IS ON THE CUSP OF AN ERA OF SIGNIFICANT TRANSFORMATION. NO LONGER IS IT BEING SHAPED BY JUST AGING POPULATIONS, SPIRALING HEALTHCARE COSTS, INCREASE IN CHRONIC DISEASES OR CHANGE IN DISEASE PATTERNS, BUT ALSO BY DISCOVERIES, INVENTIONS IN TECHNOLOGY, COMMUNICATIONS, SYSTEMS AND SOFTWARE.

The world of life sciences is converging like never before and the convergence of pharmaceutical, biotechnology and medical technology would improve outcomes that could dramatically alter drug development and delivery.

Today, over 1700 Lupin scientists spread across research hubs in India, US, Japan and Europe are working to make Lupin a key part of this evolving journey of Innovation. We are excited about the possibilities of what can be; pushing boundaries to broaden our understanding to create quality products that improve and simplify delivery and access. That is why Lupin is stepping on the gas and investing ahead of the curve. FY 2016 was a remarkable transformational year for our Research and Development, where the Company upped the ante by investing ₹ 17,318 million in Research & Development (R&D) programs.

We have had 10 years of sustained growth built on our investments in research. We have mined our experiences, learning from our failures as much as from our successes in our quest to bring relevant products and technologies to our markets globally. That is Lupin's Alchemy for Growth.

Novel Drug Discovery & Development (NDDD)

Lupin's strong NDDD team has built a pipeline of over 10 highly differentiated and innovative new chemical entities

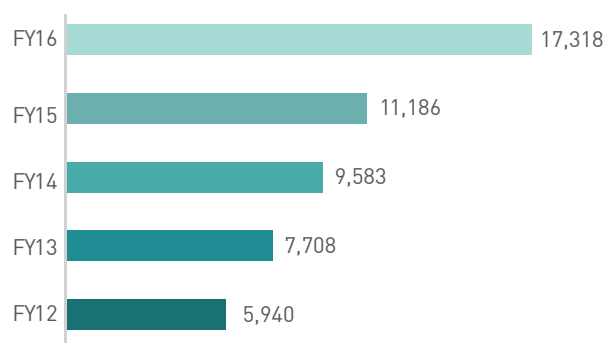
in therapies such as CNS disorders, Oncology, Immunology, Pain & Inflammation and Metabolic disorders.

Key Targets & Status

CNS: Clinical Phase-II efficacy study in Alzheimer's disease patients is progressing well in Europe; study to be completed this year.

Cancer: Clinical Phase-I study successfully completed in Europe in terminally-ill patients (Lung Cancer, Melanoma & Colon Cancer).

Endocrine: Clinical Phase-I study successfully completed in Europe meeting approvable primary end-point.



R & D Investments (₹ million)

Immunology: Clinical Phase-I study successfully completed in Europe. Two proofs of concept Phase-II studies in Europe (Rheumatoid Arthritis and Psoriasis) have been initiated. We have the potential to be the first-in-class in this area.

Biotechnology Development Program

Lupin's 200+ strong Biotechnology Group has developed a robust pipeline of biosimilars addressing therapies like Oncology, Anti-Inflammatory, Anti-Virals, Rheumatoid Arthritis, Endocrinology, Diabetes, Ophthalmology and Women's Health.

Over the last 8 years, the Company has gained deep insight in terms of product development, market intelligence regulatory and Intellectual Property.

Highlights - FY 2016

- Successful commercialization of its first two Oncology biosimilars in India - Lupifil® (Filgrastim) and Lupifil-P® (Peg-Filgrastim) in India
- Global Phase III comparative clinical trial for Etanercept on track across geographies such as Japan and multiple countries within the European Union
- Completed Phase-I PK/PD trial for 2 products and pre-clinical studies for 2 products in India
- Scale-up and technology transfer for 5 products successfully mediated from research to commercial

The Company is also making significant investments to augment its Biotech Manufacturing and R&D infrastructure. Lupin's own fill finish facility is expected to be operational in FY 2017.

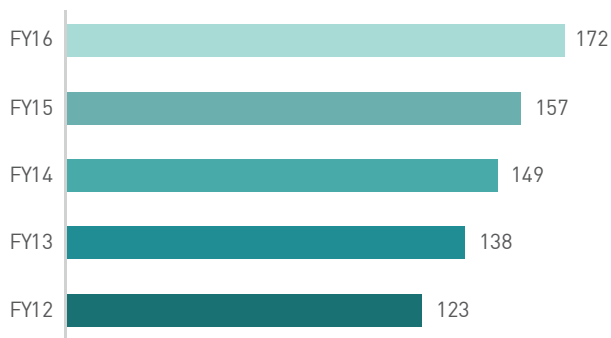
Generic Pharmaceutical and API Research

Lupin's Generic Pharmaceutical and API Research programs have been the foundation of our growth and evolution as a Global Generic Pharmaceutical powerhouse. FY 2016 was a great year with industry-leading performance in terms of number of filings. The Company continued to make strategic investments for the future having fully operationalized a new Injectable product development laboratory at its global R&D hub in Pune, India. Lupin's state-of-the-art R&D facility in Coral Springs, Florida was inaugurated in August, 2015. Lupin is now amongst the few pharmaceutical majors with the capability to develop world-class inhalation products.

The Company's generic pipeline focus is to develop relevant products for advanced markets, specifically the complex ones losing patent protection. A majority of our pipeline is made up of products with high barriers to entry like complexities associated with developing complex formulations, device combinations and clinical trials. Development timelines are often longer and costs are typically much higher than those for other generic drug development programs. These factors help limit the number of companies capable of pursuing such generic products and considerably increase the commercial potential of these products. This is complemented by a comprehensive pipeline of oral solids. Lupin has a balanced pipeline of products which will help Lupin establish even higher levels of leadership as a generics player and will play an important role in building Lupin's specialty pharmaceutical portfolio in the near future.



Scientists at Lupin's Biotech facility in Pune, India



Cumulative DMF Filings

Highlights - FY 2016

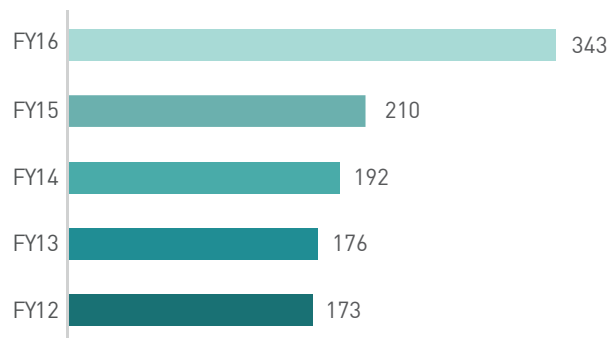
- Filed 36 ANDAs (20 oral, 10 dermatology, 2 ophthalmic, 1 inhalation and 3 other products), including 2 First-to-File (FTF) products with the US FDA. The Company received 39 approvals in FY 2016. Cumulative ANDA filings with the US FDA now stand at 343 with 180 approvals received to date. Lupin now has a total of 45 FTF ANDAs, which include 25 exclusive FTF opportunities
- 8 MAAs were filed with European regulatory authorities and 3 approvals were received. Cumulative filings with European authorities now stand at 67 with the Company having received 52 approvals to date
- Filed 16 US DMFs, taking the cumulative total to 172 DMF filings. Additionally filed 3 EDMF, 2 CEP and 2 Japan DMFs
- The team received further milestone payments of USD 3 million for 2 of its products that are being jointly developed with Medicis Pharmaceuticals Corporation, now Valeant

Intellectual Property Management Group (IPMG)

Lupin's Intellectual Property Management Group (IPMG) is responsible for building Lupin's global generic product pipeline as well as creating, managing and protecting its high-value patent estate. The Company's IPMG has become a benchmark in the industry for its litigation track record and carrying out patent challenges successfully.

In FY 2016, Lupin successfully launched the generic versions of Glumetza®, Intermezzo®, Loestrin® 24 Fe, Phoslo Gelcaps®, Generess®, Mircette®, Lofibra®, Ortho Tri-Cyclen Lo® to name a few.

During the year, the Company also settled 5 pending litigations as well as got favorable decisions or oppositions on Celebrex®, Intermezzo® and Teneligliptin.

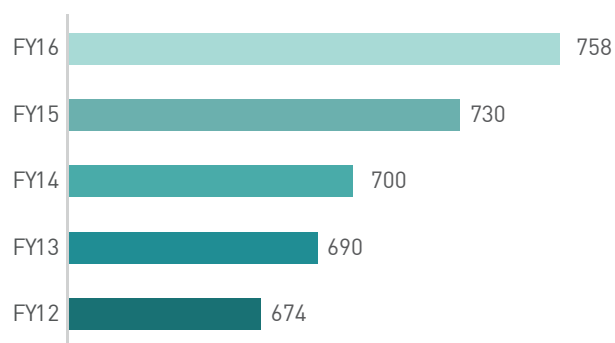


Cumulative ANDA Filings

In FY 2016, the Company filed 325 patent applications including 136 new inventions taking the cumulative total to 2,525 patents filed till date in India and other countries. This included 57 Formulation patents, 75 API/Process patents, 33 Biotech and 160 NDDD patents. Lupin received approvals for 22 Formulation patents, 11 API patents and more importantly 41 NCE patents in the year.

Lupin Bioresearch Center

The Lupin Bioresearch Center (LBC) located in Pune, India is responsible for conducting bioequivalence studies for Lupin's generic products and branded formulations. LBC also manages Lupin's outsourced bioequivalence studies, clinical end-point studies as well as studies for the Company's drug delivery program. LBC has both clinical and bioanalytical capabilities and houses 2 clinics, a bioanalytical lab with 12 state-of-the-art LC-MS/MS systems, 2 Ion Chromatography (IC) systems and a clinical chemistry lab that has been accredited by National Accreditation Board of Laboratories (NABL). FY 2016 saw LBC establish the in-vitro BE laboratory to meet regulatory requirements of respiratory product development program. LBC completed 36 full studies during FY 2016, taking the cumulative tally to 225 studies till date. LBC has had a stellar compliance record and successfully underwent US FDA, DCGI and French regulatory (ANSM) inspections during FY 2016.



Finished Dosages Filings (Rest of the World)

42

Engineered For Excellence

Global Manufacturing & Supply Chain

18 MANUFACTURING
FACILITIES
GLOBALLY

₹**49**bn CUMULATIVE CAPITAL
EXPENDITURE OVER
THE LAST 9 YEARS

>7000 LUPINYTTS ENGAGED
IN MANUFACTURING
AND QUALITY



Lupinytt at Biotech manufacturing facility, Pune, India

LUPIN HAS BEEN BUILT ON THE BEDROCK OF CLOSE TO FIVE DECADES OF A QUALITY-DRIVEN AND CUSTOMER-CENTRIC MANUFACTURING ETHIC. WE HAVE GROWN AND EXPANDED OUR BUSINESS BY CONTINUOUSLY DEVELOPING AND BUILDING ON THE FOUNDATIONS OF OUR GLOBAL MANUFACTURING NETWORK. WE HAVE DONE THIS BY IMBIBING AND ASSIMILATING BEST PRACTICES AS LAID DOWN BY REGULATORS, INFUSING SYSTEMS, TECHNOLOGY AND MENTORING A DEDICATED WORKFORCE THAT HAS FOSTERED LEADERS FROM WITHIN.

Our sustained growth and leadership as a global formulations and a strong API powerhouse is a direct outcome of our unrelenting focus on manufacturing excellence and quality.

The philosophy is simple - drive continuous improvement and innovation, eliminate inefficiencies, facilitate teamwork and problem-solving and encourage lean manufacturing. This consistent discipline binds 18 world-class facilities spread across India, United States, Japan, Brazil and Mexico engineered to deliver affordable and quality products globally. Our manufacturing facilities are inspected and audited as per cGMP guidelines as laid down by leading regulatory authorities like the US FDA, World Health Organization (WHO), MHRA (UK), TGA (Australia), MHLW (Japan), ANVISA (Brazil) and MCC (South Africa), to name a few.

Lupin's manufacturing network is ably backed by Lupin's Global Supply Chain (GSC) that ensures that inputs reach our plants and our products reach customers 'on-demand' and 'in-time'. Our fill ratios for the US are second to none and our ability to service our customers is the best in the industry, making Lupin a preferred and reliable supplier. A judicious procurement process is in place, ensuring on-time and in-full deliveries within budgeted costs. To mitigate supply dependency, continual de-risking projects are undertaken for seamless supply and cost optimization. Lupin's manufacturing operations, supply chain and procurement are truly geared to support our global commercial plans.

Highlights - FY 2016

- Lupin successfully cleared US FDA inspections at our Indore, Tarapur, Aurangabad, Mandideep facilities as well as at the Lupin Bioresearch Center in Pune
- Lupin's manufacturing sites were also audited and approved by other regulators such as MHRA (UK), ANVISA (Brazil) and COFEPRIS (Mexico) during the year
- An industry-leading quality transformation project has been initiated in collaboration with PricewaterhouseCoopers (PwC) across all Lupin facilities, starting with our Tarapur and Goa plants as a pilot
- Lupin commenced work on a new formulations facility at Sikkim; expansion of our Oral Solid Dosage (OSD) facility and setting up a greenfield sterile formulation facility at Nagpur; commenced work on a new OSD plant at Tottori, Japan as well as completed set up of an API facility at Vishakhapatnam
- 'DISHA' – the Company's initiative for operational excellence completed 4 years. Key highlights:
 - 100+ operational excellence projects are in progress. Lupin won the prestigious QCI-DL Shah National Award for operational excellence.
 - Lupin has benchmarked its performance with global standards such as those of McKinsey & Company on productivity (POBOS).
 - Capability development has been a key focus of 'DISHA'. As a result, 1,110 Lupinytts have been trained and certified for Lean, Six Sigma, TPM, MOST and Investigator Training.

44

People First

Human Resources

>16000 LUPINYTTS
GLOBALLY

>4000 LUPINYTTS COVERED
UNDER THE LUPIN
STOCK OPTION PLAN

31 YRS AVERAGE
AGE OF A
LUPINYTT



Lupin's global diversified workforce

OUR COMMITMENT TO BUILDING A WORLD-CLASS ORGANIZATION AND DELIVERING A UNIQUE VALUE PROPOSITION FOR OUR EMPLOYEES HAS TRANSLATED INTO A CULTURE OF HIGH PERFORMANCE AND CONTINUOUS LEARNING, WHERE EVERY EMPLOYEE FEELS VALUED AND INVESTED IN. OUR PROGRESSIVE AND PEOPLE-CENTRIC HR PROGRAMS HAVE PROVIDED OUR EMPLOYEES EXCITEMENT AND DIVERSITY IN THEIR WORK AND ENTHUSED GREAT PASSION AND INSPIRATION IN THEM. WHILE ON ONE HAND THIS HAS RESULTED IN SUPERIOR BUSINESS PERFORMANCE, ON THE OTHER, IT HAS EARNED US THE STELLAR REPUTATION OF BEING A GREAT WORKPLACE CONSISTENTLY. FOR 6 YEARS IN A ROW.

We believe that each Lupinytt has played a vital role in contributing to the success and growth of our business, which has translated into outstanding shareholder value over the years. Our employees have not only been the catalyst in achieving superior performance, but have walked the extra mile and delivered beyond their limits. This passion and commitment of our people is an evitable outcome of the enduring leadership of the organization, a deep-rooted value system and a unique work culture that supports innovation and ambition.

We have invested significantly in our human capital by providing several avenues for our people to nurture their skills, develop their potential and make an impact. Our HR programs, policies and practices are all 'purpose-built' and dovetail into business strategies so that our people receive precise inputs that are required to deliver high-performance results. These inputs could be in the form of development programs, meaningful employee touch-points, self-paced learning opportunities, diversity initiatives, contribution to social causes and a myriad of other 'fun', 'learn' and 'grow' initiatives. Be it our in-house 'Induction and New Joiner Assimilation' program or 'Front-line Leadership Coaching' program, our advanced analytic techniques have helped us gauge the effectiveness of our initiatives and make course correction to maximize impact and sustain efficacy of the programs.

In today's time, where technology is omnipresent, work automation is the norm and human capital is the only source of competitive advantage, it makes business sense to identify the critical success levers to build on this advantage.

In FY 2016 we took a big leap in providing technology-enabled learning solutions, promoted collaboration of cross functional teams for agility and action-orientation and at the same time, stayed focused on ensuring and maintaining business alignment.

We would like to ensure that each Lupinytt stands to benefit from and experience the transformational culture that we strive to create. We believe that an engaged leader is the best catalyst for creating an engaged workforce. These leaders have tremendous influence on the morale and productivity of those whom they lead. At Lupin, our leaders and people managers at every level are ably equipped through structured learning inputs, formal classroom training and intensive job-oriented skills not only to command and control their teams to achieve results, but also to influence them to contribute meaningfully and valuably. Our open, transparent and enabling culture has created a truly engaged workforce that has ensured absolute alignment of the organizational purpose to their own.

At Lupin, we have created a unique value proposition for our employees, built a strong internal brand and established credibility by delivering experiences that are enriching. This reflects continually in our high engagement levels and our consistent recognition amongst the Best Companies to Work for in India for the last six years. In fact, in FY 2016 we took it a step further with Lupin emerging as the proud recipient of the Best Companies to Work for in Asia award as also the Aon Best Employer, India award.

46

Social Conscience

Corporate Social Obligation

2.8 MILLION FAMILIES
BENEFITED

21 DISTRICTS DIRECT
PRESENCE

3463 VILLAGES
COVERED



Poultry farm supported by LHWRF

MUCH OF WHAT HAPPENS IN OUR WORLD IS THE RESULT OF HOW WE THINK, FEEL AND ACT – ABOUT OTHERS AND ABOUT OURSELVES. WHEN YOU PUT YOUR FAITH IN PEOPLE, SHARE WHAT YOU HAVE LEARNT AND GIVE FREELY, THEN GOOD THINGS BEGIN TO HAPPEN – BELIEF, SHARING, OWNERSHIP, GROWTH, JOY AND SO MUCH MORE. WHEN PEOPLE TAKE CARE OF EACH OTHER, THEY CONNECT, THEY EXIST, FLOURISH AND COMMUNITIES GROW.

Progress and self-development are levers to achieve the outcomes we seek in the world – individually and collectively. Yes, I Believe – Dr. Desh Bandhu Gupta (DBG), Founder & Chairman, Lupin Limited

“To Believe” was the simple thought that was in DBG’s mind when he set up the Lupin Human Welfare and Research Foundation (LHWRF) in 1988. He in his own way rephrased the moral and ethical role that business could play in society; he believes it is his duty and his responsibility.

MISSION: To provide an alternative model of rural development that is sustainable, replicable and ever-evolving; to empower the underprivileged and marginalized sections of society

VISION: To see Indian villages not only develop economically, but flourish as centers of prosperity and progress

KEY INITIATIVES AND ACCOMPLISHMENTS: These include initiatives in increasing agricultural yields, animal husbandry, skill development & enterprise building, women empowerment, healthcare, literacy, education, rural infrastructure and natural resources management.

REACH & IMPACT: LHWRF programs touch the lives of about 2.8 million people living in 3,463 villages in 21 districts spread across 7 states, Rajasthan, Gujarat, Madhya Pradesh, Goa, Uttarakhand, Jammu & Kashmir and Maharashtra. The Foundation operates through 18 hubs in these states.

THE OBJECTIVES:

Economic	Social	Infrastructure
Create opportunities for employment of youth and women.	Develop an outlook towards hygiene and healthy lifestyles.	- Create facilities and basic infrastructure like:
Boost primary means of livelihood by increasing yield from agriculture and animal husbandry.	Instill an urge amongst the villagers to work for their self-development.	- Roads
Strengthen secondary occupations like cottage industry, handicrafts and service sector through training, quality enhancement and building marketplaces.	Augment requisite social, cultural, scientific & spiritual outlook in rural communities.	- Natural resource management
		- Equipping schools
		- Creating and enhancing Community centers
		- Banking facilities Drinking water
		- Basic sanitation
		- Electrification

48

A Balanced Recipe

Chief Financial Officer & Executive Director's Letter
Financial Review

23% CAGR IN REVENUE
OVER THE LAST
10 YEARS

29% CAGR IN PROFITS
OVER THE LAST
10 YEARS

32% CAGR IN MARKET
CAPITALIZATION OVER
THE LAST 10 YEARS



Lupin's sustained growth performance and focus on operational excellence has resulted in outstanding shareholders return of over 15 times in the last 10 years

Business performance & balance sheet highlights

Our business operations continue to unlock and deliver value enabling us to drive growth across key markets globally. FY 2016 saw Lupin maintain its upward growth trajectory in spite of a very challenging and weak global economic environment. We ended the fiscal on a high note registering stellar performance across all key markets. Lupin remains committed to delivering incremental value which is reflected in shareholders return of over 15 times in the last 10 years, a CAGR of 32%.

- The Company recorded consolidated Net Revenues of ₹ 137,016 million in FY 2016, a CAGR of 19% over the last 5 years
- Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) grew to ₹ 39,412 million as compared to ₹ 38,593 million in FY 2015, a CAGR of 27% over the last 5 years
- Profit Before Tax (PBT) grew to ₹ 34,330 million during FY 2016, a CAGR of 28% over the last 5 years
- Net Profit was ₹ 22,707 million in FY 2016 representing a CAGR of 21% over the last 5 years
- Our Reserves & Surplus increased to ₹ 108,943 million during FY 2016
- Net Operating Working Capital increased to ₹ 54,099 million as on 31st March, 2016 as against ₹ 30,980 million in the previous year
- Net Debt-Equity ratio for the Company stands at 0.58:1

Earnings per Share, Dividends & Taxation

The Company recorded Earnings Per Share (EPS) of ₹ 50.45 during FY 2016. Lupin's Board of Directors proposed a dividend of 375%. The Company's effective tax rate for FY 2016 was 34%.

Investing in our Future

Mergers & Acquisitions (M&A)

Lupin has been consistent in investing to expand its global business footprint over the last 10 years. In that respect, FY 2016 was a year of heightened M&A activity where the Company stepped on the gas to expand and grow its presence in existing markets, create beach-heads to enter new ones and also add brands to create meaningful growth drivers for the future.

FY 2016 saw the Company announce and complete the acquisition of Gavis Pharmaceuticals LLC and Novel Laboratories Inc., in the US for USD 880 million; the largest buyout executed by an Indian Pharmaceutical company in the US. The acquisition enhances Lupin's

scale in the US generics market and also broadens Lupin's pipeline in dermatology, controlled substance products and other high-value and niche generics. The New Jersey manufacturing facility is Lupin's first manufacturing site in the US. Gavis has 58 ANDA filings pending approval with the US FDA and a pipeline of over 65 products under development. The acquisition goes a long way in strengthening Lupin's leadership credentials in the US generics market and adds to our overall growth momentum.

During the year, Lupin also acquired a specialty product portfolio in Germany from Temmler Pharma GmbH & CO. KG. The portfolio includes 13 fast growing specialty products including key Central Nervous System products and other specialty products. Lupin's acquisition of 100% equity stake in Medquímica Indústria Farmacêutica LTDA, Brazil marked the Company's foray into the high growth Brazilian market and helped shore up its position in the Latin American pharmaceuticals market, coming close on the heels of our acquisition of Laboratorios Grin, S.A. de C.V. in Mexico the previous fiscal.

Lupin entered into a Strategic Co-marketing Agreement with Boehringer Ingelheim for co-marketing Linagliptin, a novel Dipeptidyl peptidase-4 (DPP-4) inhibitor in India; the DPP-4 Inhibitors market in India is growing at 31% (IMS MAT March 2016).

Capital Expenditure

We continue to invest in creating new manufacturing facilities as well as ramping up existing manufacturing facilities globally to build capacities to meet future demand. We are also investing in technology, automation and IT infrastructure to help us build seamless business operations globally. The Company invested ₹ 11,681 million on capital expenditure during FY 2016.

Research & Development

Lupin has always invested ahead of the curve and nowhere is this more obvious than our investments in R&D. FY 2016 saw revenue expenditure on R&D increase to ₹ 16,038 million, 11.7% of Lupin's Net Sales globally, our highest ever. The year saw the Company operationalize its new Center of Excellence for Inhalation Research in Coral Springs, Florida, in the US. The new research center would focus on the development of a global pipeline of inhalation products targeting treatments for Asthma, Allergic Rhinitis, Chronic Obstructive Pulmonary Diseases and other Lung diseases. We are investing in our future by creating a quality pipeline of complex generics, biosimilars and NCE's.

Internal Control Systems & Information Technology (IT)

Lupin today, has in place a completely scalable and automated financial control and process framework which can effectively support any increase in growth and complexity across our global business operations. A well-established and empowered system of internal financial audits and automated control procedures ensures financial discipline and compliance. The Company has over the last decade made consistent investments to create a process integrated, IT enabled business organization. We have been working on re-engineering our internal Business Processes and reporting framework to help build efficiencies across the Company's operations. All Lupin businesses exist and work together in a common technological environment that includes the Company's global Enterprise Resource Planning (SAP) and Business Intelligence (BI) platforms. Key achievements this fiscal included the implementation of advanced reporting platforms such as TM1 Cognos, a planning, budgeting and forecasting platform that has been deployed with critical functions like SCM, HR and Manufacturing. This will enable complete automation, standardization and transparency in the planning process sparing time for meaningful analysis. All these initiatives are ensuring better operational and transactional control and helping us achieve better efficiencies within our businesses.

Risks, Concerns & Threats

FY 2016 was by the far the most volatile year that one has witnessed in the recent past given uncertainty born out of political turmoil, global economic slowdown as well as sharp fluctuations in global crude prices and foreign currencies. The way we managed risk was not only business critical but a key contributor in Lupin turning out another strong business year. Our hedging strategy for the short, medium and the long-term through forward exchange contracts helped minimize FOREX volatility risk. Our continued investments in creating a global supply chain leveraging real time business intelligence, reporting and forecasting systems has helped us ensure business continuity and sustained growth to deliver value.

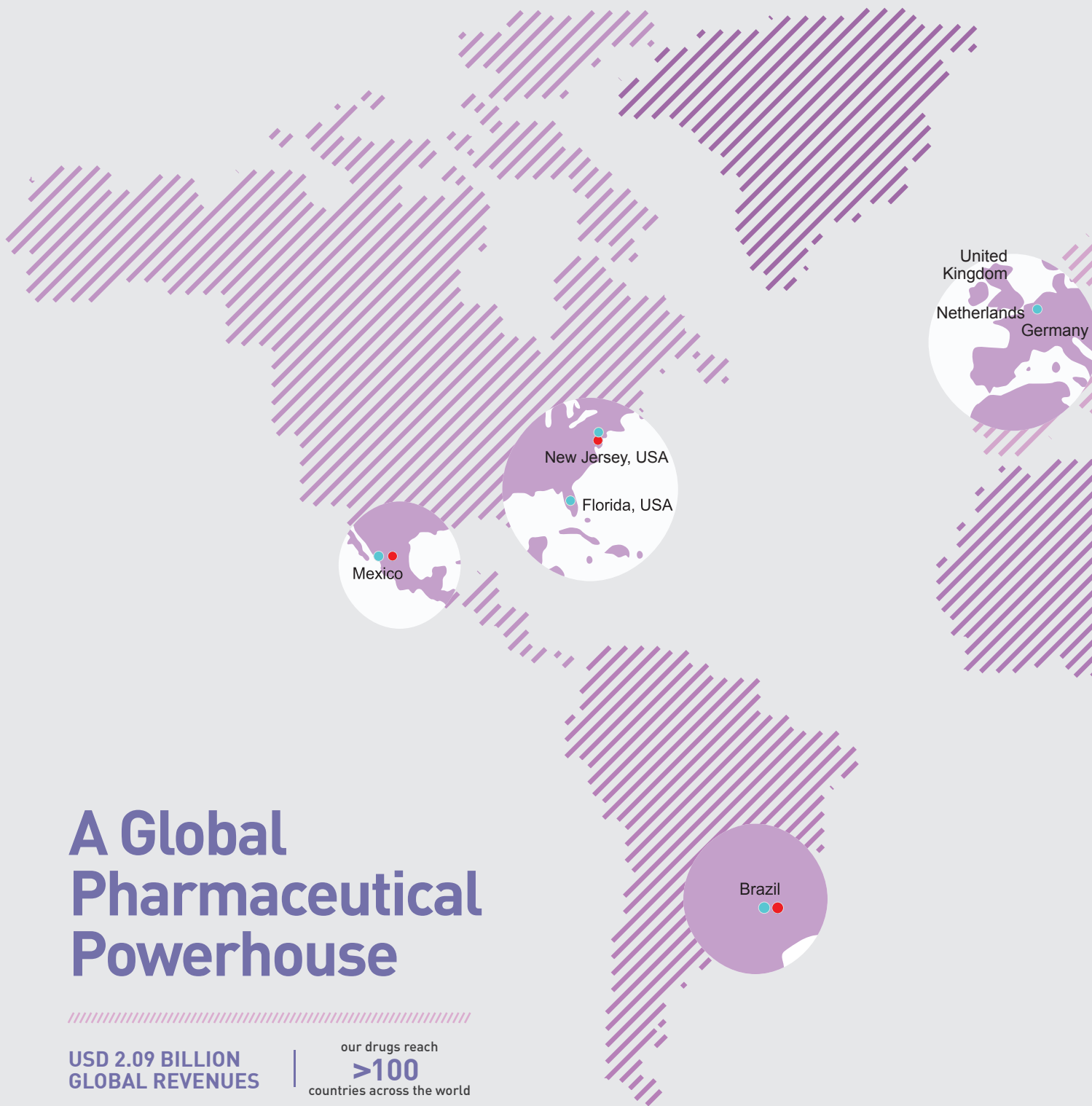
We continue to navigate challenges within the Industry successfully, be it price cuts or increased price controls, customer consolidation or increased competition. Our global supply chain, our efforts at continuously de-risking global procurement, our ability to increase market shares in key markets and our ability to service key customers globally has enabled us to consolidate and build on our leadership credentials and maintain growth momentum.

We have built a world-class financial organization standing tall on the pillars of Integrity, Discipline, Foresight, Prudence and Accountability – We at Lupin have a perfectly balanced recipe for growth and leadership.

Ramesh Swaminathan
Chief Financial Officer & Executive Director
Lupin Limited



Lupinytt at work



A Global Pharmaceutical Powerhouse

///
USD 2.09 BILLION
GLOBAL REVENUES

our drugs reach
>100
 countries across the world
 ///

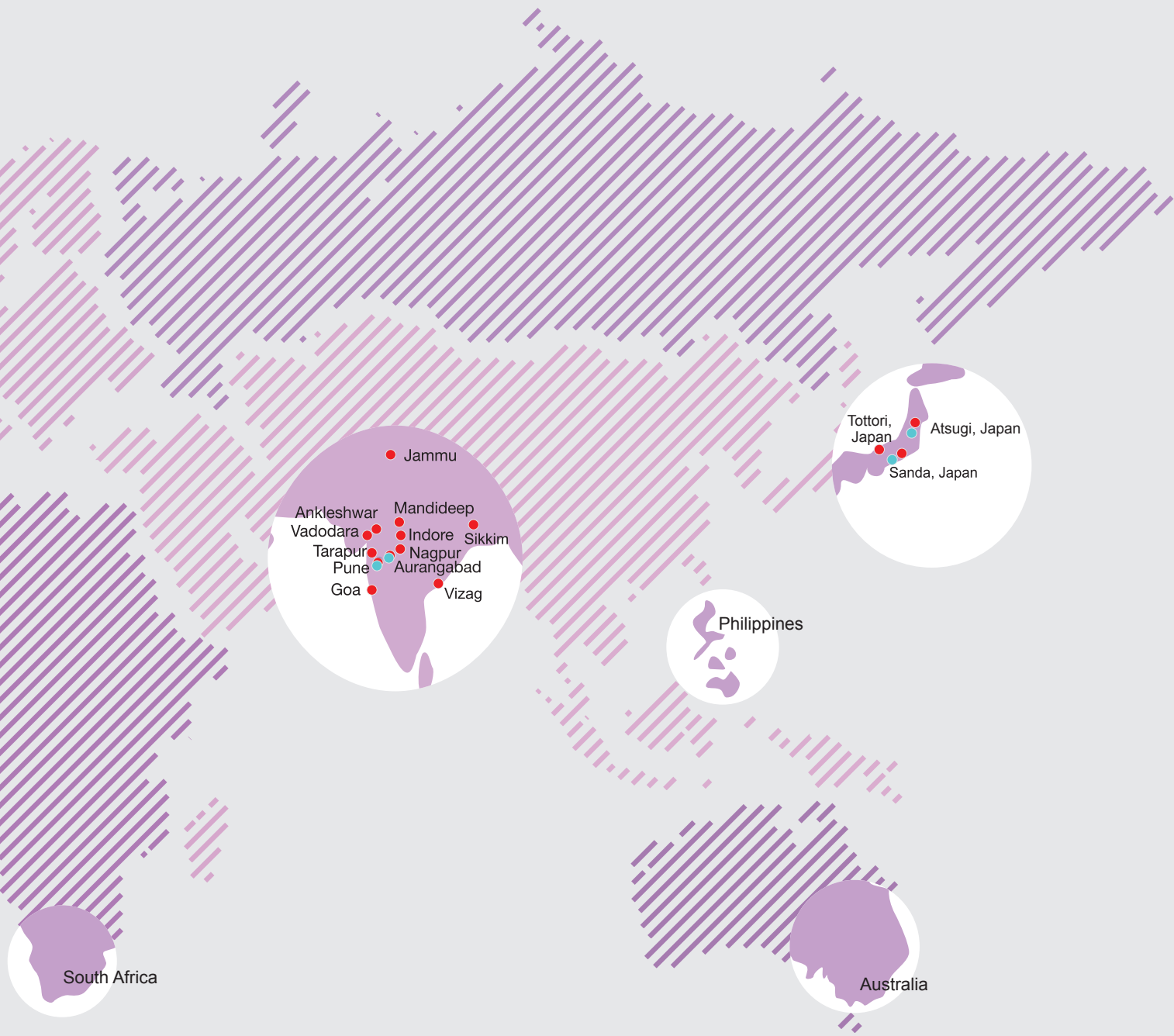
Quality Manufacturing & Compliance:
 12 sites in India; 3 in Japan; 1 in US;
 2 in LATAM

Research:
 2 sites in US; 2 in India; 2 in Japan;
 2 in LATAM; 1 in Europe

Marketing & Corporate Development:
 Over 25 offices across the globe

USA	Mexico	Brazil	Europe

Manufacturing ●
Research ●



Germany



Netherlands



South Africa



Philippines



Japan



Australia



Safe Harbor Statement: This report contains forward-looking statements that involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. Many of these risks, uncertainties and other factors include failure of clinical trials, delays in development, registration and product approvals, changes in the competitive environment, increased government control over pricing, fluctuations in the capital and foreign exchange markets and the ability to maintain patent and other intellectual property protection. The information presented in this release represents management's expectations and intentions as of this date. Lupin expressly disavows any obligation to update the information presented in this report.

Reports And Financials

BUSINESS OVERVIEW

56 NINE YEARS FINANCIAL SUMMARY

STATUTORY REPORTS

58 DIRECTORS' REPORT

103 CORPORATE GOVERNANCE REPORT

**121 INDEPENDENT AUDITOR'S CERTIFICATE
ON CORPORATE GOVERNANCE**

122 BUSINESS RESPONSIBILITY REPORT

FINANCIAL STATEMENTS

**132 INDEPENDENT AUDITOR'S REPORT ON
CONSOLIDATED FINANCIAL STATEMENTS**

136 CONSOLIDATED FINANCIAL STATEMENTS

186 INDEPENDENT AUDITOR'S REPORT

194 FINANCIAL STATEMENTS

NINE YEARS FINANCIAL SUMMARY

CONSOLIDATED BALANCE SHEET

₹ in million

As at March 31,	2008	2009	2010	2011	2012	2013	2014	2015	2016
SOURCES OF FUNDS									
Shareholders' funds									
Equity Share Capital	820.8	828.2	889.4	892.4	893.3	895.1	896.8	899.0	901.2
Reserves & Surplus	11,976.0	13,420.0	24,788.9	31,918.4	39,235.6	51,146.7	68,418.9	87,841.6	1,08,942.5
	12,796.8	14,248.2	25,678.3	32,810.8	40,128.9	52,041.8	69,315.7	88,740.6	1,09,843.7
Minority Interest	94.5	142.5	254.9	515.1	722.9	594.5	669.4	241.0	320.8
Loan Funds									
Secured Loans	7,080.6	7,569.2	8,722.4	7,885.9	8,161.2	6,369.2	1,195.6	1,059.1	3,328.8
Unsecured Loans	4,948.2	4,663.5	2,676.1	3,738.0	8,229.8	5,275.7	5,341.8	4,312.1	68,446.4
	12,028.8	12,232.7	11,398.5	11,623.9	16,391.0	11,644.9	6,537.4	5,371.2	71,775.2
Deferred Tax Liabilities (net)	1,248.0	1,387.2	1,630.4	1,791.8	1,910.1	2,336.8	2,486.6	2,024.1	2,044.6
TOTAL	26,168.1	28,010.6	38,962.1	46,741.6	59,152.9	66,618.0	79,009.1	96,376.9	1,83,984.3
APPLICATION OF FUNDS									
Fixed Assets									
Gross Block	14,858.8	18,200.3	22,937.1	26,388.5	36,878.4	41,768.9	46,260.3	49,964.8	87,093.5
Less : Depreciation and Amortisation	4,697.5	6,188.3	7,072.2	9,075.1	14,421.8	16,840.4	19,283.0	22,764.0	27,714.5
Net Block	10,161.3	12,012.0	15,864.9	17,313.4	22,456.6	24,928.5	26,977.3	27,200.8	59,379.0
Capital Work-in-Progress (incl. Capital Advances)	963.8	2,239.7	3,578.7	5,319.3	4,973.7	3,909.0	4,110.2	6,745.3	32,121.7
	11,125.1	14,251.7	19,443.6	22,632.7	27,430.3	28,837.5	31,087.5	33,946.1	91,500.7
Goodwill on Consolidation	1,872.3	3,173.7	3,196.8	3,254.9	5,040.0	5,073.2	6,578.7	16,481.1	29,643.9
Investments	58.2	215.6	264.3	31.5	28.0	20.6	20.6	25.1	55.2
Deferred Tax Assets (net)	141.2	222.8	195.4	380.5	467.8	704.4	708.1	842.0	806.0
Other Assets									
Inventories	7,893.4	9,571.6	9,714.9	11,999.6	17,326.7	19,489.3	21,294.5	25,035.6	31,787.4
Receivables	7,439.0	9,179.7	11,265.7	12,556.4	17,800.1	21,869.9	24,641.0	26,565.7	45,498.1
Cash & Bank Balances (incl. Current Investments)	2,741.8	777.7	2,015.3	4,201.4	4,024.7	4,348.8	9,739.1	21,372.4	8,399.3
Others	2,367.0	2,779.7	4,758.6	6,186.6	7,704.6	8,794.9	7,990.8	7,109.4	16,686.9
	20,441.2	22,308.7	27,754.5	34,944.0	46,856.1	54,502.9	63,665.4	80,083.1	1,02,371.7
Other Liabilities									
Liabilities	6,018.8	10,334.8	9,663.4	11,779.3	16,730.5	17,836.4	18,272.3	27,637.6	31,735.6
Provisions	1,451.1	1,827.1	2,229.1	2,722.7	3,938.8	4,684.2	4,778.9	7,362.9	8,657.6
	7,469.9	12,161.9	11,892.5	14,502.0	20,669.3	22,520.6	23,051.2	35,000.5	40,393.2
Net Other Assets	12,971.3	10,146.8	15,862.0	20,442.0	26,186.8	31,982.3	40,614.2	45,082.6	61,978.5
TOTAL	26,168.1	28,010.6	38,962.1	46,741.6	59,152.9	66,618.0	79,009.1	96,376.9	1,83,984.3

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

₹ in million

Year ended March 31,	2008	2009	2010	2011	2012	2013	2014	2015	2016
INCOME									
Sales (Gross)	29,007.4	38,428.9	48,009.5	57,421.7	70,017.2	95,235.3	1,11,671.2	1,26,932.2	1,38,055.3
Less : Excise Duty	666.4	479.0	273.2	353.5	420.2	619.0	804.8	935.1	1,039.7
Sales (net)	28,341.0	37,949.9	47,736.3	57,068.2	69,597.0	94,616.3	1,10,866.4	1,25,997.1	1,37,015.6
Other Operating Income	575.9	637.1	762.5	1,121.5	1,232.1	1,796.7	1,999.3	1,703.0	5,069.1
Other Income	211.3	125.5	351.1	221.9	143.5	278.5	1,164.8	2,397.5	1,877.0
Total Income	29,128.2	38,712.5	48,849.9	58,411.6	70,972.6	96,691.5	1,14,030.5	1,30,097.6	1,43,961.7
EXPENDITURE									
Cost of Materials	11,638.0	16,043.1	19,694.2	22,379.3	26,039.0	35,485.0	38,173.8	41,570.4	43,094.1
Employee Benefits Expense	3,076.0	4,871.3	5,871.5	7,675.6	9,695.3	12,666.2	14,646.5	17,473.4	21,076.9
Manufacturing and Other Expenses	7,991.2	10,359.2	13,303.3	16,356.4	20,647.7	25,562.9	30,017.5	32,460.4	40,379.2
Total Expenses	22,705.2	31,273.6	38,869.0	46,411.3	56,382.0	73,714.1	82,837.8	91,504.2	1,04,550.2
Profit before Interest, Depreciation & Tax	6,423.0	7,438.9	9,980.9	12,000.3	14,590.6	22,977.4	31,192.7	38,593.4	39,411.5
Finance Cost	373.5	498.6	384.9	344.8	354.7	409.5	266.5	98.1	446.2
Depreciation and Amortisation	647.4	879.9	1,239.1	1,711.8	2,275.2	3,321.9	2,609.7	4,347.0	4,635.0
Profit before Tax	5,402.1	6,060.4	8,356.9	9,943.7	11,960.7	19,246.0	28,316.5	34,148.3	34,330.3
Current Tax	1,022.6	727.0	1,109.8	1,176.3	2,756.2	5,829.0	9,536.0	10,041.6	11,419.1
Deferred Tax	180.6	106.2	250.4	(26.5)	329.4	12.6	85.5	(337.6)	116.7
Fringe Benefit Tax	114.8	149.8	-	-	-	-	-	-	-
Net Profit before Minority Interest and Share of Loss in Associates	4,084.1	5,077.4	6,996.7	8,793.9	8,875.1	13,404.4	18,695.0	24,444.3	22,794.5
Minority Interest	1.3	28.6	111.6	148.4	198.6	262.8	331.3	411.9	87.6
Share of Loss in Associates	0.3	33.4	68.8	20.0	-	-	-	-	-
Net Profit	4,082.5	5,015.4	6,816.3	8,625.5	8,676.5	13,141.6	18,363.7	24,032.4	22,706.9

Note : Figures are suitably regrouped to make them comparable.

DIRECTORS' REPORT

To the Members

Your Directors have pleasure in presenting their report on the business and operations of your Company for the year ended March 31, 2016.

Financial Results

(₹ in million)

	Standalone		Consolidated	
	2015-16	2014-15	2015-16	2014-15
Sales (Gross)	109139.8	97050.5	138055.3	126932.2
Profit before interest, depreciation and tax	42259.4	35538.8	39411.5	38593.4
Less: Interest and finance charges	147.8	49.0	446.2	98.1
Less: Depreciation and amortisation	3056.1	3367.9	4635.0	4347.0
Profit before tax	39055.5	32121.9	34330.3	34148.3
Less: Provision for taxation (including deferred tax)	10204.8	8148.4	11535.8	9704.0
Net Profit before Minority Interest	28850.7	23973.5	22794.5	24444.3
Less: Minority Interest	-	-	87.6	411.9
Net Profit	28850.7	23973.5	22706.9	24032.4
Add: Surplus brought forward from previous year	65951.2	46646.6	63764.5	44401.0
Amount available for Appropriation	94801.9	70620.1	86471.4	68433.4
Appropriations:				
Depreciation adjustment on transition to Schedule II of the Companies Act, 2013	-	610.8	-	610.8
Add: Profit on disposal of partial investment in a subsidiary	-	-	43.7	-
Proposed final dividend on Equity Shares	3379.4	3371.2	3379.4	3371.2
Dividend on Equity Shares for previous year	3.0	0.5	3.0	0.5
Corporate Tax on dividend	688.6	686.4	688.6	686.4
Balance carried to Balance Sheet	90730.9	65951.2	82444.1	63764.5
	94801.9	70620.1	86471.4	68436.7

Performance Review

Your Company scaled new heights with consolidated sales clocking ₹ 138055.3 million as against ₹ 126932.2 million of the previous year, higher by about 9%. International markets accounted for 73% of sales. Profit before interest, depreciation and tax was ₹ 39411.5 million. Profit before tax was ₹ 34330.3 million. After providing for taxes and minority interest, net profit was ₹ 22706.9 million. Earnings per share was ₹ 50.45.

Dividend

Your Directors are pleased to recommend dividend at ₹ 7.50 per equity share of ₹ 2/- each, absorbing an amount of ₹ 3379.4 million. Corporate tax on the proposed dividend was ₹ 688.0 million and ₹ 0.6 million on dividend for the previous year.

Share Capital

As approved by the Members at the 33rd Annual General Meeting (AGM) of the Company held on July 23, 2015, the Authorised Share Capital of the Company was increased from ₹ 1,000,000,000 (Rupees One Thousand million) divided into 500,000,000 (Five Hundred million) Equity Shares of ₹ 2/- each to ₹ 2,000,000,000 (Rupees Two Thousand million) divided into 1,000,000,000 (One Thousand million) Equity Shares of ₹ 2/- each.

During the year, the paid-up equity share capital of the Company rose by ₹ 2.2 million consequent to the allotment of 1,094,634 equity shares of ₹ 2/- each to eligible employees on exercise of stock options under the 'Lupin Employees Stock Option Plan 2003', 'Lupin Employees Stock Option Plan 2005', 'Lupin Subsidiary Companies Employees Stock Option Plan 2005', 'Lupin Employees Stock Option Plan 2011', 'Lupin Subsidiary Companies Employees Stock Option Plan 2011' and 'Lupin Employees Stock Option Plan 2014.'

Credit Rating

ICRA Limited (ICRA) has assigned the rating **"ICRA A1+"** (pronounced 'ICRA A one Plus') for the Company's short-term credit facilities of ₹ 13100 million, indicating very strong degree of safety regarding timely payment of financial obligations and **"ICRA AAA"** (pronounced 'ICRA triple A') for long-term credit facilities of ₹ 1900 million, indicating highest degree of safety regarding timely servicing of financial obligations. The outlook on the long-term rating is 'Stable'.

ICRA has assigned the rating **"ICRA AAA"** to the Company's Non-Convertible Debenture programme of ₹ 1000 million, indicating highest degree of safety regarding timely servicing of financial obligations. The outlook on the rating is 'Stable'.

Indian Accounting Standards (IND AS) - IFRS Converged Standards

The Ministry of Corporate Affairs, vide notification dated February 16, 2015, notified the Companies (Indian Accounting Standard Rules), 2015, in pursuance of which, the Company, its subsidiaries and the joint venture shall adopt IND AS with effect from April 1, 2016, with comparatives for the year ended March 31, 2016. The implementation of IND AS is a major change and the Company has planned smooth transition to IND AS. The first IND AS financial results shall be published for the quarter ending June 30, 2016.

Acquisitions

In pursuit of achieving inorganic growth and with a view to accelerate progress by expanding presence across select geographies, your Company made the following acquisitions: -

- a) The entire shareholding in Gavis Pharmaceuticals, LLC, USA, Novel Laboratories, Inc., USA, VGS Holdings, Inc., USA, Edison Therapeutics, LLC, USA and Novel Clinical Research (India) Private Limited, India (collectively referred as Gavis), was acquired through Lupin Inc., USA, wholly-owned subsidiary of the Company. The transaction was closed on March 8, 2016, thereby making Gavis, a wholly-owned subsidiary of the Company. Gavis has an impressive portfolio of niche products with limited competition and high barriers to entry. It is a market leader in colonoscopy preparations with over 40% share and a strong pipeline of controlled substances. Gavis has a deep pipeline of several products under development for oral/liquids, dermatology, injectables, ophthalmics, nasal and MDI and has capability to produce tablets, capsules, controlled release product, dry powder suspension, nasal spray and liquid solutions.
- b) The entire shareholding in Medquimica Industria Farmaceutica LTDA, Brazil (formerly known as Medquimica Industria Farmaceutica S.A., Brazil) (Medquimica) was acquired through Lupin Farmaceutica do Brasil LTDA, Brazil, a wholly-owned subsidiary of the Company on June 24, 2015. Medquimica, one of the fastest growing broad based pharmaceutical companies in Brazil, is engaged in the development, manufacturing and commercialization of OTC products, branded generics and generics, which are sold through push and pull models. Medquimica is a trusted brand with an established distribution network of medium and small distributors and presence across drug stores. It has a sound manufacturing facility with critical ANVISA-handling skills and experience and requisite approvals are in place. As part of restructuring operations, Lupin Farmaceutica do Brasil LTDA, Brazil, merged with Medquimica and the entire shareholding of Medquimica is now held by Lupin Atlantis Holdings SA, Switzerland, wholly-owned subsidiary of the Company.

Subsidiary Companies/Joint Venture

As on March 31, 2016, the Company had 30 subsidiaries and a joint venture.

On December 7, 2015, Lupin Atlantis Holdings SA, Switzerland and Lupin Holdings B. V., Netherlands, wholly-owned subsidiaries of the Company, jointly incorporated Lupin Pharma LLC, Russia, as a distribution company.

On March 8, 2016, Lupin Inc., USA, wholly-owned subsidiary of the Company, incorporated Lupin Research Inc., USA, for carrying out R&D activities.

Pursuant to the first proviso to Section 129(3) of the Companies Act, 2013 ('Act') and Rules 5 and 8(1) of the Companies (Accounts) Rules, 2014, the salient features of the financial statements, performance and financial position of each subsidiary and the joint venture are given in Form AOC - 1 as **Annexure 'A'** to this Report.

The Company has framed a policy for determining material subsidiaries, which has been hosted on the Company's website (web link: http://www.lupin.com/pdf/Policy_for_determining_material_subsidiaries.pdf).

Management Discussion and Analysis

In compliance with Regulation 34(3) read with Schedule V(B) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Management Discussion and Analysis forms part of this Annual Report.

Corporate Governance Report

In compliance with Regulation 34(3) read with Schedule V(C) of the Listing Regulations, a Report on Corporate Governance forms part of this Annual Report. The Auditors' certificate certifying compliance with the conditions of corporate governance as prescribed under Schedule V(E) of the Listing Regulations is annexed to the Corporate Governance Report.

Business Responsibility Report

In compliance with Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility Report forms part of this Annual Report.

Corporate Social Responsibility (CSR)

The Company is one of the pioneers in the CSR field having been engaged in social welfare activities for over 30 years. It has been implementing its CSR activities mainly through the Lupin Human Welfare and Research Foundation (LHWRF). LHWRF has a well-set implementation mechanism at the grass-root level, with an objective of transforming rural lives. LHWRF reaches out to 2.8 million living in 3,500 villages.

During the year, a programme was also undertaken to detect Tuberculosis and create awareness in the slum areas of Mumbai. Various CSR activities/initiatives were taken up at select centres with district development oriented approach for rural development in the backward areas as also at Company's plant locations.

The Company undertakes the following CSR activities: -

- Economic and Social Development and Natural Resource Management;
- Rural Infrastructure development at various locations (including areas near the plant locations of the Company);
- Learn and Earn programs with a view to provide opportunities and monetary support to needy students, particularly in small towns and rural areas to enable them to pursue higher studies;
- Rural Industry and Skill Development; and
- Women Health, Empowerment and Education.

Pursuant to the provisions of Section 135 of the Companies Act, 2013 ('the Act') read with Companies (Corporate Social Responsibility Policy) Rules, 2014, during the year, the Company ought to have spent ₹ 541.5 million on CSR activities. Of this a sum of ₹ 205.1 million was spent.

With a view to further support the poor and marginalised sections of the society, the Company would be accelerating its pace of CSR spend. The Company has set up a Charitable Trust known as 'Lupin Foundation', with a purpose of setting-up deeper sustainable projects like hospitals, educational institutions which will substantially enhance its CSR spend.

Details of CSR activities are given in **Annexure 'B'** to this Report. The policy on CSR as approved by the Board has been hosted on the Company's website www.lupin.com.

Directors' Responsibility Statement

In compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Act, your Directors confirm: -

- i) that in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- ii) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year March 31, 2016 and of the profit of the Company for that year;
- iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the annual financial statements have been prepared on a going concern basis;
- v) that they had laid down proper internal financial controls and that the same are adequate and were operating effectively; and
- vi) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Directors

Pursuant to the provisions of Section 152 of the Act, Mr. Nilesh Gupta, Managing Director, retires by rotation at the forthcoming AGM and is eligible for re-appointment.

Mr. Ramesh Swaminathan, Chief Financial Officer & Executive Director and Mr. Jean-Luc Belingard, an Independent Director, who were appointed as Additional Directors, w.e.f. October 27, 2015, hold office up to the date of the forthcoming AGM. Notices along with requisite deposits under Section 160(1) of the Act, have been received from certain members proposing their names for appointment as Directors.

The Company has received declarations from all the Independent Directors that they meet the criteria of independence prescribed by Section 149(6) of the Act.

During the year, five Board meetings were held on May 13, 2015, June 22, 2015, July 23, 2015, October 27, 2015 and February 5, 2016, the details of which are given in the Corporate Governance Report forming part of the Annual Report.

Board Evaluation

Pursuant to the provisions of Section 134(3)(p) of the Act read with Rule 8(4) of the Companies (Accounts) Rules, 2014, the Board carried out an annual evaluation of its own performance and that of its Committees and individual directors. The performance of the Board and Committees were evaluated by the Board after seeking inputs from all the directors on the basis of the prescribed criteria, such as the composition and structure of the Board, quality of deliberations, effectiveness of the procedures adopted by the Board, participation at the Board and Committee meetings, governance reviews etc. The performance of individual Directors was evaluated on the basis of criteria like transparency, analytical abilities, qualifications, leadership qualities, experience, participation in the long-term strategic planning and responsibilities shouldered.

Audit Committee

The Audit Committee comprises Dr. K. U. Mada, Chairman, and Mr. Dileep C. Choksi, independent directors, and Dr. Kamal K. Sharma, Vice Chairman of the Company. The functions performed by the Audit Committee, particulars of meetings held and attendance thereat is given in the Corporate Governance Report which forms part of the Annual Report.

Nomination and Remuneration Policy

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a Policy relating to the remuneration of directors, key managerial personnel and other employees. The Policy includes criteria for determining qualifications, positive attributes and independence of a director. The functions of the Nomination and Remuneration Committee are disclosed in the Corporate Governance Report, which forms part of the Annual Report.

Related Party Transactions

All transactions entered into by the Company with related parties during the financial year were in the ordinary course of business and on an arm's length pricing basis. No transaction with any related party was in conflict with the interest of the Company. The Company did not enter into any related party transaction with its Key Managerial Personnel. Material related party transactions were entered into by the Company only with its subsidiaries. In terms of the provisions of Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of related party transactions are given in Form AOC - 2, as **Annexure 'C'** to this Report. The policy on Related Party Transactions as approved by the Board has been hosted on the Company's website www.lupin.com and web link for which is http://www.lupin.com/pdf/POLICY-RELATED_PARTY_TRANSACTIONS.pdf

Risk Management

Services of Ernst & Young LLP were engaged for framing, monitoring and implementing the risk management plan of the Company. The said firm is in the process of reviewing the existing risk management process and structure including roles and responsibilities, risk rating criteria for assessing impact and the likelihood of risks and effectiveness of mitigation plans. The process includes documentation of risk prioritization and obtaining the Management's assessments on 'risks that matter' and assessing mitigation readiness for the 'risks that matter'. The Risk Management Committee constituted by the Board, pursuant to Regulation 21 of the Listing Regulations, monitors and reviews the risk management plan. The details of the Committee and its terms of reference are set out in the Corporate Governance Report. The functions of the Risk Management Committee are disclosed in the Corporate Governance Report, which forms part of the Annual Report.

Particulars of loans/guarantees/investments/securities

Particulars of loans, guarantees, investments and securities pursuant to the provisions of Section 186 of the Act are given in the notes to the Financial Statements forming part of the Annual Report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars as prescribed by Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in **Annexure 'D'** to this Report.

Human Resources

There has been a steady rise in the ranking of the Company on a pan-industry basis in the surveys jointly conducted by 'Great Places to Work Institute' and 'The Economic Times'. The Company has been consistently ranked No. 1 or 2 in the Pharmaceutical and Biotech sector and it has also featured in the Golden List of India's Top 50 companies to work for. The Company was ranked 15th best company to work for in Asia by the survey conducted by the 'Great Places to Work Institute'. Aon Hewitt, in collaboration with Business World magazine, through a detailed process, ranks the top 25 companies across all sectors/industries. There is no ranking among these companies. The Company has featured in the coveted list.

The Company's endeavor has been to provide its employees the best value proposition and experience. It meaningfully engages them to deliver their best, which ultimately results in superior business performance and building a competitive work environment. With a view to enthuse a vibrant work culture, the Company instituted various employee-friendly policies and manpower development programs across all levels, which ensured that employees remain motivated and invigorated.

Employees Stock Options

Pursuant to the provisions of the Securities and Exchange Board of India (Share-Based Employee Benefits) Regulations, 2014, the details of stock options during the year ended March 31, 2016 are given in **Annexure 'E'** to this Report.

Vigil Mechanism/Whistleblower Policy

In order to promote a culture of honesty and fairness in its operations and in compliance with the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the Listing Regulations, the Company has instituted **P.L.E.D.G.E.** (**P**reparing **L**upin **E**mloyees to **D**emonstrate **G**overnance and **E**thical Conduct). The **P.L.E.D.G.E.** initiative encompasses three important policies viz. Code of Conduct, Whistleblower Policy and Prevention of Workplace Harassment. The Whistleblower Policy provides an opportunity to the directors and all employees of the Company to raise concerns about unethical and improper practices or any suspected wrongdoings in relation to the Company. The details of Code of Conduct, Whistleblower Policy and Prevention of Workplace Harassment Policy are stated in the Corporate Governance Report, which forms part of the Annual Report. Whistleblower Policy has been hosted on the Company's website www.lupin.com. The Policies on Code of Conduct and Prevention of Workplace Harassment are on the Lupin Intranet.

Particulars of Employees

Particulars of remuneration required to be furnished in terms of the provisions of Section 197(12) of the Act read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure 'F'** to this Report.

Auditors

At the 32nd AGM, the Members had appointed Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018), as Statutory Auditors of the Company, for a period of two years from the conclusion of the 32nd AGM till the conclusion of the forthcoming AGM. In view of completion of the prescribed term of Deloitte Haskins & Sells LLP, on the recommendation of the Audit Committee, the Board of Directors, appointed BSR & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022), as the Statutory Auditors of the Company, for a period of five years from conclusion of the 34th AGM till the conclusion of 39th AGM of the Company, subject to ratification by Members at every AGM.

Pursuant to the provisions of Section 139(1) and Section 141 of the Act, the Company has received a Certificate from BSR & Co. LLP, certifying that if they are appointed as Auditors, their appointment would be as per the conditions prescribed by the said Sections.

The Board records its sincere appreciation of the valuable services rendered by Deloitte Haskins & Sells LLP during its long association with the Company.

Internal Audit

Ernst & Young LLP and KPMG are the Internal Auditors of the Company for the domestic and international operations respectively.

The Company appointed local Chartered Accountants firms as Internal Auditors to conduct audit of Carrying & Forwarding Agents and Central Warehouses located in various parts of the country.

Cost Auditors

The cost audit records maintained by the Company are required to be audited pursuant to the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014. On the recommendation of the Audit Committee, Mr. S. D. Shenoy, practising Cost Accountant (FCMA, Membership No.8318), was appointed to conduct cost audit for the year ended March 31, 2016.

Pursuant to Section 148(6) of the Act and Rule 6(6) of the Companies (Cost Records and Audit) Rules, 2014, the Cost Audit Report, in Form CRA-4 (in XBRL mode), for the year ended March 31, 2015, under the head 'Drugs and Pharmaceuticals Industry' was filed with the Central Government on October 16, 2015, well within the prescribed time.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Ms. Neena Bhatia, Company Secretary in Practice, was appointed to undertake the Secretarial Audit of the Company for the year ended March 31, 2016. There is no qualification in the Secretarial Audit Report which is given in **Annexure 'G'** to this Report.

Extract of Annual Return

Pursuant to the provisions of Section 92(3) of the Act and the Rules made thereunder, extract of the Annual Return in prescribed Form MGT-9 is given in **Annexure 'H'** to this Report.

Acknowledgements

Your Directors commend the commitment, dedication, contributions and hard work of all employees of the Company across the globe. They express their deep gratitude to the various departments of the Central and State governments, banks, financial institutions, customers, medical professionals, business associates, analysts, members, suppliers and distributors for their whole-hearted and continuous support.

For and on behalf of the Board of Directors

Dr. Desh Bandhu Gupta
Chairman
(DIN: 00209378)

Mumbai, May 19, 2016

ANNEXURE 'A' TO THE DIRECTORS' REPORT

FORM NO. AOC - 1

Statement containing salient features of the financial statement of subsidiaries/joint ventures
[Pursuant to the first proviso to Section 129 (3) read with Rule 5 of Companies (Accounts) Rules, 2014]

Part 'A' Subsidiaries

Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments (Other than in subsidiaries)	Turnover	Profit/(Loss) before Taxation	Provision for taxation	Profit/(Loss) after Taxation	Proposed Dividend	% of shareholding
Lupin Pharmaceuticals, Inc., USA	N.A.	US \$ and Exchange Rate INR 66.26 for 1 US \$	(Refer Note No. 12)	1926.6	45899.4	43972.8	Nil	57460.6	1723.7	603.1	1120.6	Nil	100%
Kyowa Pharmaceutical Industry Co., Limited, Japan	N.A.	JPY and Exchange Rate INR 58.99 for 100 JPY	34.9	8326.2	17576.8	9215.7	0.2	10537.6	1799.8	334.3	1465.5	Nil	99.82%
Pharma Dynamics (Proprietary) Limited, South Africa	N.A.	ZAR and Exchange Rate INR 4.50 for ZAR 1	0.5	1400.0	2100.8	700.3	Nil	3998.2	914.2	294.2	620.0	Nil	100%
Hormosan Pharma GmbH, Germany	N.A.	Euro and Exchange Rate INR 75.40 for 1 Euro	8.1	(146.3)	1371.5	1509.6	(Refer Note No. 13)	1622.1	70.1	Nil	70.1	Nil	100%
Multicare Pharmaceuticals Philippines, Inc., Philippines	N.A.	PHP and Exchange Rate INR 1.43 for PHP 1	187.9	434.1	1729.1	1107.1	Nil	2297.5	259.1	80.4	178.7	Nil	51%
Generic Health Pty Limited, Australia	N.A.	AU \$ and Exchange Rate INR 50.98 for 1 AUD	1344.3	(1294.1)	900.1	849.9	Nil	1395.4	(47.9)	Nil	(47.9)	Nil	100%
Kyowa CritiCare Co., Limited, Japan	N.A.	JPY and Exchange Rate INR 58.99 for 100 JPY	124.3	1883.0	4466.3	2459.0	0.2	3151.3	186.8	36.3	150.5	Nil	99.82%
Lupin Holdings B.V., Netherlands	N.A.	Euro and Exchange Rate INR 75.40 for 1 Euro	6720.3	10092.0	16944.2	131.8	Nil	533.0	487.2	21.9	465.3	Nil	100%
Lupin Atlantis Holdings SA, Switzerland	N.A.	US \$ and Exchange Rate INR 66.26 for 1 US \$	115.9	14643.9	66942.9	52183.1	33.0	2700.8	(4733.9)	Nil	(4733.9)	Nil	100%

(₹ in Million)

₹ in Million)

Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments (Other than in subsidiaries)	Turnover	Profit/(Loss) before Taxation	Provision for taxation	Profit/(Loss) after Taxation	Proposed Dividend	% of shareholding
Lupin (Europe) Limited, U.K.	N.A.	GBP and Exchange Rate INR 95.47 for 1 GBP	20.0	(293.7)	674.9	948.6	Nil	695.4	(114.0)	2.3 Credit	(111.7)	Nil	100%
Lupin Australia Pty Limited, Australia	N.A.	AU \$ and Exchange Rate INR 50.98 for 1 AUD	33.3	(15.0)	26.1	7.8	Nil	Nil	(3.0)	Nil	(3.0)	Nil	100%
Lupin Pharma Canada Limited, Canada	N.A.	CAD and Exchange Rate INR 51.23 for 1 CAD	155.5	(175.1)	519.7	539.2	Nil	163.7	17.4	0.1	17.3	Nil	100%
Lupin Mexico S.A. de C.V., Mexico	N.A.	MXN \$ and Exchange Rate INR 3.83 for MXN \$ 1	52.2	(40.5)	11.7	(Refer Note No. 14)	Nil	Nil	0.5	Nil	0.5	Nil	100%
Bellwether Pharma Pty Limited, Australia	N.A.	AU \$ and Exchange Rate INR 50.98 for 1 AUD	264.5	(273.6)	Nil	9.0	Nil	Nil	Nil	Nil	Nil	Nil	100%
Lupin Philippines Inc., Philippines	N.A.	PHP and Exchange Rate INR 1.43 for PHP 1	59.9	(18.9)	392.0	351.0	Nil	452.0	12.8	10.0	2.8	Nil	100%
Lupin Healthcare Limited, India	N.A.	INR	26.2	53.3	79.5	(Refer Note No. 15)	20.2	Nil	0.7	Nil	0.7	Nil	100%
Generic Health SDN. BHD., Malaysia	N.A.	RM and Exchange Rate INR 16.97 for RM 1	4.2	(3.9)	0.3	0.1	Nil	Nil	(0.8)	Nil	(0.8)	Nil	100%
Lupin Middle East FZ-LLC, Dubai	N.A.	AED and Exchange Rate INR 18.04 for AED 1	32.3	(28.8)	51.1	47.6	Nil	52.4	(4.3)	Nil	(4.3)	Nil	100%
Lupin Inc., USA	N.A.	US \$ and Exchange Rate INR 66.26 for 1 US \$	(Refer Note No. 16)	2793.2	22528.4	19735.3	Nil	2294.9	(151.1)	175.0 Credit	24.0	Nil	100%
Lupin GmbH, Switzerland	N.A.	US \$ and Exchange Rate INR 66.26 for 1 US \$	1.3	130.5	299.0	167.2	Nil	561.0	47.6	13.4	34.2	Nil	100%
Lupin Farmaceutica do Brasil LTDA, Brazil (upto December 31, 2015)	April 1, 2015 to December 31, 2015	BRL and Exchange Rate INR 16.95 for BRL 1	3858.5	(333.0)	4251.2	725.7	Nil	Nil	(205.6)	Nil	(205.6)	Nil	100%
Nanomi B.V., Netherlands	N.A.	Euro and Exchange Rate INR 75.40 for 1 Euro	1.6	(823.1)	232.6	1054.2	Nil	14.9	(585.1)	Nil	(585.1)	Nil	100%
Laboratorios Grin, S.A. de C.V., Mexico	N.A.	MXN \$ and Exchange Rate INR 3.83 for MXN \$ 1	854.2	163.7	2228.1	1210.2	Nil	1980.1	281.2	94.0	187.2	Nil	100%
Medquimica Industria Farmaceutica LTDA, Brazil (formerly known as Medquimica Industria Farmaceutica S.A., Brazil) (w.e.f. June 24, 2015)	June 24, 2015 to March 31, 2016	BRL and Exchange Rate INR 18.21 for BRL 1	3631.1	(97.3)	5187.2	1653.3	Nil	1463.6	(95.5)	Nil	(95.5)	Nil	100%

(₹ in Million)

Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments (Other than in subsidiaries)	Turnover	Profit/ (Loss) before Taxation	Provision for taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of shareholding
Gavis Pharmaceuticals, LLC, USA (w.e.f. March 8, 2016)	March 9, 2016 to March 31, 2016	US \$ and Exchange Rate INR 66.26 for 1 US \$	Nil	(923.5)	2613.5	3536.9	Nil	1283.3	973.6	Nil	973.6	Nil	100%
Novel Laboratories, Inc., USA (w.e.f. March 8, 2016)	March 9, 2016 to March 31, 2016	US \$ and Exchange Rate INR 66.26 for 1 US \$	(Refer Note No. 17)	2440.2	4415.1	1975.0	Nil	261.9	0.9	(8.6)	9.5	Nil	100%
VGS Holdings, Inc., USA (w.e.f. March 8, 2016)	March 9, 2016 to March 31, 2016	US \$ and Exchange Rate INR 66.26 for 1 US \$	Nil	233.8	1539.7	1305.9	Nil	Nil	(0.5)	Nil	(0.5)	Nil	100%
Edison Therapeutics, LLC, USA (w.e.f. March 8, 2016)	March 9, 2016 to March 31, 2016	-	-	-	-	-	-	-	-	-	-	Nil	100%
Novel Clinical Research (India) Private Limited, India (w.e.f. March 8, 2016)	March 9, 2016 to March 31, 2016	INR	0.1	(0.2)	0.1	0.2	Nil	(Refer Note No. 18)	(Refer Note No. 18)	Nil	(Refer Note No. 18)	Nil	100%
Lupin Research Inc., USA (w.e.f. March 8, 2016)	March 8, 2016 to March 31, 2016	US \$ and Exchange Rate INR 66.26 for 1 US \$	(Refer Note No. 19)	(Refer Note No. 19)	(Refer Note No. 19)	-	-	-	-	-	-	Nil	100%
Lupin Pharma LLC, Russia (w.e.f. February 11, 2016)	February 11, 2016 to March 31, 2016	RUB and Exchange Rate INR 0.97 for RUB 1	0.1	(Refer Note No. 20)	0.1	(Refer Note No. 20)	Nil	Nil	(Refer Note No. 20)	Nil	(Refer Note No. 20)	Nil	100%

Notes:

- 1) Lupin Mexico S.A. de C.V., Mexico, Lupin Healthcare Limited, India, Generic Health SDN. BHD., Malaysia, Edison Therapeutics, LLC, USA, Novel Clinical Research (India) Private Limited, India, Lupin Research Inc., USA and Lupin Pharma LLC, Russia have not yet commenced commercial operations.
- 2) The shares of Lupin Pharmaceuticals, Inc., USA are held by Lupin Inc., USA (97%) and Lupin Limited (3%).
- 3) The entire shareholding in Pharma Dynamics Pty Limited, South Africa, Hormosan Pharma GmbH, Germany, Generic Health Pty Limited, Australia, Lupin Mexico S.A. de C.V., Mexico, Lupin Philippines Inc., Philippines and Generic Health SDN. BHD., Malaysia, are held by Lupin Holdings B.V., Netherlands, wholly-owned subsidiary of the Company. Out of the 330,000,100 shares of CAD 1 each of Lupin Pharma Canada Limited, Canada, 330,000,000 shares are held by Lupin Holdings B.V., Netherlands and 100 shares are held by Lupin Atlantis Holdings SA, Switzerland, wholly-owned subsidiary of the Company.
- 4) Lupin Holdings B.V., Netherlands holds 99.82% shares of Kyowa Pharmaceutical Industries Co., Limited, Japan and 51% shares of Multicare Pharmaceutical Philippines Inc., Philippines.
- 5) The entire shareholding in Kyowa Criticare Co., Limited, Japan is held by Kyowa Pharmaceutical Industries Co., Limited, Japan, a subsidiary of the Company.
- 6) The entire shareholding in Bellwether Pharma Pty Limited, Australia is held by Generic Health Pty Limited, Australia, wholly-owned subsidiary of the Company.
- 7) The entire shareholdings in Lupin Europe Ltd., UK, Lupin Middle East FZ-LLC, Dubai, Lupin Inc., USA, Lupin GmbH, Switzerland, Nanomi B.V., Netherlands and Laboratorios Grin S.A. de C.V., Mexico are held by Lupin Atlantis Holdings SA, Switzerland.
- 8) The ownership interest in Medquimica Industria Farmaceutica LTDA, Brazil and Lupin Pharma LLC, Russia are held by Lupin Atlantis Holdings SA, Switzerland.
- 9) The entire shareholding of Gavis Pharmaceuticals, LLC, USA, Novel Laboratories, Inc., USA, VGS Holdings Inc., USA and Lupin Research Inc., USA, are held by Lupin Inc., USA, wholly-owned subsidiary of the Company.
- 10) The entire shareholding in Edison Therapeutics, LLC, USA is held by Gavis Pharmaceuticals LLC, USA, wholly-owned subsidiary of the Company.
- 11) 9999 Equity Shares of the face value of ₹ 10/- each in Novel Clinical Research (India) Private Limited are held by Novel Laboratories, Inc., USA, wholly-owned subsidiary of the Company and 1 Equity Share by Lupin Inc., USA.
- 12) Lupin Pharmaceuticals Inc., USA, had on March 8, 2016, effected reverse split of shares in the ratio of 10000:1 and also changed par value of the shares from USD 1 per share to USD 0.001 per share resulting in the reduction of share capital from USD 10,000,000 to USD 1 i.e. ₹ 62/-.
- 13) Investments (other than in subsidiaries) in Hormosan Pharma GmbH, Germany is ₹ 37698/-.
- 14) Total Liabilities in Lupin Mexico S.A. de C.V., Mexico are ₹ 28308/-.
- 15) Total Liabilities in Lupin Healthcare Limited are ₹ 22900/-.
- 16) Lupin Inc., USA, had on March 8, 2016, effected reverse split of shares in the ratio of 100000:1. This has resulted in the reduction of Authorised share capital from 100,000,000 Shares to 1000 Shares of USD 0.001 each i.e. (Total Share Capital 1 USD = ₹ 62/-).
- 17) Novel Laboratories, Inc., USA has Share Capital of USD 1 i.e. ₹ 67/-.
- 18) Turnover is ₹ 15753/-, Loss Before Tax is ₹ 33516/- and Loss After Tax is ₹ 33516/- in Novel Clinical Research (India) Private Limited.
- 19) Lupin Research Inc., USA has Share Capital of USD 1 i.e. ₹ 67/-, Reserves and Surplus (₹ 1/-) and Total Assets USD 1 i.e. ₹ 66/-.
- 20) Reserves and Surplus is (₹ 10873/-), Liabilities are ₹ 9710/-, Loss Before Tax is ₹ 10873/- and Loss After Tax is ₹ 10873/- in Lupin Pharma LLC, Russia.
- 21) Figures in brackets denote negative amounts.

For and on behalf of the Board of Directors

Dr. Desh Bandhu Gupta
Chairman
 (DIN: 00209378)

Ramesh Swaminathan
Chief Financial Officer & Executive Director
 (DIN: 01833346)

R. V. Satam
Company Secretary
 (ACS 11973)

Mumbai, May 19, 2016

Part 'B' Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to joint venture

		(₹ in Million)
Name of the Joint Venture		YL Biologics Limited, Japan
1) Latest Audited Balance Sheet Date		March 31, 2016
2) Shares of the Joint Venture held by the Company on the year end* (Refer note below)		
Number		450 Common Shares of JPY Nil
Amount of investment in the Joint Venture		33.0
Extent of Holding %		45%
3) Description of how there is significant influence		N.A.
4) Reason why the joint venture is not consolidated		N.A.
5) Networth attributable to Shareholding as per latest audited Balance Sheet		96.1
6) Profit/Loss for the year		
(i) Considered in Consolidation (after inter company adjustment)		(546.4)
(ii) Not Considered in Consolidation		66.2

* **Note:** Shares are held by Lupin Atlantis Holdings SA, Switzerland, a wholly-owned subsidiary of the Company.

For and on behalf of the Board of Directors

Dr. Desh Bandhu Gupta
Chairman
 (DIN: 00209378)

Ramesh Swaminathan
Chief Financial Officer & Executive Director
 (DIN: 01833346)

R. V. Satam
Company Secretary
 (ACS 11973)

Mumbai, May 19, 2016

ANNEXURE 'B' TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES PURSUANT TO RULE 8 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014.

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programs.

The CSR Policy aims at:

- Building and replicating sustainable, evolving and dynamic models of social, economic, infrastructure and natural resource development at macro, micro and mini scales in partnership with government bodies and other stakeholders at national, regional, district, block and village level.
- Providing services and solutions to address social issues with highest social priority for the poor, marginalized and under-privileged in line with the business philosophy of providing affordable medicines for most prevalent diseases.
- Planning and executing programmes that would benefit the communities in and around Company's work-sites, factory and plant locations and adopted-areas with low Human Development Indices - scores in order to enhance the quality of life of the community in general and the poor in particular.
- Building, nurturing and reinforcing identity of the Company as a socially and ethically responsible corporate entity through its CSR initiatives for the benefit of diverse stakeholders in the society.
- Carrying out activities that would create increased happiness and empowerment of the stakeholders.
- Acting as a catalyst, integrating diverse resources through direct intervention and social investment, to address the immediate needs of the poor as also long-term development concerns.
- Responding to natural and anthropogenic disasters, calamities and provide relief, reconstruction and rehabilitation support.
- Setting-up deeper sustainable institutional projects for the long-term welfare of the nation.

Weblink: <http://www.lupin.com/pdf/LupinCSR-Policy.pdf>

2. The Composition of the CSR Committee:

- i) Dr. Desh Bandhu Gupta - *Chairman*
- ii) Dr. Kamal K. Sharma
- iii) Mr. Nilesh Gupta
- iv) Dr. Vijay Kelkar

3. Average net profit of the Company for last three financial years:

The average net profit of the Company for the last three financial years calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 was ₹ 27072.6 million.

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above):

₹ 541.5 million.

5. Details of CSR spent during the financial year:

(a) Total amount to be spent for the financial year:

₹ 541.5 million.

(b) Amount unspent, if any:

₹ 336.4 million.

(c) Manner in which the amount spent during the financial year is detailed below:

(₹ in million)

1	2	3	4	5	6	7	8
Sl. No.	CSR project/ activity identified	Sector in which the Project is covered	Projects/Programs (1) Local area or other (2) Specify the State and district where projects/programs were undertaken	Amount outlay (budget) project/ program-wise	Amount spent on the projects/programs Sub-heads: (1) Direct Expenditure on projects/programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct/through implementing agency*
1.	Rural Support Programme	Social and Economic Development	Bharatpur, Alwar (Rajasthan), Pune, Sindhudurg (Maharashtra), Bhopal (Madhya Pradesh) and Rishikesh (Uttarakhand)	80.0	88.5	171.6	LHWRF*/ MSGDJSN**
2.	Learn & Earn Programme	Social and Economic Development	Aurangabad, Tarapur (Maharashtra) and Goa	12.0	11.9	23.0	LHWRF
3.	Rural Support Programme	Social and Economic Development	Factory locations: Ankleshwar, Vadodara (Gujarat), Aurangabad, Nagpur, Tarapur (Maharashtra), Dhar (Madhya Pradesh), Goa, Udampur (Jammu & Kashmir) and Visakhapatnam (Andhra Pradesh)	40.0	36.6	57.9	LHWRF
4.	Tuberculosis Eradication	Health	Mumbai	40.0	27.1	28.9	LHWRF
5.	Patient Awareness Camps	Health	National level	10.0	14.0	14.0	Direct
6.	Donations for CSR	Education	National level	10.0	17.2	19.7	Direct
7.	Salary and Administrative Expenses	-	National level	8.0	9.8	15.8	Direct
TOTAL:				200.0	205.1	330.9	

***LHWRF: Lupin Human Welfare & Research Foundation**

****MSGDJSN: Mata Shree Gomati Devi Jan Seva Nidhi**

- The actual CSR spend of the Company was less than 2% of the average net profit for the last three years. In its continued support of the poor and marginalised sections of the society, the Company plans accelerating the pace of its CSR spend in future. The Company also recently established 'Lupin Foundation', with a purpose of setting-up deeper sustainable projects like hospitals, educational institutions which will substantially enhance its CSR spend.
- The implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

For and on behalf of the Board of Directors

Dr. Desh Bandhu Gupta
Chairman
 (DIN: 00209378)

Nilesh Gupta
Managing Director
 (DIN: 01734642)

Mumbai, May 19, 2016

ANNEXURE 'C' TO THE DIRECTORS' REPORT

FORM NO. AOC - 2

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014].

- All contracts/arrangements/transactions entered into by the Company with related parties during the year ended March 31, 2016 were at arm's length basis.
- Details of material contracts or arrangement or transactions at arm's length basis:

Sl. No.	Name of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value (₹ in Million)	Date(s) of approval by the Audit Committee/ Board	Amount paid as advances
1.	Lupin Pharmaceuticals, Inc., USA, (wholly-owned subsidiary)	Sale - Goods	Ongoing	Based on Transfer Pricing Guidelines. ₹ 52523.8	July 22, 2015, July 23, 2015, October 27, 2015, February 5, 2016, May 18, 2016 and May 19, 2016.	Nil
2.	Lupin Atlantis Holdings SA, Switzerland (wholly-owned subsidiary)	R&D Services rendered	Ongoing	Based on Transfer Pricing Guidelines. ₹ 672.7	July 22, 2015, July 23, 2015, October 27, 2015, February 5, 2016, May 18, 2016 and May 19, 2016.	Nil
3.	Lupin Pharmaceuticals, Inc., USA, (wholly-owned subsidiary)	Services Received	Ongoing	Based on Transfer Pricing Guidelines. ₹ 1413.7	July 22, 2015, July 23, 2015, October 27, 2015, February 5, 2016, May 18, 2016 and May 19, 2016.	Nil

For and on behalf of the Board of Directors

Dr. Desh Bandhu Gupta
Chairman
(DIN: 00209378)

Ramesh Swaminathan
Chief Financial Officer & Executive Director
(DIN: 01833346)

R. V. Satam
Company Secretary
(ACS 11973)

Mumbai, May 19, 2016

ANNEXURE 'D' TO THE DIRECTORS' REPORT

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to provisions of Section 134 of The Companies Act, 2013 read with The Companies (Accounts) Rules, 2014.

(A) Conservation of energy:

(i) steps taken or impact on conservation of energy;

- a) Installed occupancy sensors to operate the lighting load based on human occupancy.
- b) Installed variable refrigerant volume with single outdoor catering to seven indoors units which lowered energy consumption.
- c) Replaced internal street lights with LED ones.
- d) Installed hot water generator for HVAC system.
- e) Used relay timer in ventilation units and office air handling systems.
- f) Diverted load of cooling tower on another cooling tower.
- g) Replaced 72 Watt LED lights with 45 Watt ones.
- h) Pre-heated feed to reduce running of downstream equipment.
- i) Installed VFD in AHU system and in utility pumps.
- j) Installed heat recovery units in air compressors.
- k) Improved efficiency in brine and chilled water plants.
- l) Installed solar power panels.
- m) Grouped hot water systems.
- n) Installed screw blower for aeration tanks in effluent treatment plant.
- o) Used Wind power (renewable).

(ii) steps taken for utilising alternate sources of energy;

- a) Installed UPS to provide DC consistent power source.
- b) Installed automatic on/off capacitor banks with filters.
- c) Used solar energy for street lighting.
- d) Installed 100 KW solar power generation unit.

(iii) capital investment on energy conservation equipments;

- a) Top and Bottom Jacketed Shell ATFD V 7.5M2 - ₹ 2.05 million.
- b) Condensor: SH & TU, SH-SS316 TUBE TU - SS316, 65M2 - ₹ 0.99 million.
- c) Preheater SH & TU SHELL SS316 TUBE TI GR2 - ₹ 0.45 million.
- d) Thermal Imager Fluke TI 200 - ₹ 0.35 million.
- e) Vortex FLOWMETER DN50 - ₹ 0.23 million.
- f) Flow Transmitter of Vortex Type - ₹ 0.22 million.
- g) Multi effect Evaporator Feed CAP: 7M3/HR - ₹ 0.22 million.
- h) Centrifugal Pump -CCR 25-160 - ₹ 0.13 million.
- i) Falling Film EVAPSS316SH/TI-TUBE - ₹ 0.12 million.
- j) Set of Noozles For TVR-TITANIUM - ₹ 0.10 million.

(B) Technology absorption:**(i) efforts made towards technology absorption;**

Particulars are given in the Management Discussion and Analysis which forms part of this Annual Report.

(ii) benefits derived like product improvement, cost reduction, product development or import substitution;

Particulars are given in the Management Discussion and Analysis which forms part of this Annual Report.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year);**(a) details of technology imported;**

During the year, the Company did not import any specific technology. The Company developed technology through efforts of its in-house Research and Development. Scale-up and technology transfer for five products was successfully mediated from R&D to commercial scale, walking a fine line between biosimilarity and yields.

Technology with an advanced technique for identification of microorganisms used for microbiological investigation purpose, in case of any failure, was imported during FY 2014-15. It was used for preparation of in-house microorganisms library 'House flora' used for different types of microbiological validation.

(b) the year of import;

FY 2014-15.

(c) whether the technology been fully absorbed;

Yes

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons therefor.

N.A.

(iv) expenditure incurred on Research & Development (consolidated);

a.	Capital	₹ 2107.3 million
b.	Recurring (excluding depreciation of ₹ 827.0 million)	₹ 15210.8 million
	Total :	₹ 17318.1 million

(C) Foreign exchange earnings and outgo:

Foreign exchange earned in terms of actual inflows and foreign exchange outgo in terms of actual outflows during the year: -

Foreign Exchange earned in terms of actual Inflows	₹ 71394.9 million
Foreign Exchange outgo in terms of actual Outflows	₹ 16552.0 million

For and on behalf of the Board of Directors

Dr. Desh Bandhu Gupta
Chairman
(DIN: 00209378)

Mumbai, May 19, 2016

ANNEXURE 'E'

TO THE DIRECTORS' REPORT

The disclosure envisaged in terms of **Regulation 14(B)** of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the details of diluted EPS on issue of shares pursuant to all the schemes as on March 31, 2016, were as under: -

Description	Details
Diluted earnings per share EPS (Consolidated) on issue of shares pursuant to all the schemes covered under the Regulations, calculated in accordance with Accounting Standard (AS) 20 'Earnings per share'.	Diluted earnings per share as on 31.03.2016 : ₹ 50.15 Options outstanding as on 31.03.2016 : ₹ 4167382

DETAILS OF STOCK OPTIONS AS ON MARCH 31, 2016

The disclosure envisaged in terms of **Regulation 14(C)** of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the particulars of Employee Stock Option Scheme (ESOS) as on March 31, 2016, were as under: -

(i) A description of each Employee Stock Option Scheme existed during 01.04.2015 and 31.03.2016:

Sr. No.	Name of the Plan	Date of shareholders' approval	Total no. of options approved	Vesting Requirements	Exercise price or pricing formula	Maximum term of options granted	Source of shares	Variation in terms of options
1.	Lupin Employees Stock Option Plan 2003 (ESOP 2003)	05.12.2003	3957310	Options being vested in phased manner after completion of minimum one year from the date of grant	Exercise Price is the market price or such other price as determined by the Nomination and Remuneration Committee	10 years from the date of grant	Primary	No Variation
2.	Lupin Employees Stock Option Plan 2005 (ESOP 2005)	28.07.2005	3211290	Options being vested in phased manner after completion of minimum one year from the date of grant	Exercise Price is the market price or such other price as determined by the Nomination and Remuneration Committee	10 years from the date of grant	Primary	No Variation
3.	Lupin Employees Stock Option Plan 2011 (ESOP 2011)	10.05.2011	3600000	Options being vested in phased manner after completion of minimum one year from the date of grant	Exercise Price is the market price or such other price as determined by the Nomination and Remuneration Committee	10 years from the date of grant	Primary	No Variation

Sr. No.	Name of the Plan	Date of shareholders' approval	Total no. of options approved	Vesting Requirements	Exercise price or pricing formula	Maximum term of options granted	Source of shares	Variation in terms of options
4.	Lupin Employees Stock Option Plan 2014 (ESOP 2014)	21.10.2014	3375000	Options being vested in phased manner after completion of minimum one year from the date of grant	Exercise Price is the face value or such other price as determined by the Nomination and Remuneration Committee	10 years from the date of grant	Primary	No Variation
5.	Lupin Subsidiary Employees Stock Option Plan 2005 (SESOP 2005)	28.07.2005	802820	Options being vested in phased manner after completion of minimum one year from the date of grant	Exercise Price is the market price or such other price as determined by the Nomination and Remuneration Committee	10 years from the date of grant	Primary	No Variation
6.	Lupin Subsidiary Employees Stock Option Plan 2011 (SESOP 2011)	10.05.2011	900000	Options being vested in phased manner after completion of minimum one year from the date of grant	Exercise Price is the market price or such other price as determined by the Nomination and Remuneration Committee	10 years from the date of grant	Primary	No Variation
7.	Lupin Subsidiary Employees Stock Option Plan 2014 (SESOP 2014)	21.10.2014	1125000	Options being vested in phased manner after completion of minimum one year from the date of grant	Exercise Price is the market price or such other price as determined by the Nomination and Remuneration Committee	10 years from the date of grant	Primary	No Variation

Note: One option is convertible into one equity share of the face value of ₹ 2/- each.

No.	Description	Details												
(ii)	Method used to account for ESOS	Intrinsic Value												
(iii)	Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	<p>Net Income would be lower by - ₹ 494.9 million.</p> <p>Adjusted EPS:</p> <table border="0"> <tr> <td>Standalone</td> <td>- Basic</td> <td>: ₹ 63.00</td> </tr> <tr> <td></td> <td>- Diluted</td> <td>: ₹ 62.63</td> </tr> <tr> <td>Consolidated</td> <td>- Basic</td> <td>: ₹ 49.35</td> </tr> <tr> <td></td> <td>- Diluted</td> <td>: ₹ 49.06</td> </tr> </table>	Standalone	- Basic	: ₹ 63.00		- Diluted	: ₹ 62.63	Consolidated	- Basic	: ₹ 49.35		- Diluted	: ₹ 49.06
Standalone	- Basic	: ₹ 63.00												
	- Diluted	: ₹ 62.63												
Consolidated	- Basic	: ₹ 49.35												
	- Diluted	: ₹ 49.06												

(iv) Option movement during the year (for each ESOS):

No.	Particulars	Details	
		Plan	No. of options
1.	Number of options outstanding at the beginning of the period	ESOP 2003	343000
		ESOP 2005	445304
		ESOP 2011	2708351
		ESOP 2014	254239
		SESOP 2005	233536
		SESOP 2011	799944
		Total :	4784374
2.	Number of options granted during the year	ESOP 2011	50000
		ESOP 2014	496602
		SESOP 2011	78100
		SESOP 2014	37850
		Total :	662552
3.	Number of options forfeited / lapsed during the year	Lapsed on account of resignation of employees:	
		ESOP 2003	5875
		ESOP 2005	5000
		ESOP 2011	69322
		ESOP 2014	14588
		SESOP 2011	90125
		Total :	184910
4.	Number of options vested during the year	ESOP 2003	55125
		ESOP 2005	12557
		ESOP 2011	874009
		ESOP 2014	62560
		SESOP 2005	3850
		SESOP 2011	204183
		Total :	1212284
5.	Number of options exercised during the year	ESOP 2003	109366
		ESOP 2005	208123
		ESOP 2011	699161
		ESOP 2014	40180
		SESOP 2005	6609
		SESOP 2011	31195
		Total :	1094634
6.	Number of shares arising as a result of exercise of options	ESOP 2003	109366
		ESOP 2005	208123
		ESOP 2011	699161
		ESOP 2014	40180
		SESOP 2005	6609
		SESOP 2011	31195
		Total :	1094634
7.	Money realised by exercise of options (INR), if scheme is implemented directly by the company	ESOP 2003	43911779.43
		ESOP 2005	49842370.51
		ESOP 2011	425780410.00

No.	Particulars	Details	
		ESOP 2014	80360.00
		SESOP 2005	1439638.47
		SESOP 2011	15326523.50
		Total :	536381081.91
8.	Loan repaid by the Trust during the year from exercise price received	Not Applicable	
9.	Number of options outstanding at the end of the year	Plan	No. of options
		ESOP 2003	227759
		ESOP 2005	232181
		ESOP 2011	1989868
		ESOP 2014	696073
		SESOP 2005	226927
		SESOP 2011	756724
		SESOP 2014	37850
		Total :	4167382
10.	Number of options exercisable at the end of the year	Plan	No. of options
		ESOP 2003	115259
		ESOP 2005	211238
		ESOP 2011	984415
		ESOP 2014	22155
		SESOP 2005	226927
		SESOP 2011	338266
		Total :	1898260

(v) Weighted average exercise prices and weighted average fair values of options

Weighted average exercise prices and weighted average fair values of options disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	<p>(i) Weighted average exercise price of options granted during the year whose:-</p> <p>a. Exercise price equals market price : ₹ 2037.50</p> <p>b. Exercise price is greater than market price: N.A.</p> <p>c. Exercise price is less than the market price: ₹ 83.37</p>
	<p>(ii) Weighted average fair value of options granted during the year whose:-</p> <p>a. Exercise price equals market price: ₹ 781.97</p> <p>b. Exercise price is greater than market price: N.A.</p> <p>c. Exercise price is less than the market price: ₹ 1897.74</p>

(vi) Employee-wise details of options granted to

Employee-wise details of options granted to:	
a. Senior Managerial Personnel	<p>i) Dr. Kamal K. Sharma, Vice Chairman, was granted 50000 options under ESOP 2011. The exercise price of the options is ₹ 891.53.</p> <p>ii) Mr. Ramesh Swaminathan, Chief Financial Officer & Executive Director, was granted 7350 options under ESOP 2014. The exercise price of the options is ₹ 2/-.</p>
b. Employees to whom options granted amounting to 5% or more, of the total options granted during the year.	Dr. Kamal K. Sharma, Vice Chairman, was granted 50000 options under ESOP 2011. The exercise price of the options is ₹ 891.53.
c. Employees to whom options equal to or exceeding 1% of the issued capital have been granted during the year.	Nil

(vii) Description of the method and significant assumptions used during the year to estimate the fair value of the options, including the following information:

- Fair value calculated by using Black-Scholes option pricing model.
- Share price: The closing price on NSE as on the date of grant has been considered for valuing the options granted.
- Exercise Price: Exercise Price is the market price or face value or such other price as determined by the Remuneration and Compensation Committee.
- Expected Volatility: The historical volatility of the stock till the date of grant has been considered to calculate the fair value of the options.
- Expected Option Life: Expected Life of option is the period for which the Company expects the options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.
- Expected dividends: Expected dividend yield has been calculated as an average of dividend yields for the four financial years preceding the date of the grant.
- Risk free interest rate: The risk free interest rate on the date of grant considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero coupon yield curve for Government Securities.

Variables	Weighted Average Information									
	Plan	SESOP 2011	ESOP 2011	ESOP 2014	ESOP 2014	ESOP 2014	ESOP 2014	ESOP 2014	ESOP 2014	SESOP 2014
Grant date		02.04.15	19.11.15	07.08.15	07.10.15	13.10.15	08.12.15	07.01.16	02.02.16	02.04.15
Risk free rate (%)		7.80	7.82	7.80	7.80	7.80	7.80	7.80	7.80	7.80
Expected life (years)		4.50	3.00	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Volatility (%)		33.03	23.11	33.03	33.03	33.03	33.03	33.03	33.03	33.03
Dividend yield (%)		0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66	0.66
Stock price (NSE closing rate) ₹		2037.50	1807.55	1694.40	2065.65	2028.25	1804.35	1717.50	1705.80	2037.50
Option Fair Value ₹		781.97	1068.61	1643.45	2003.84	1967.54	1750.18	1665.87	1654.52	781.97

DETAILS OF STOCK APPRECIATION RIGHTS AS ON MARCH 31, 2016

The disclosure envisaged in terms of **Regulation 14(E)** of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014: -

(i) A description of each SAR Scheme existed during 01.04.2015 and 31.03.2016:

Sr. No.	Name of the Scheme	Date of shareholders' approval	Total no. of shares approved	Vesting requirements	SAR price or pricing formula	Maximum term of SAR granted	Method of settlement	Choice of settlement	Source of shares	Variation in terms of SARs
1.	Lupin Employees Stock Appreciation Rights Scheme - 2011 (LESAR 2011)	Not applicable, since the scheme was launched prior to the revised SEBI (Share Based Employee Benefits) Regulations, 2014		3 years from the date of grant	SAR Price is the market price	3 years from the date of grant	Cash	With the Company	Secondary	No Variation

No.	Description	Details
(ii)	Method used to account for SAR	Intrinsic Value
(iii)	Where the Company opts for expensing of SAR using the intrinsic value of the SAR, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the SAR shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	Net Income would be higher by - ₹ 24.60 million. Adjusted EPS: Standalone - Basic : ₹ 64.15 - Diluted : ₹ 63.77 Consolidated - Basic : ₹ 50.50 - Diluted : ₹ 50.21

(iv) SAR movement during the year (For each SAR scheme):

No.	Description	Details	
		Scheme	No. of SARs
1.	Number of SARs outstanding at the beginning of the year	LESAR 2011	408592
		Total	408592
2.	Number of SARs granted during the year	LESAR 2011	Nil
		Total	Nil
3.	Number of SARs forfeited / lapsed during the year	Lapsed on account of resignation of employees:	
		Scheme	No. of SARs
		LESAR 2011	7103
		Total	7103
4.	Number of SARs vested during the year	LESAR 2011	408592
		Total	408592
5.	Number of SARs exercised/settled during the year	LESAR 2011	408592
		Total	408592
6.	Number of SARs outstanding at the end of the year	LESAR 2011	Nil
		Total	Nil
7.	Number of SARs exercisable at the end of the year	LESAR 2011	Nil
		Total	Nil

(v) Employee wise details of SARs granted to:

Employee-wise details of SARs granted to:	
i. Senior Managerial Personnel	Nil
ii. Any other employee who receives a grant in any one year of amounting to 5% or more, of SARs granted during the year	Nil
iii. Identified employees who were granted SARs, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	Nil

DETAILS RELATED TO TRUST AS ON MARCH 31, 2016

The disclosure envisaged in terms of **Regulation 14(G)** of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014: -

(i) General information of all schemes :

No.	Particulars	Details
1.	Name of the Trust	Lupin Employees Benefit Trust
2.	Details of the Trustee	Barclays Wealth Trustees (India) Private Ltd.
3.	Amount of loan disbursed by company / any company in the group, during the year	Nil
4.	Amount of loan outstanding (repayable to company / any company in the group) as at the end of the year	Nil
5.	Amount of loan, if any, taken from any other source for which company / any company in the group has provided any security or guarantee	Nil
6.	Any other contribution made to the Trust during the year	Nil

(ii) Brief details of transactions in shares by the Trust:

No.	Description	Details
1.	Number of shares held at the beginning of the year	408592 shares
2.	Number of shares acquired during the year	Nil
3.	Number of shares sold during the year	408592 shares
4.	Number of shares held at the end of the year	Nil

(iii) In case of secondary acquisition of shares by the Trust:

No.	Number of shares	As a percentage of paid-up equity capital as at the end of the year immediately preceding the year in which shareholders' approval was obtained
1.	Held at the beginning of the year	0.09%
2.	Acquired during the year	Nil
3.	Sold during the year	0.09%
4.	Transferred to the employees during the year	Nil
5.	Held at the end of the year	Nil

Since the scheme was launched prior to the revised SEBI (Share Based Employee Benefits) Regulations, 2014, the shareholders' approval was not required to be obtained for grant of SAR. Hence, the percentage has been arrived at considering the paid-up equity capital as at 31.03.2011, the year immediately preceding the year in which the scheme was approved by the Board of Directors at their Board Meeting held on September 13, 2011.

For and on behalf of the Board of Directors

Dr. Desh Bandhu Gupta
Chairman
 (DIN: 00209378)

Mumbai, May 19, 2016

ANNEXURE 'F'

TO THE DIRECTORS' REPORT

STATEMENT OF PARTICULARS AS PER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

Sl. No.	Name of the Director/Key Managerial Personnel and Designation	Remuneration of Director / Key Managerial Personnel for the year ended March 31, 2016 (₹ in million)	% increase in the remuneration in the year ended March 31, 2016	Ratio of the remuneration of each Director to the median remuneration of the employees	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company
1.	Dr. Desh Bandhu Gupta, <i>Chairman</i>	447.79	19.2%	1317	Standalone profit after tax (PAT) for the year 2015-16, increased by 20.3%.
2.	Dr. Kamal K. Sharma, <i>Vice Chairman</i>	257.36	55%	757	
3.	Mr. Nilesh Gupta, <i>Managing Director</i>	75.91	-	223	
4.	Mrs. M. D. Gupta, <i>Executive Director</i>	5.09	0.8%	15	
5.	Mr. Ramesh Swaminathan, <i>Chief Financial Officer & Executive Director</i>	70.95	-	209	
6.	Dr. Vijay Kelkar, <i>Independent Director</i>	3.66	0.5%	11	
7.	Mr. R. A. Shah, <i>Independent Director</i>	3.68	-	11	
8.	Mr. Richard Zahn, <i>Independent Director</i>	6.79	161.2%	20	
9.	Dr. K. U. Mada, <i>Independent Director</i>	3.40	1.2%	10	
10.	Mr. Dileep C. Choksi, <i>Independent Director</i>	3.26	2.5%	10	
11.	Mr. Jean-Luc Belingard <i>Independent Director</i> (w.e.f. October 27, 2015)	2.90	N.A.	9	
12.	Mr. R. V. Satam, <i>Company Secretary</i>	8.30	40.7%	N.A.	PAT for the year 2015-16, increased by 20.3%.

- i) Mr. Ramesh Swaminathan, Chief Financial Officer joined the Board w.e.f. October 27, 2015. Remuneration mentioned above is for the full year.
- ii) The median remuneration of employees of the Company during the year ended March 31, 2016 was ₹ 0.34 million.
- iii) During the year ended March 31, 2016, there was an increase of 6% in the median remuneration of employees.
- iv) As on March 31, 2016, the Company had 16351 permanent employees.

v) Relationship between average increase in the remuneration and performance of the Company: -

PAT for the year ended March 31, 2016 increased by 20.3% and the median remuneration by 6%.

vi) Comparison of remuneration of the Key Managerial Personnel against the performance of the Company: -

While PAT rose by 20.3% from ₹ 23973.5 million in 2014-15 to ₹ 28850.7 million in 2015-16, the total remuneration of Key Managerial Personnel rose by 17.7% from ₹ 735.35 million in 2014-15 to ₹ 865.40 million in 2015-16.

vii) Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer: -

Sl. No.	Particulars	As at March 31, 2016	As at March 31, 2015
1.	Market Capitalisation	BSE ₹ 666975.4 million	BSE ₹ 902145.6 million
		NSE ₹ 666524.9 million	NSE ₹ 902752.4 million
2.	Price Earnings Ratio (Based on Consolidated Profits)	BSE 29.4	BSE 37.5
		NSE 29.4	NSE 37.6

The Company came with an Initial Public Offer in August 1993 at the price of ₹ 10/- per equity share of ₹ 10/- each. As on March 31, 2016, the closing price of the Company's share of ₹ 2/- each was ₹ 1480.25 on BSE Limited and ₹ 1479.25 on The National Stock Exchange of India Limited.

viii) During the financial year 2015-16, there was an average 11.85% increase in the salaries of employees other than the key managerial personnel. Remuneration of the key managerial personnel rose by 17.7% in line with the volume of the Company's business and profits earned by it and their responsibilities.

ix) Key parameters for any variable component of remuneration availed by the directors: -

In terms of his appointment, Dr. Desh Bandhu Gupta, Chairman, is entitled to commission @ 1% of the net profit calculated in accordance with the provisions of Sections 197 and 198 of the Companies Act, 2013.

In terms of their appointments, Dr. Kamal K. Sharma, Vice Chairman and Mr. Nilesh Gupta, Managing Director are eligible to Performance-linked incentives not exceeding 50% of the fixed cost to the Company, as may be determined by the Board including any Committee constituted by the Board.

In terms of his appointment, Mr. Ramesh Swaminathan, Chief Financial Officer & Executive Director is eligible to Performance-linked incentive not exceeding 50% of the fixed cost to the Company, as may be determined by the Chief Executive Officer/Managing Director of the Company.

x) During the year ended, March 31, 2016, there was no employee, who is not a director of the Company and in receipt of remuneration in excess of the highest paid director of the Company.

xi) We affirm that the remuneration paid is as per the Remuneration policy of the Company.

STATEMENT OF PARTICULARS AS PER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

Employed throughout the year and in receipt of remuneration aggregating ₹ 6,000,000/- or more.

Name, Designation, Qualifications, Date of commencement of employment, Experience, Gross remuneration, Age and Previous employment.

Dhawan Vinod, Group President - AAMLA & Business Development, B.Sc. (Textile Tech.), MBA, 02-Jan-2004, 48, 82,334,651, 71, Ranbaxy Laboratories Ltd.; Gupta Desh Bandhu, Executive Chairman, M.Sc., 11-Jul-1972, 48, 447,787,315, 78, -, Sharma Kamal K., Vice Chairman, B. E. (Chemical Engg.), PGDIM, AMP (Harvard - Boston), Ph.D. (ECO.), 29-Sep-2003, 47, 257,356,860, 67, R.P.G. Enterprises Ltd.; Chakraborty Shakti, Group President - India Region Formulations, B.Com., 24-Feb-2000, 45, 70,792,267, 69, Wockhardt Ltd.; Patil P. A., Vice President - Outbound Supply Chain & Business Development, B.A., Dip. In Comm., Admn. & Exports, 01-Sep-1983, 44, 16,955,792, 67, Garware Plastics & Polyester Ltd; Gupta Sitaram, Director - Rural Development, B.E. (Electrical), 01-May-2004, 43, 13,418,698, 66, Lupin Human Welfare & Research Foundation; Chakravorty Debabrata, President - Supply Planning & Global Sourcing, M. Pharm, PGDBA, MBA Pharm (PGPMAX-ISB), A.M.I.E., 11-Mar-1991, 38, 35,541,911, 61, Ranbaxy Laboratories Ltd.; Ghosh Alok, President - Technical Operations, M. Pharm 19-Feb-2007, 38, 45,860,807, 62, Ranbaxy, Laboratories Ltd.; Kulkarni Shrikant C., Sr. Vice President - Exports, B.Sc., MMS, 18-Jul-1994, 38, 16,233,507, 60, Hoechst India Ltd.; Satpute Vilas Sridhar, Exec. Vice President - API Manufacturing, B. Tech. (Chemical Engg.), 22-Nov-2004, 38, 18,844,461, 61, Glenmark Pharmaceuticals Ltd.; Gupta Naresh, President - API Marketing & GTB, B.Sc., MBA, M.Phil., 06-Feb-1991, 37, 49,709,566, 59, Business Forms Ltd.; Kamboj Rajender, President - Novel Drug Discovery & Development, M. Pharm, Ph.D., 27-Jun-2008, 37, 65,872,235, 63, Xenon Pharmaceuticals Inc.; Bhagwat Pradeep S., General Manager - Investor Services, B.Com., LLB, Diploma in FA & Admin., 14-Dec-1993, 36, 7,962,241, 57, Tata Share Registry Ltd.; Gupta Khushi Ram, Director - Corporate Affairs, M.Com., 20-May-1979, 36, 20,993,012, 60, -; Jamadagni Sudheendra R., Sr. Vice President - Projects, B. Tech. (Mechanical), 14-Feb-1986, 36, 13,784,276, 58, Mahindra & Mahindra Ltd.; Khaitan Ramessh Kr., Sr. Vice President - Taxation, B.Com., LLB, 08-May-1997, 36, 18,977,328, 55, Ispat Industries Ltd.; Khapare Sitaram, General Manager - Projects, B.E. (Chemical), 22-Sep-1998, 36, 7,496,393, 53, IBI Chemator Engineering Ltd.; Venkataraman C. V., General Manager - Corporate Affairs, M.Com., 01-Apr-1982, 36, 8,645,295, 56, Babson & Co.; Patil Rajeev P., Sr. Vice President - Regulatory Affairs, M.Sc., 01-Aug-1986, 35, 17,202,355, 60, Fairdeal Corporation Ltd.; Gore Atul Janardan, Sr. Vice President - API Marketing, B.Com., PGP, 6-Mar-1989, 34, 15,944,433, 55, Banque Indosuez; Gupta Rakesh, Sr. General Manager - Marketing & Sales, B.Sc., PGDBM, 19-Jul-1985, 34, 7,014,674, 55, Optrex Limited; Hegde Dineshchandra A., Sr. General Manager - Pharma Materials, B.Com., 22-Feb-1993, 34, 7,580,934, 58, Sipta Coated Steels; Sharma Krishan Chandra, Vice President - Works (Mandideep), B.Sc., M.Sc. (Organic Chemistry), 03-Apr-1985, 34, 12,506,706, 56, Jain Kaliawala Chemicals Ltd.; Bakhle Dhananjay S., Exec. Vice President - Medical Research, MBBS, MD, 17-Dec-2009, 33, 30,146,560, 56, Reliance Clinical Research Services; Chunodkar Rajendra B., Exec. Vice President - Global Supply Chain & Technology, B. Chem. Engg., DSM, MBA (PGPMAX-ISB), 02-Jun-1986, 33, 22,209,875, 54, Davy Powergas India Ltd.; Kapoor Prafull, General Manager - Engineering, B.Sc., BE (Mechanical), MBA, 13-Mar-1993, 33, 8,001,367, 56, Borar Electronics; Kaza Divakar, President - Human Resources Management, B.A., M.A. (PM & IR), 08-Dec-2008, 33, 47,236,506, 56, Tract2 Consulting Pvt. Ltd.; Kamat Ganadhish, Exec. Vice President - Corp. Q. A. (Formulations), M. Pharm, DBM, 03-Jul-2006, 32, 26,961,882, 53, Sandoz Pvt. Ltd.; Singh Brijendra, Sr. General Manager - Marketing & Sales, M.Sc., 25-Jun-1986, 32, 8,417,647, 52, Deem Pharma; Bose Hirak, Sr. General Manager - Marketing & Sales, B.Sc., 7-May-2003, 31, 9,154,221, 51, Sigma Labs. Ltd.; Chettiari Suresh, Vice President - Treasury, B.Com., MBA, 15-Apr-1988, 31, 11,025,771, 49, Inter Craft Ltd.; Makharia Sunil, President - Finance, B.Com., FCA, MBA (PGPMAX-ISB), 20-May-1996, 31, 37,627,223, 53, Grasim Industries Ltd.; Manchanda Lalit B., General Manager - Administration, B.Com., Diploma in BA, Cert. in Pers. Mgmt., 01-Oct-2001, 31, 6,886,650, 49, Hindustan Coca-Cola Beverages Ltd.; Satam Rajvardhan V., Company Secretary, B.Com., ICWA, LLB, ACS, 10-Jul-1992, 31, 8,300,252, 52, Trikaya Grey Ltd.; Srinivasulu Camsaripalli, Sr. Vice President - HR Operations, B.Sc., MA, PGDPM, 5-Jul-2011, 31, 18,479,417, 55, Hindustan Coca-Cola Beverages Ltd.; Galrani Narendra V., General Manager - Engineering, B.E. (Mechanical), 26-Oct-2007, 30, 7,355,039, 53, Sabero Organics Ltd.; Kothiwale Vijaykumar A., Vice President - Works (Tarapur), B.Sc., B.E. (Chemical), 02-Dec-1996, 30, 12,722,654, 55, Transchem Ltd.; Lasod Sudhir Kumar, General Manager - Operation Excellence (Engg.), B.E. (Prodn. Mgmt.), Diploma in Mechanical Engg., 14-Apr-1989, 30, 8,557,626, 54, Jayant Vitamins Ltd.; Muralikrishna D., Sr. General Manager - Process Development, M.Sc., 17-Jan-1989, 30, 10,681,200, 53, Cepharmltd.; Swaminathan Ramesh, Chief Financial Officer & Executive Director, C.A., ICWAI, ICSI, CIMA, 04-Jul-2007, 30, 70,947,598, 50, Henkel; Upadhyay Pritesh R., Sr. Vice President - Analytical, M.Sc., Ph.D., 12-Jul-1986, 30, 17,305,832, 54, Unique Pharmaceuticals Ltd.; Chaudhari Abir, Vice President - Marketing & Sales, B.Sc., 23-Jun-1986, 29, 12,829,808, 53, -; Kasbi Deepak, Vice President - Corporate Quality, M.Sc., 21-Apr-2005, 29, 11,887,806, 51, Alembic Ltd.; Kasibhatta Ravi Shekar, Sr. Vice President - Clinical Research, B.Sc. (Botany), M.Sc. (Immunology), Ph.D., 5-Sep-2006, 29, 15,761,678, 52, Dr. Reddy's Laboratories Ltd.; Kumar Praveen P. S., Sr. General Manager - Marketing & Sales, M.Sc., B.ED., 06-Dec-1983, 29, 8,846,941, 57, Chemage Ltd.; Martins Bosco Caridade, Vice President - Projects, B.E. (Chemical), 01-Nov-1990, 29, 12,551,502, 51, Nocil Agrochemicals Ltd.; Nayak Chetan N., General Manager - Accounts, B.Com., M.Com., ICWA, 2-Sep-2002, 29, 7,571,877, 52, Blue Star Ltd.; Dhamnaskar Vishwajeet, Vice President - Global Supply & Planning, B.E. (Mechanical), PGDIE, MAM, 09-Aug-2010, 28, 10,807,047,



51, Wockhardt Ltd.; Gandhi Dhansukh M., Vice President - Works (Ankleshwar), B.E. (Chemical), 11-Mar-1988, 28, 10,612,724, 54, Hoechst India Ltd.; Sar Rituraj, Head - Learning & Development, B.Sc., MBA, 04-Sep-2006, 28, 12,336,363, 52, IBM Daksh Business Process Services; Singh Girij Pal, Sr. Vice President - R&D (Generic Research), M.Sc., Ph.D., 8-Jan-2001, 28, 17,842,150, 53, J. K. Drugs & Pharmaceuticals; Avachat Makarand K., Sr. Vice President - Pharma R & D, M. Pharm, 15-May-2002, 27, 18,193,628, 50, Blue Cross Laboratories Ltd.; Mohile Chetan Ramesh, Sr. General Manager - Projects, B.A., Dip. in Mech. Engg. & Mtrls. Mgmt., 22-Jul-2002, 27, 8,038,279, 48, Apex Electronic Pvt. Ltd.; Saraswat Aditya V., Director - Pharma Analytical, B.Sc., M.Sc., 15-Nov-1989, 27, 8,318,532, 49, M.A.C.T.; Srivastava Dhananjai, Director - Process Research, M.Sc., Ph.D. (Chemistry), 4-Apr-2003, 27, 7,560,489, 52, Ind-Swift Labs. Ltd.; Agarwal Pankaj, Vice President - Operational Excellence, B.E. (Industrial), ME (NITIE), 02-Aug-2013, 26, 9,306,475, 49, Tata Consultancy Services Ltd.; Bhise Nandu, Vice President - Process Research, M. Sc., Ph.D. (Organic Chemistry), 04-Nov-2009, 26, 11,540,707, 51, USV Ltd.; Joshi Shrinivas Vishwas, Sr. General Manager - Internal Audit, B.Com., ICWA, ACS, 28-Jan-1990, 26, 8,425,753, 47, -; Pareek Gautam, Vice President - Works (Aurangabad), B.E., 21-Aug-2007, 26, 12,368,558, 48, Aventis Pharmaceuticals Ltd.; Sheth Snehal M., General Manager - Works (Dabhasa), B.E. (Chemical), 3-Sep-2004, 26, 7,466,492, 49, Unimark Remedies Ltd.; Trivedi Anurag, Director - API Analytical, M.Sc., Ph.D. (Chemistry), 15-Nov-1989, 26, 8,556,546, 49, -; Chatterjee Abhijit, Sr. General Manager - Process Research, B.Sc., PGP, Diploma in Marketing, 26-Dec-2003, 25, 7,918,294, 47, Cadila Pharma Ltd.; Muttineni Sreekanth, Sr. Vice President - Works (Goal), M. Pharm, MBA, 20-Dec-2007, 25, 20,226,783, 48, Aurobindo Pharmaceuticals Ltd.; Nusetti Mohan Krishna, Vice President - Indirect Taxation, B.Sc., MBA (International Marketing), 02-Jul-2013, 25, 8,303,163, 47, BSR & Co. Ltd.; Patil Dhananjay, Sr. General Manager - Quality, M.Sc., Ph.D. (Analytical Chemistry), 12-Apr-2006, 25, 8,057,019, 48, FDC Ltd.; Karkaria Cyrus, President - Biotech Business, B.Sc., M.Sc., Ph.D. (Biochemistry), 15-Dec-2010, 24, 39,249,183, 55, Celledex Therapeutics; Kulkarni Suchet S., General Manager - Pharma Research, B. Pharm, M. Pharm, 04-Jan-2001, 23, 8,244,306, 46, Ranbaxy Laboratories Ltd.; Narasimhan Lakshmi, Associate Director - NDDD (Analytical), M.Sc., Ph.D., 29-Sep-2009, 23, 8,872,769, 46, Nycomed Pharmaceuticals Pvt. Ltd.; Pimpale Nilaysh, Sr. General Manager - Projects, B.E. (Civil), 01-Aug-2010, 23, 8,905,993, 45, Landmark Builders Pvt. Ltd.; Ray Purna Chandra, Director - Process Research, M.Sc., M. Phil, Ph.D. (Chemistry), 30-Dec-2009, 23, 10,229,701, 56, Inogen Laboratories Pvt. Ltd.; Singal Lalit, Head - Finance & Accounts, B.Com., FCA, ACS, CMA, Dip. IFR, 05-Mar-2009, 23, 14,776,405, 48, Miranda Tools Pvt. Ltd.; Vineeth Raghavan, Director - Process Research, M. Pharm, 19-Nov-2011, 23, 9,491,238, 45, Biological E. Ltd.; Meswani Vishal R., General Manager - Marketing, B. Pharm, MMS, 23-Sep-2002, 22, 7,520,080, 44, Ranbaxy Laboratories Ltd.; Talwar Munish, Vice President - Pharma Research, M. Pharm, 23-Jun-2010, 22, 11,901,157, 47, Wockhardt Ltd.; Vijay Kumar T., Vice President - Pharma Research, M. Pharm, 03-May-2004, 22, 11,696,003, 46, Ranbaxy Laboratories Ltd.; Bakshi Jay, Sr. General Manager - I.T., B.E. (Mechanical), Cert. in I.T. Systems, 11-Nov-2002, 21, 6,488,285, 44, Becton Dickinson Ind.; Goel Rajan Naresh, Sr. General Manager - Pharmacology, M. Pharm, Ph.D., 26-Jul-2001, 21, 8,831,724, 46, Ranbaxy Laboratories Ltd.; Samanta Kaushik, Vice President - Corporate EHS, M.Sc. (Environment Science), 21-Feb-2007, 21, 10,116,241, 43, Biocon Ltd.; Sharma Sharad Kumar, Vice President - Drug Safety Assessment, M.V.Sc., Ph.D., 23-Nov-2009, 21, 13,442,951, 48, Glenmark Pharmaceuticals Ltd.; Bhangale Chandrakant S., Sr. General Manager - Process Research, M.Sc., Ph.D., 20-Dec-2004, 20, 8,339,788, 49, Alembic Ltd.; Dahibhate Pramod P., Vice President - Regulatory Affairs, M. Pharm, 01-Feb-2002, 20, 14,604,937, 44, Dabur Research Foundation; Kaushal Anil, Head - OTC Business (India), B. Pharm, PGDBM, 05-Dec-2014, 20, 8,928,634, 42, Dr. Reddy's Laboratories Ltd.; Malewar Nikhil P., General Manager - Pharma Research, M. Pharm, Ph.D. (Pharmaceutics), 6-Nov-2003, 20, 8,431,033, 43, Sun Pharma Ltd.; Mody Rustom, Sr. Vice President - R & D (Biotech), M.Sc., Ph.D. (Microbiology), 12-Mar-2012, 20, 19,813,937, 56, Intas Biopharmaceuticals; Sareen Amit, Vice President, Works (Pithampur), M. Pharm, MBA (Marketing), 01-Jul-2002, 20, 14,804,904, 45, Dabur India Ltd.; Sheth Manish Shirish, Associate Director - NDDD CRU, B. Pharm, Diploma in Finance, 26-Dec-2011, 20, 6,020,047, 47, Glenmark Pharmaceuticals Ltd.; Danait Mayur, Chief Information Officer, B. Tech. (Mech.), PGDM (Operations), 01-Jun-2010, 19, 16,056,919, 42, Kodak India Pvt. Ltd.; Marjit Arnabi, Sr. General Manager - Human Resources, M.Sc., MBA, 26-Jul-2012, 19, 10,083,384, 43, Kimberly Clarke Lever Pvt. Ltd.; Palle Venkata, Sr. Vice President - Discovery Research, M.Sc., Ph.D. (Organic Chemistry), 02-Mar-2010, 19, 26,248,638, 51, Advinus Therapeutics Pvt. Ltd.; Pattapu Mukund S., Sr. General Manager - Planning & Materials, M. Pharm, 19-Nov-2003, 19, 9,851,398, 44, Dr. Reddy's Laboratories Ltd.; Sinha Neelima N., Vice President - Medicinal Chemistry, M.Sc., Ph.D. (Medicinal Chemistry), 09-Oct-2000, 19, 10,818,198, 53, Ranbaxy Laboratories Ltd.; Gorawara Shamsher, Head - Corporate Communication, B.A., PGDBA (University of Michigan), 12-Sep-2008, 18, 8,050,563, 41, South East Asia - Huawei Technologies; Gupta Nilesh, Managing Director, B. Chem. Engg., MBA, Wharton (USA), 02-Sep-2002, 18, 75,913,609, 42; Jiang Kenny Kaiming, Vice President - Business Development, B. Pharmacology, EMBA, 04-Jan-2013, 18, 12,894,292, 55, Bausch & Lomb; Dalal Alpesh, Vice President - Finance, B. Com., ACA, 24-Mar-2009, 17, 9,497,316, 41, Thomas Cook; Godbole Himanshu M., Director - Process Research, M.Sc., Ph.D. (Synthetic Chemistry), 26-Oct-1998, 17, 9,081,565, 45, -; Jalan Vikas, Sr. General Manager - Finance, B.Com. ACA, MBA, 01-Aug-2014, 17, 6,075,109, 38, Multicare Pharmaceuticals, Philippines; Maharaj Narendra, Vice President - Clinical Development; MBBS, MD, 01-Nov-2012, 17, 11,995,727, 44, Tata Consultancy Services Ltd.; Mazumdar Atish, Sr. General Manager - Marketing & Sales, MBA (Marketing), 01-Jun-1998, 17, 10,362,170, 42, -, Prabhu Chandan S., Sr. General Manager - Global Demand Planning, B.Com., ICWA, 5-Jan-2001, 17, 7,807,302, 40, Rhone Poulenc (I) Ltd.; Ramesh M., Vice President - In licensing & Business Development, B. Pharm, MBA, 14-Feb-2005, 17, 8,858,882, 43, USV Ltd.; Mittal Vivek, Vice President - Legal, M.Com., LLB, ACS, Ph.D., 04-Sep-2009, 16, 16,806,328, 39, Reliance Retail Ltd.; Wagh Sanjay C., Director - Pharma Research, M. Pharm, 05-Jun-2012, 16, 8,365,444, 42, Dr. Reddy's Laboratories Ltd.; Kulkarni Sanjeev Anant, Vice President - Medicinal Chemistry, M.Sc., Ph.D. (Organic Chemistry), 21-Dec-2009, 15, 10,865,692, 55, Nycomed Pharmaceuticals Pvt. Ltd.; Arora Deepa, Vice President - Pharma Covigilance, MD,

06-Aug-2009, 14, 11,818,396, 45, Wockhardt Ltd.; Pillai Rajiv Amarnath, Vice President - Corporate Planning, B.Com., ACA, 12-Dec-2011, 14, 13,920,619, 36, Ernst & Young Pvt. Ltd.; Shaji George K., Director - Process Research, M.Sc., M.Phil., Ph.D., 26-Mar-2008, 14, 8,702,963, 51, Syngene International Ltd.; Sindkhedkar Milind D., Sr. General Manager - Medicinal Chemistry, M.Sc., Ph.D. (Organic Chemistry), 15-Jul-2009, 14, 7,241,862, 46, GVK Bio Sciences Pvt. Ltd.; Soman Jaimon John, Business Development Manager - MD (Physician), 26-Feb-2003, 13, 6,528,920, 39, -; Chakravarty Pradeep M., Vice President - Corporate Quality, B.E., M. Tech., 04-Jul-2011, 12, 11,585,304, 47, Claris Life Sciences Ltd.; Nemmani Kumar V. S., Director - Pharmacology, B. Pharm, M. Pharm, Ph.D. (Pharmacology), 24-Aug-2011, 11, 6,578,548, 45, Piramal Life Sciences Ltd.; Repse Mitja, General Manager - Business Development, M.Sc., 10-Dec-2014, 11, 17,314,920, 35, KRKA Pharma.

Employed for a part of the year and in receipt of remuneration aggregating ₹ 500,000/- or more, per month.

Parey Sunil Kumar, General Manager - Process Engineering, M. Tech., 03-Feb-1994, 30, 3,312,252, 54, Ranbaxy Laboratories Ltd.; Singh Satbir, General Manager - Sales, M.Sc., MBA, 06-Jan-1986, 30, 5,194,776, 53, Citizen Paints Ltd.; Dave Rakesh C., General Manager - Production, B. E. (Chemical), 02-Jul-1990, 27, 6,696,873, 49, Calico Polyester Fibres Ltd.; Ishida Takao, Head - Technology Transfer, M. Pharm, 01-Oct-2015, 26, 6,242,831, 50, Kyowa Pharmaceutical Industry Co. Ltd.; Patgaonkar Mangesh V., Sr. General Manager - Production, M.Sc., Certificate In Computer Science, 27-Jun-1998, 25, 6,403,345, 50, Ranbaxy Laboratories Ltd.; Sibal Rajeev - President - India Region Formulations, B.Sc., 16-Jul-2015, 25, 18,093,990, 48, Ranbaxy Laboratories Ltd.; Chaturvedi Vinay Kumar, General Manager - Works (Jammu), B.Sc., B. Pharm PGDMM, 03-Nov-2008, 23, 2,042,170, 49, Torrent Pharmaceuticals Ltd.; Vaidya Kedar Shridhar, General Manager - Finance (Transformational Projects), B.Com., ICWA, 02-Aug-2010, 23, 8,215,783, 44, Wipro Infotech Ltd.; Hans Praveen, General Manager - Mfg. (Biotech), B.E. (Chemical), 16-Apr-2012, 22, 3,100,523, 44, Parabolic Drugs Ltd.; Mehta Alka, Sr. General Manager - IPMG (Formulations), M. Pharm, PGP, Ph.D.(Pharmaceutics), 18-Jan-2016, 22, 1,416,929, 47, Cipla Ltd.; Mohan Arivozhi, Director - Analytical, M.Sc., Ph.D. (Chemistry), 25-Feb-2010, 22, 1,400,892, 46, Shasun Drugs & Chemicals Ltd.; Chaturvedi Alok R., Sr. General Manager - Medical Services, M.Sc., MBBS, PGDBM, 16-May-2011, 20, 7,124,500, 43, Cadila Pharmaceuticals Ltd.; Damle Ashutosh, Vice President - Business Development, M. Pharm, MBA (Marketing), 25-Feb-2009, 18, 9,931,487, 42, Merck Specialities Pvt. Ltd.; Gokhale Kedar Suresh, Associate Director - Formulations (Biotech), B. Pharm, Ph.D. (Pharmaceutics), 20-May-2013, 17, 2,589,193, 42, Johnson & Johnson Ltd.; Mukherjee Shantanu, Sr. General Manager - Legal, BA, LLM, 31-Dec-2015, 13, 1,743,360, 37, Cipla Ltd.; Sardesai Harshendra, General Manager - QA, M.Sc., 01-Dec-2011, 10, 1,173,889, 45, Teva Pharmaceuticals (India) Ltd.

Notes:

1. Remuneration as above excludes contribution to gratuity under "Group Gratuity (Cash accumulation) Scheme" with Life Insurance Corporation of India towards future payment of gratuity.
2. Dr. Desh Bandhu Gupta, Executive Chairman, Dr. Kamal K. Sharma, Vice Chairman, Mr. Nilesh Gupta, Managing Director and Mr. Ramesh Swaminathan, Chief Financial Officer & Executive Director are in Wholetime employment of the Company. Dr. Desh Bandhu Gupta holds office up to December 31, 2020, Dr. Kamal K. Sharma up to September 28, 2017, Mr. Nilesh Gupta up to August 31, 2018 and Mr. Ramesh Swaminathan up to October 26, 2020. All other appointments are non-contractual in nature and terminable by notice on either side.
3. Dr. Desh Bandhu Gupta and Mr. Nilesh Gupta, Directors, are related to each other. None of the other employees in this list is a relative of a Director.
4. Mr. Jiang Kenny Kaiming, Mr. Mitja Repse and Mr. Jaimon John Soman worked overseas and hence, their remuneration are converted in Indian rupees.
5. Dr. Himanshu Godbole, Dr. Kedar Suresh Gokhale, Mr. Khushi Ram Gupta, Mr. Sitaram Gupta, Dr. Arivozhi Mohan, Dr. Lakshmi Narasimhan, Dr. Kumar V. S. Nemmani, Dr. Purna Chandra Ray, Mr. Aditya Saraswat, Dr. George Shaji, Mr. Manish Shirish Sheth, Dr. Dhananjai Srivastava, Dr. Anurag Trivedi, Mr. Vineeth Raghavan and Mr. Sanjay C. Wagh are designated as Directors in functional capacity only and are not Board members.
6. None of the employees holds, by himself/herself or along with his/her spouse and/or dependent children, more than two percent of the equity share capital of the Company.

For and on behalf of the Board of Directors

Dr. Desh Bandhu Gupta
Chairman
(DIN: 00209378)

Mumbai, May 19, 2016

ANNEXURE 'G' TO THE DIRECTORS' REPORT

**FORM NO. MR.3
SECRETARIAL AUDIT REPORT
FOR THE YEAR ENDED MARCH 31, 2016**

[Pursuant to the provisions of Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel Rules), 2014].

To,
The Members,
Lupin Limited

I have conducted the Secretarial Audit of the compliance with applicable statutory provisions and the adherence to good corporate practices by Lupin Limited (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the year ended March 31, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the year ended March 31, 2016 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the Rules and regulations made thereunder to the extent of Foreign Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - c. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- (ii) The Listing Agreement and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with the BSE Limited and the National Stock Exchange of India Limited.

To the best of my understanding, I am of the view that during the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

Having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following laws applicable specifically to the Company:

- a. Drugs and Cosmetics Act, 1940 and Drugs and Cosmetics Rules, 1945;
- b. Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954; and
- c. Drugs (Price Control) Order, 2013.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review, were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with my letter of even date which is enclosed as Annexure 'G' - 1 and forms integral part of this Report.

Ms. Neena Bhatia
(Company Secretary)

ACS No: 11950

CP. No.: 2661

Place: Mumbai

Date: May 18, 2016

ANNEXURE 'G'-1

(TO THE SECRETARIAL AUDIT REPORT OF LUPIN LIMITED FOR YEAR ENDED MARCH 31, 2016).

To,
The Members,
Lupin Limited

My Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on the secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the management representation letter about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Ms. Neena Bhatia
(Company Secretary)

ACS No: 11950
CP. No.: 2661

Place: Mumbai
Date: May 18, 2016

ANNEXURE 'H' TO THE DIRECTORS' REPORT

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN
as on the year ended March 31, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i)	Corporate Identity Number (CIN)	:	L24100MH1983PLC029442
(ii)	Registration Date	:	March 1, 1983
(iii)	Name of the Company	:	LUPIN LIMITED
(iv)	Category/Sub-Category of the Company	:	Company having Share Capital
(v)	Address of the Registered office and contact details	:	159, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098, India. Effective June 1, 2016: Kalpataru Inspire, 3rd Floor, Off Western Express Highway, Santacruz (East), Mumbai - 400 055, India. Tel. No. + 91 22 6640 2323
(vi)	Whether listed Company	:	Yes
(vii)	Name, address and contact details of Registrar and Transfer Agent, if any	:	The Company has an in-house Investors' Services Department at the Registered Office address. Tel. No. + 91 22 6640 2323 Ext: 2402/2403

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
Pharmaceuticals	210	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Lupin Pharmaceuticals, Inc., HarborPlace Tower, 111, South Calvert Street, 21 st Floor, Baltimore, MD 21202, USA.	N.A. *	Subsidiary	100%	2(87)
2.	Kyowa Pharmaceutical Industry Co., Ltd., Shin - Osaka, MT Building I, Nishinakajima, Yodogawa - ku, Osaka 532-0011, Japan.	N.A. *	Subsidiary	99.82%	2(87)
3.	Pharma Dynamics (Proprietary) Ltd., 1 st Floor, Grapevine House, Steenberg Office Park, Silverwood Close, Westlake, Cape Town, 7945, P.O. Box 30958, South Africa.	N.A. *	Subsidiary	100%	2(87)

Sl. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
4.	Hormosan Pharma GmbH, Wilhelmshoher Strabe 106 D-60389, Frankfurt, Germany.	N.A. *	Subsidiary	100%	2(87)
5.	Multicare Pharmaceuticals Philippines, Inc., 26 th Floor, Rufino Tower 6784 Ayala Avenue, Makati City, 1226 Philippines.	N.A. *	Subsidiary	51%	2(87)
6.	Generic Health Pty Ltd., Level 1, East/1100-1102, Toorak Road, Camberwell, Victoria 3124, Australia.	N.A. *	Subsidiary	100%	2(87)
7.	Kyowa CritiCare Co., Ltd., 4-18-29, Asahicho, Atsugi-City, Kanagawa 243-0014, Japan.	N.A. *	Subsidiary	99.82%	2(87)
8.	Lupin Holdings B.V., Naritaweg 165, Telestone 8, 1043 BW Amsterdam, The Netherlands.	N.A. *	Subsidiary	100%	2(87)
9.	Lupin Atlantis Holdings SA, Landis + Gyr-Strasse 1, 6300 Zug, Switzerland.	N.A. *	Subsidiary	100%	2(87)
10.	Lupin (Europe) Ltd., Suite 1, Victoria Court, Bexton Road, Knutsford, Cheshire, WA 16, 0PF, UK.	N.A. *	Subsidiary	100%	2(87)
11.	Lupin Australia Pty Ltd., Level 1, East/1100-1102, Toorak Road, (Camberwell, Victoria 3124, Australia).	N.A. *	Subsidiary	100%	2(87)
12.	Lupin Pharma Canada Ltd., 40 King Street West, 2100 Scotia Plaza, Toronto, Canada M5H 3C2.	N.A. *	Subsidiary	100%	2(87)
13.	Lupin Mexico S.A. de C.V., Matias Romera No.216, 5 Piso, Oficina 502, Col. Del Valle, Mexico - 03100.	N.A. *	Subsidiary	100%	2(87)
14.	Bellwether Pharma Pty Ltd., Level 1, East/1100-1102, Toorak Road, Camberwell, Victoria 3124, Australia.	N.A. *	Subsidiary	100%	2(87)
15.	Lupin Philippines, Inc., 1135 Chino Roces Avenue, Makati City, 1231, Philippines.	N.A. *	Subsidiary	100%	2(87)
16.	Lupin Healthcare Ltd., Kalpataru Inspire, 3 rd Floor Off Western Express Highway, Santacruz (East), Mumbai - 400 055	U24100MH2011PLC214885	Subsidiary	100%	2(87)
17.	Generic Health SDN. BHD., Upper Penthouse, Wisma RKT, No.2, Jalan Raja Abdulla, Off Jalan Sultan Ismail, 50300 Kuala Lumpur, Malaysia.	N.A. *	Subsidiary	100%	2(87)

Sl. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
18.	Lupin Middle East FZ-LLC, Executive Office No. 109, Floor No. 1, Block No. 03, Dubai International Academic City, P.O. Box - 345029, Dubai, U.A.E.	N.A. *	Subsidiary	100%	2(87)
19.	Lupin Inc., HarborPlace Tower, 111 South Calvert Street, 21 st floor, Baltimore, MD 21202, USA.	N.A. *	Subsidiary	100%	2(87)
20.	Lupin GmbH, Durachweg 13 8200 Schaffhausen, Switzerland.	N.A. *	Subsidiary	100%	2(87)
21.	Lupin Farmaceutica do Brasil LTDA, (up to December 31, 2015), Alameda Tuca, 150, Sala 02, Jar.din Dos IPES - Cotia - SP CEP 06716-190, Brazil.	N.A. *	Subsidiary	100%	2(87)
22.	Nanomi B.V., Zutphenstraat 51, 7575 EJ OLDEN ZAAL, Netherlands.	N.A. *	Subsidiary	100%	2(87)
23.	Laboratorios Grin, S.A. de C.V., Rodriguez Saro numero 630, Colonial del Valle, Delegacion Benito, Juarez, C.P., 03100, en Mexico D.F., Mexico.	N.A. *	Subsidiary	100%	2(87)
24.	Medquimica Industria Farmaceutica LTDA, Rua Otacillo Esteves da Silva 40, Granjas Betania - Juiz de Fora, Estado de Minas Gerais, CEP, 36047400.	N.A. *	Subsidiary	100%	2(87)
25.	Gavis Pharmaceuticals, LLC, 400 Campus Drive, Somerset, New Jersey-00873-1145, USA.	N.A. *	Subsidiary	100%	2(87)
26.	Novel Laboratories, Inc., 400 Campus Drive, Somerset, New Jersey-00873-1145, USA.	N.A.*	Subsidiary	100%	2(87)
27.	VGS Holdings, Inc., 400 Campus Drive, Somerset, New Jersey-00873-1145, USA.	N.A. *	Subsidiary	100%	2(87)
28.	Edison Therapeutics, LLC, 1209 Orange Street, City of Wilmington, County of New Castle, Delaware 19801, USA.	N.A.*	Subsidiary	100%	2(87)
29.	Novel Clinical Research (India) Pvt. Ltd., No. K 1608, Brigade Gateway, 26/1, Dr. Rajkumar Road, Malleshwaram West, Bangalore - 560 055.	U73100KA2012FTC067065	Subsidiary	100%	2(87)
30.	Lupin Research Inc., HarborPlace Tower, 111 South Calvert Street, 21 st floor, Baltimore, MD 21202, USA.	N.A.*	Subsidiary	100%	2(87)
31.	Lupin Pharma LLC, Russia Russian Federation, 1 17246, Moscow, Nauchny proezd, 17, premises XXXIV, Rooms 1-14.	N.A.*	Subsidiary	100%	2(87)

* Incorporated outside India.

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding:

Category of shareholders		No. of Shares held at the beginning of the year i.e. as on 01.04.2015				No. of Shares held at the end of the year i.e. as on 31.03.2016				% change during the year
		Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
(A)	Promoters									
(1)	Indian									
(a)	Individuals / HUF	6957870	0	6957870	1.55	6661995	0	6661995	1.48	-0.07
(b)	Central Government	-	-	-	-	-	-	-	-	-
(c)	State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corporate	201840570	0	201840570	44.90	202140570	0	202140570	44.86	-0.04
(e)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(f)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total (A)[1]:	208798440	0	208798440	46.45	208802565	0.00	208802565	46.34	-0.11
(2)	Foreign									
(a)	NRIs – Individuals	803800	0	803800	0.18	803800	0	803800	0.18	0.00
(b)	Other - Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks / FI	-	-	-	-	-	-	-	-	-
(e)	Any other	-	-	-	-	-	-	-	-	-
	Sub-Total (A)[2]:	803800	0	803800	0.18	803800	0	803800	0.18	0.00
	Total Shareholding of Promoter and Promoter Group (A) = (A)[1] + (A)[2]	209602240	0	209602240	46.63	209606365	0	209606365	46.52	-0.11
(B)	Public shareholding									
(1)	Institutions									
(a)	Mutual Funds	18741180	30700	18771880	4.18	17347178	30700	17377878	3.86	-0.32
(b)	Banks / FI	169785	5100	174885	0.04	973992	3900	977892	0.22	0.18
(c)	Central Government	0	0	0	0.00	612381	0	612381	0.14	0.14
(d)	State Government(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	20013806	100	20013906	4.45	13115590	100	13115690	2.91	-1.54
(g)	FIs	155915326	3600	155918926	34.69	158352857	3600	158356457	35.14	0.46
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i)	Any other	-	-	-	-	-	-	-	-	-
	Foreign Bodies	7079	0	7079	0.00	7079	0	7079	0.00	0.00
	Sub Total: (B) [1]	194847176	39500	194886676	43.46	190409077	38300	190447377	42.27	-1.09
(2)	Non-Institutions									
(a)	Bodies Corporate									
	i) Indian	5058015	77800	5135815	1.41	5400916	30000	5430916	1.21	0.6
	ii) Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals -									
	i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	21010609	1932376	22942985	5.10	23380510	1780626	25161136	5.58	0.48
	ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	13733880	0	13733880	3.06	13528457	0	13528457	3.00	-0.05
(c)	Others (specify)									
	Non-Resident Indians	1667237	21600	1688837	0.38	2982875	21500	3004375	0.67	0.29
	Foreign Nationals	111846	0	111846	0.02	72439	0	72439	0.02	-0.01
	Clearing Members	677658	0	677658	0.15	2196043	0	2196043	0.49	0.34
	Trusts	708398	0	708398	0.16	1135861	0	1135861	0.25	0.09
	Sub Total: (B) [2]	42967643	2031776	44999419	10.01	48697101	1832126	50529227	11.22	1.20
	Total Public Shareholding (B) = (B)[1] + (B)[2]	237814819	2071276	239886095	53.37	239106178	1870426	240976604	53.48	0.11
	TOTAL (A) + (B)	447417059	2071276	449488335	100.00	448712543	1870426	450582969	100.00	0.00
(C)	Shares held by Custodians for GDRs and ADRs									
	GRAND TOTAL: (A) + (B) + (C)	447417059	2071276	449488335	100.00	448712543	1870426	450582969	100.00	0.00

ii) Shareholding of Promoters:

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year as on 01.04.2015			No. of Shares held at the end of the year as on 31.03.2016			% change in share-holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Zyma Laboratories Ltd.	54960490	12.23	0.00	55260490	12.26	0.00	0.04
2.	Rahas Investments Pvt. Ltd.	45699510	10.17	0.00	45699510	10.14	0.00	-0.02
3.	Visiomed Investments Pvt. Ltd.	43514660	9.68	0.00	43514660	9.66	0.00	-0.02
4.	Lupin Holdings Pvt. Ltd.	40401000	8.99	0.00	40401000	8.97	0.00	-0.02
5.	Lupin Investments Pvt. Ltd.	15401910	3.43	0.00	15401910	3.42	0.00	-0.01
6.	Manju D Gupta	3491820	0.78	0.00	3491820	0.77	0.00	0.00
7.	D. B. Gupta	2160330	0.48	0.00	1860330	0.41	0.00	-0.07
8.	Lupin International Pvt. Ltd.	1863000	0.41	0.00	1863000	0.41	0.00	0.00
9.	Desh Bandhu Gupta	647580	0.14	0.00	647580	0.14	0.00	0.00
10.	Nilesh D Gupta	625240	0.14	0.00	625240	0.14	0.00	0.00
11.	Anuja D Gupta	622320	0.14	0.00	622320	0.14	0.00	0.00
12.	Richa D Gupta	129880	0.03	0.00	129880	0.03	0.00	0.00
13.	Vinita Gupta	51600	0.01	0.00	51600	0.01	0.00	0.00
14.	Kavita Gupta	27600	0.01	0.00	27600	0.01	0.00	0.00
15.	Veda Nilesh Gupta	5050	0.00	0.00	9175	0.00	0.00	0.00
16.	Shefali Nath	250	0.00	0.00	250	0.00	0.00	0.00
	Total:	209602240	46.63	0	209606365	46.51	0	-0.10

iii) Change in Promoters' Shareholding:

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year as on 01.04.2015			No. of Shares held at the end of the year as on 31.03.2016			% change in share-holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Zyma Laboratories Ltd.	54960490	12.23	0.00	55260490	12.26	0.00	0.04
2.	D. B. Gupta	2160330	0.48	0.00	1860330	0.41	0.00	-0.07
3.	Veda Nilesh Gupta	5050	0.00	0.00	9175	0.00	0.00	0.00
	Total:	57125870	12.71	0.00	57129995	12.67	0.00	-0.03

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Shareholder	Date	Increase/decrease and reason* for the same	No. of Shares held at the beginning of the year as on 01.04.2015		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Rakesh Jhunjhunwala	At the beginning of the year	-	7168105	1.59	-	-
		10.04.2015	-50000	-	-	7118105	1.58
		17.04.2015	-265000	-	-	6853105	1.52
		24.04.2015	-285000	-	-	6568105	1.46
		01.05.2015	-60000	-	-	6508105	1.45
		08.05.2015	-40500	-	-	6467605	1.44
		15.05.2015	85000	-	-	6552605	1.46
		29.05.2015	-830000	-	-	5722605	1.27
		05.06.2015	15000	-	-	5737605	1.28
		12.06.2015	105000	-	-	5842605	1.30
		19.06.2015	315500	-	-	6158105	1.37
		30.06.2015	369500	-	-	6527605	1.45
		31.07.2015	-85000	-	-	6442605	1.43
		07.08.2015	125000	-	-	6567605	1.46
		14.08.2015	-2500	-	-	6565105	1.46
		28.08.2015	-75000	-	-	6490105	1.44
		04.09.2015	25000	-	-	6515105	1.45
		11.09.2015	-12500	-	-	6502605	1.44
		25.09.2015	110000	-	-	6612605	1.47
		02.10.2015	25000	-	-	6637605	1.47
		06.11.2015	650000	-	-	7287605	1.62
		11.12.2015	-60000	-	-	7227605	1.60
		18.12.2015	225000	-	-	7452605	1.65
		25.12.2015	-30000	-	-	7422605	1.65
		31.12.2015	-7500	-	-	7415105	1.65
		22.01.2016	35500	-	-	7450605	1.65
05.02.2016	4500	-	-	7455105	1.65		
04.03.2016	50500	-	-	7505605	1.67		
11.03.2016	66000	-	-	7571605	1.68		
18.03.2016	59000	-	-	7630605	1.69		
31.03.2016	446830	-	-	8077435	1.80		
	At the end of the year	-	-	-	8077435	1.79	
2.	National Westminster Bank Plc	At the beginning of the year	-	7188394	1.60	-	-
		At the end of the year	-	-	-	7188394	1.60

Sl. No.	Name of the Shareholder	Date	Increase/decrease and reason* for the same	No. of Shares held at the beginning of the year as on 01.04.2015		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
3.	Government of Singapore	At the beginning of the year	-	4424625	0.98	-	-
		01.05.2015	3640	-	-	4428265	0.98
		15.05.2015	-125925	-	-	4302340	0.96
		22.05.2015	103744	-	-	4406084	0.98
		29.05.2015	235648	-	-	4641732	1.03
		05.06.2015	883250	-	-	5524982	1.23
		12.06.2015	-4468	-	-	5520514	1.23
		30.06.2015	93778	-	-	5614292	1.25
		03.07.2015	81368	-	-	5695660	1.27
		10.07.2015	52813	-	-	5748473	1.28
		31.07.2015	31989	-	-	5780462	1.28
		07.08.2015	79296	-	-	5859758	1.30
		21.08.2015	-10000	-	-	5849758	1.30
		28.08.2015	263437	-	-	6113195	1.36
		04.09.2015	238399	-	-	6351594	1.41
		11.09.2015	-95193	-	-	6256401	1.39
		02.10.2015	78607	-	-	6335008	1.41
		09.10.2015	190273	-	-	6525281	1.45
		23.10.2015	-3354	-	-	6521927	1.45
		30.10.2015	-48635	-	-	6473292	1.44
		06.11.2015	-7444	-	-	6465848	1.44
		13.11.2015	159481	-	-	6625329	1.47
		20.11.2015	-5309	-	-	6620020	1.47
		04.12.2015	-60387	-	-	6559633	1.46
		11.12.2015	-1343	-	-	6558290	1.46
		18.12.2015	3	-	-	6558293	1.46
		31.12.2015	-17660	-	-	6540633	1.45
		08.01.2016	55595	-	-	6596228	1.46
		15.01.2016	-3240	-	-	6592988	1.46
		22.01.2016	-9	-	-	6592979	1.46
		29.01.2016	110364	-	-	6703343	1.49
		05.02.2016	235176	-	-	6938519	1.54
		12.02.2016	55957	-	-	6994476	1.55
		26.02.2016	-5	-	-	6994471	1.55
		04.03.2016	-17748	-	-	6976723	1.55
		11.03.2016	-2210	-	-	6974513	1.55
		18.03.2016	40006	-	-	7014519	1.56
		25.03.2016	48878	-	-	7063397	1.57
		31.03.2016	55970	-	-	7119367	1.58
		At the end of the year	-	-	-	7119367	1.58

Sl. No.	Name of the Shareholder	Date	Increase/decrease and reason* for the same	No. of Shares held at the beginning of the year as on 01.04.2015		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
4.	The Genesis Emerging Markets Investment Co.	At the beginning of the year	-	2500323	0.56	-	-
		25.09.2015	-230925	-	-	2269398	0.50
		02.10.2015	-280837	-	-	1988561	0.44
		11.03.2016	2604742	-	-	4593303	1.02
		At the end of the year	-	-	-	4593303	1.02
5.	The Genesis Group Trust For Employee Benefit	At the beginning of the year	-	1379085	0.31	-	-
		25.09.2015	-168016	-	-	1211069	0.27
		02.10.2015	-204279	-	-	1006790	0.22
		04.03.2016	-88558	-	-	918232	0.20
		11.03.2016	3464571	-	-	4382803	0.97
At the end of the year	-	-	-	4382803	0.97		
6.	New Perspective Fund	At the beginning of the year	-	Nil	0.00	-	-
		17.04.2015	721746	-	-	721746	0.16
		24.04.2015	204754	-	-	926500	0.21
		08.05.2015	171755	-	-	1098255	0.24
		15.05.2015	126437	-	-	1224692	0.27
		22.05.2015	40000	-	-	1264692	0.28
		05.06.2015	44018	-	-	1308710	0.29
		12.06.2015	197729	-	-	1506439	0.33
		19.06.2015	146761	-	-	1653200	0.37
		17.07.2015	26215	-	-	1679415	0.37
		24.07.2015	330985	-	-	2010400	0.45
		31.07.2015	139000	-	-	2149400	0.48
		07.08.2015	48500	-	-	2197900	0.49
		15.01.2016	187809	-	-	2385709	0.53
		22.01.2016	683619	-	-	3069328	0.68
		29.01.2016	373872	-	-	3443200	0.76
		05.02.2016	327899	-	-	3771099	0.84
		26.02.2016	12642	-	-	3783741	0.84
		04.03.2016	15882	-	-	3799623	0.84
11.03.2016	116534	-	-	3916157	0.87		
18.03.2016	455544	-	-	4371701	0.97		
At the end of the year	-	-	-	4371701	0.97		

Sl. No.	Name of the Shareholder	Date	Increase/decrease and reason* for the same	No. of Shares held at the beginning of the year as on 01.04.2015		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
7	Aberdeen Global Indian Equity (Mauritius) Limited	At the beginning of the year	-	4590751	1.02	-	-
		04.09.2015	-200000	-	-	4390751	0.98
		02.10.2015	-330000	-	-	4060751	0.90
		At the end of the year	-	-	-	4060751	0.90
8.	Fidelity Investment Trust Fidelity Series Emerging Markets Fund	At the beginning of the year	-	2446815	0.54	-	-
		10.04.2015	113150	-	-	2559965	0.57
		17.04.2015	70519	-	-	2630484	0.58
		24.04.2015	99076	-	-	2729560	0.61
		31.07.2015	171609	-	-	2901169	0.64
		07.08.2015	179484	-	-	3080653	0.68
		14.08.2015	188238	-	-	3268891	0.73
		21.08.2015	121255	-	-	3390146	0.75
		28.08.2015	80823	-	-	3470969	0.77
		09.10.2015	94623	-	-	3565592	0.79
		16.10.2015	138061	-	-	3703653	0.82
		23.10.2015	123554	-	-	3827207	0.85
		06.11.2015	181759	-	-	4008966	0.89
		20.11.2015	82270	-	-	4091236	0.91
		27.11.2015	49543	-	-	4140779	0.92
		18.12.2015	-171196	-	-	3969583	0.88
25.12.2015	-40732	-	-	3928851	0.87		
31.12.2015	-37419	-	-	3891432	0.86		
	At the end of the year	-	-	-	3891432	0.86	
9.	Stichting Depository APG Emerging Markets	At the beginning of the year	-	Nil	0.00	-	-
		21.08.2015	2178424	-	-	2178424	0.48
		28.08.2015	144014	-	-	2322438	0.52
		04.09.2015	42967	-	-	2365405	0.53
		11.09.2015	18058	-	-	2383463	0.53
		25.09.2015	-58726	-	-	2324737	0.52
		02.10.2015	-71398	-	-	2253339	0.50
		16.10.2015	-83940	-	-	2169399	0.48
		06.11.2015	-102535	-	-	2066864	0.46
		20.11.2015	-14990	-	-	2051874	0.46
		04.12.2015	-34838	-	-	2017036	0.45
		08.01.2016	-19939	-	-	1997097	0.44
		15.01.2016	-7797	-	-	1989300	0.44
		26.02.2016	102446	-	-	2091746	0.46
		04.03.2016	14624	-	-	2106370	0.47
		11.03.2016	1284145	-	-	3390515	0.75
18.03.2016	72029	-	-	3462544	0.77		
29.03.2016	-18541	-	-	3444003	0.76		
	At the end of the year	-	-	-	3444003	0.76	

Sl. No.	Name of the Shareholder			No. of Shares held at the beginning of the year as on 01.04.2015		Cumulative Shareholding during the year	
		Date	Increase/decrease and reason* for the same	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
10.	Vanguard Emerging Markets Stock Index Fund	At the beginning of the year	-	3844606	0.86	-	-
		10.04.2015	88506	-	-	3933112	0.88
		01.05.2015	10186	-	-	3943298	0.88
		08.05.2015	11575	-	-	3954873	0.88
		24.07.2015	31564	-	-	3986437	0.89
		14.08.2015	-11575	-	-	3974862	0.88
		21.08.2015	-27780	-	-	3947082	0.88
		28.08.2015	-54171	-	-	3892911	0.86
		04.09.2015	-74080	-	-	3818831	0.85
		11.09.2015	-38892	-	-	3779939	0.84
		25.09.2015	-11770	-	-	3768169	0.84
		02.10.2015	-35310	-	-	3732859	0.83
		20.11.2015	-28233	-	-	3704626	0.82
		27.11.2015	-6587	-	-	3698039	0.82
		04.12.2015	-24091	-	-	3673948	0.82
		18.12.2015	-28144	-	-	3645804	0.81
		25.12.2015	-31924	-	-	3613880	0.80
		31.12.2015	-15013	-	-	3598867	0.80
		15.01.2016	-23765	-	-	3575102	0.79
		22.01.2016	-24752	-	-	3550350	0.79
		29.01.2016	-18917	-	-	3531433	0.78
		05.02.2016	-48625	-	-	3482808	0.77
		12.02.2016	-16660	-	-	3466148	0.77
		26.02.2016	-26733	-	-	3439415	0.76
		04.03.2016	-19504	-	-	3419911	0.76
		11.03.2016	-9320	-	-	3410591	0.76
		18.03.2016	-1275	-	-	3409316	0.76
		25.03.2016	-17194	-	-	3392122	0.75
		At the end of the year	-	-	-	3392122	0.75

* Reasons for Increase/Decrease: Transfer of shares.

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Director / Key Managerial Personnel	Date	Reason for increase/decrease	No. of Shares held at the beginning of the year as on 01.04.2015		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Dr. D. B. Gupta	At the beginning of the year	-	2807910	0.62	-	-
		24.02.2016	Inter-se Transfer (-) 300000			2507910	0.56
		At the end of the year	-	-	-	2507910	0.56
2.	Dr. Kamal K. Sharma	At the beginning of the year	-	107400	0.02	-	-
		28.04.2015	ESOPs Exercised (+)100000	-	-	207400	0.05
		28.04.2015	ESOPs Exercised (+)50000	-	-	257400	0.06
		28.09.2015	Market Sale (-) 5000	-	-	252400	0.06
		At the end of the year	-	-	-	252400	0.06
3.	Ms. Vinita Gupta	At the beginning of the year	-	51600	0.01	-	-
		At the end of the year	-	-	-	51600	0.01
4.	Mr. Nilesh Gupta	At the beginning of the year	-	625240	0.14	-	-
		At the end of the year	-	-	-	625240	0.14
5.	Mrs. M. D. Gupta	At the beginning of the year	-	3491820	0.78	-	-
		At the end of the year	-	-	-	3491820	0.77
6.	Mr. Ramesh Swaminathan	At the beginning of the year	-	16360	0.00	-	-
		13.04.2015	Market Sale (-) 2500	-	-	13860	0.00
		15.04.2015	Market Sale (-) 2500	-	-	11360	0.00
		29.06.2015	Market Sale (-) 3406	-	-	7954	0.00
		30.06.2015	Market Sale (-) 1594	-	-	6360	0.00
		01.12.2015	ESOPs Exercised (+) 1837	-	-	8197	0.00
		At the end of the year	-	-	-	8197	0.00

Sl. No.	Name of the Director / Key Managerial Personnel	Date	Reason for increase/decrease	No. of Shares held at the beginning of the year as on 01.04.2015		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
7.	Dr. Vijay Kelkar	At the beginning of the year	-	-	-	-	-
		At the end of the year	-	-	-	-	-
8.	Mr. R. A. Shah	At the beginning of the year	-	32000	0.01	-	-
		At the end of the year	-	-	-	32000	0.01
9.	Mr. Richard Zahn	At the beginning of the year	-	-	-	-	-
		At the end of the year	-	-	-	-	-
10.	Dr. K. U. Mada	At the beginning of the year	-	3500	0.00	-	-
		18.12.2015	Market Purchase (+)100	-	-	3600	0.00
		24.12.2015	Market Purchase (+)75	-	-	3675	0.00
		05.01.2016	Market Purchase (+)25	-	-	3700	0.00
		06.01.2016	Market Purchase (+)100	-	-	3800	0.00
		12.01.2016	Market Purchase (+)25	-	-	3825	0.00
		02.03.2016	Market Purchase (+)25	-	-	3850	0.00
		21.03.2016	Market Purchase (+)25	-	-	3875	0.00
		23.03.2016	Market Purchase (+)25	-	-	3900	0.00
		At the end of the year	-	-	-	3900	0.00
11.	Mr. Dileep C. Choksi	At the beginning of the year	-	-	-	-	-
		At the end of the year	-	-	-	-	-
12.	Mr. Jean-Luc Belingard	At the beginning of the year	-	-	-	-	-
		At the end of the year	-	-	-	-	-

Sl. No.	Name of the Director / Key Managerial Personnel	Date	Reason for increase/decrease	No. of Shares held at the beginning of the year as on 01.04.2015		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
13.	Mr. R. V. Satam, Company Secretary	At the beginning of the year	-	108	0.00	-	-
		22.12.2015	ESOPs Exercised (+) 175	-	-	283	0.00
		At the end of the year	-	-	-	283	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Standalone):

(₹ in million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	209.5	242.6	-	452.1
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	2.6	-	2.6
Total (i + ii + iii)	209.5	245.2	-	454.7
Change in Indebtedness during the financial year				
• Addition	1996.2	1469.2	-	3465.4
• Reduction	-	-	-	-
Net Change	1996.2	1469.2	-	3465.4
Indebtedness at the end of the financial year				
i) Principal Amount	2205.7	1713.2	-	3918.9
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	1.2	-	1.2
Total (i + ii + iii)	2205.7	1714.4	-	3920.1

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in million)

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager					Total Amount
		Dr. Desh Bandhu Gupta	Dr. Kamal K. Sharma	Mr. Nilesh Gupta	Mrs. M. D. Gupta	Mr. Ramesh Swaminathan (w.e.f. October 27, 2015)	
1)	Gross Salary						
	(a) Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961.	36.66	98.39	56.52	4.57	13.04	209.18
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961.	10.63	3.37	1.27	0.52	2.26	18.05
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961.	-	-	-	-	-	-
2)	Stock Options	-	124.34	-	-	2.59	126.93
3)	Sweat Equity	-	-	-	-	-	-
4)	Commission	400.50	-	-	-	-	400.50
	- as % of profit	1%	-	-	-	-	-
	- others	-	-	-	-	-	-
5)	Others - Performance-linked Incentive	-	31.26	18.12	-	5.53	54.91
	Total (A)	447.79	257.36	75.91	5.09	23.42	809.57
	Ceiling as per the Act	₹ 4006.4 million (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013).					

B. Remuneration to other directors:

(₹ in million)

Sl. No.	Particulars of Remuneration	Name of the Independent Directors						Total Amount
		Dr. Vijay Kelkar	Mr. R. A. Shah	Mr. Richard Zahn	Dr. K. U. Mada	Mr. Dileep C. Choksi	Mr. Jean-Luc Belingard	
1)	Independent Directors							
	• Fee for attending Board/ Committee Meetings	0.16	0.18	0.16	0.40	0.26	0.06	1.22
	• Commission	3.50	3.50	6.63	3.00	3.00	2.84	22.47
	• Others	-	-	-	-	-	-	-
	Total (B)(1)	3.66	3.68	6.79	3.40	3.26	2.90	23.69
2)	Other Non-Executive Directors							
	• Fee for attending Board/ Committee Meetings	-	-	-	-	-	-	-
	• Commission	-	-	-	-	-	-	-
	• Others	-	-	-	-	-	-	-
	Total (B)(2)	-	-	-	-	-	-	-
	Total (B) = (B)(1)+ (B)(2)	3.66	3.68	6.79	3.40	3.26	2.90	23.69
	Total Managerial Remuneration							
	Overall Ceiling as per the Act	₹ 400.6 million (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013).						

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD:

(₹ in million)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Ramesh Swaminathan, Chief Financial Officer (up to October 26, 2015)	Mr. R. V. Satam, Company Secretary	
1)	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	16.37	4.10	20.47
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961.	1.09	0.40	1.49
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961.	20.91	2.62	23.53
2)	Stock Options	1.65	0.48	2.13
3)	Sweat Equity	-	-	-
4)	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5)	Others (Performance-linked Incentive)	7.51	0.70	8.21
	Total (C)	47.53	8.30	55.83

V. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Details of Penalty/ Punishment/ Compounding fees imposed	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		
Compounding					

For and on behalf of the Board of Directors

Dr. Desh Bandhu Gupta
Chairman
(DIN: 00209378)

Mumbai, May 19, 2016

CORPORATE GOVERNANCE REPORT

[1] Company's Philosophy on Corporate Governance:

The Company firmly believes that good governance practices stem from the dynamic culture and positive mindset of the organization. The Company's philosophy on Corporate Governance lays emphasis on timely disclosures, transparent accounting policies, consistent value systems and integrity with a view to maximise long-term corporate value and preserving shareholders' trust. In its pursuit towards achieving highest standards of corporate governance, the Company continuously strives to adopt the best evolving practices which are in vogue worldwide. Good governance practices combined with strong leadership have been the hallmark of the Company.

The Board of Directors has a balanced combination of executive and independent directors with two women directors who have considerable experience and expertise. The Company is privileged to have eminent persons from diverse fields as Members of its Board. The Company has complied with all the mandatory requirements as also a few non-mandatory requirements, as prescribed under Regulation 27(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') like unqualified audit opinion on financial statements and appointment of separate persons as Chairman, Managing Director and Chief Executive Officer.

Codes of Conduct have been adopted for Directors, Senior Management personnel and Independent Directors and they have been hosted on the website of the Company www.lupin.com. In compliance with Regulation 26(3) of the Listing Regulations, all the Directors, Senior Management personnel and Independent Directors have affirmed compliance with the respective Codes for the year ended March 31, 2016.

The Company is committed to uncompromising integrity in its conduct of business. Its value systems and ethical principles set the ground rules of the manner in which it interacts with employees and outside world. The Company promotes a culture of honesty and fairness and encourages its employees to express their concerns regarding unethical practices or suspected misconduct, without any fear of punishment or unfair treatment. Towards this end, the Company instituted **P.L.E.D.G.E.** (**P**reparing **L**upin **E**mployees to **D**emonstrate **G**overnance and **E**thical **C**onduct), which encompasses three important policies viz. Code of Conduct, Whistleblower Policy and Prevention of Workplace Harassment. These policies lay down the rules and procedures, by way of which the employees can report any suspected wrongdoings or fraudulent business practices against any employee, irrespective of grade or hierarchy. **P.L.E.D.G.E.** is a true reflection of the values that define the Company and set the standards of professionalism and integrity. Employees take pride in being part of this culture and ardently live up to this commitment, both in letter and spirit. All complaints received from employees are dealt with seriously and responded to in a prompt and professional manner by the Office of the Ombudsperson. During the year, one complaint of sexual harassment was received, which was investigated in detail by the Internal Complaints Committee, pursuant to the provisions of 'Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013'. The Committee concluded in its findings which were shared with the complainant, that the allegations were not proved based on the extensive proceedings and evidence on record. The Office of the Ombudsperson received 39 minor complaints and four major complaints under the Whistleblower Policy which were responded to within the stipulated time frame and necessary action taken against those found guilty of breach of the Code of Conduct.

The Company has sound systems of internal checks and controls which are regularly evaluated and updated. 'Kavach', an information security initiative, is in place to address Information security concerns and create awareness. It broadly encompasses evaluating information security risks, protecting assets and ensuring continuous compliance on a sustainable basis. The Company has secured the ISO/IEC 27001:2013 certificate for 'Kavach' for the Head office and Pune location. An initiative in 'Business Continuity' was embarked upon by the Company as an extension of 'Kavach' with the objective of setting up a preventive mechanism for addressing the gaps which may delay the recovery of processes in case of any emergency. The said initiative was completed at Head Office and Mandideep location covering document testing and mock drills to equip the teams in handling incidents.

The Company is in compliance with the requirements stipulated under Clause 49 of the erstwhile Listing Agreement and applicable provisions of the Listing Regulations.

A detailed Management Discussion and Analysis report forms part of this Annual Report.

[2] Board of Directors:

The strength of the Board as on March 31, 2016 was twelve, of which, four are executive promoter-directors, two are executive directors and six are independent directors which is in conformity with Regulation 17 of the Listing Regulations. All the Directors are compliant with the provisions of the Companies Act, 2013 (Act) and Rules made thereunder and the Listing Regulations as regards number of directorships they hold. The Company has two women directors though Regulation 17 of the Listing Regulations mandates that the Board shall have at least one woman director. The requisite particulars are given below: -

Sl. No.	Name of the director	Promoter/ Executive/ Independent	Meetings during the year		Attendance at the last AGM	Number of directorships of other companies	Member/ Chairman of committees other than the Company
			Held	Attended			
1.	Dr. Desh Bandhu Gupta, <i>Chairman</i>	P. & E.D.	5	5	Yes	12	-
2.	Dr. Kamal K. Sharma, <i>Vice Chairman</i>	E.D.	5	5	Yes	7	-
3.	Ms. Vinita Gupta, <i>Chief Executive Officer</i>	P. & E.D.	5	4	Yes	9	-
4.	Mr. Nilesh Gupta, <i>Managing Director</i>	P. & E.D.	5	5	Yes	9	-
5.	Mrs. M. D. Gupta, <i>Executive Director</i>	P. & E.D.	5	5	Yes	12	-
6.	Mr. Ramesh Swaminathan, <i>Chief Financial Officer & Executive Director (w.e.f. October 27, 2015)</i>	E.D.	2	2	N.A.	3	-
7.	Dr. Vijay Kelkar	I. N-E.D.	5	5	Yes	9	6/2
8.	Mr. R. A. Shah	I. N-E.D.	5	5	Yes	13	8/3
9.	Mr. Richard Zahn	I. N-E.D.	5	5	Yes	1	-
10.	Dr. K. U. Mada	I. N-E.D.	5	5	Yes	2	3/1
11.	Mr. Dileep C. Choksi	I. N-E.D.	5	5	Yes	10	7/5
12.	Mr. Jean-Luc Belingard (w.e.f. October 27, 2015)	I.N-E.D.	2	2	N.A.	5	-

Notes:

- P. & E.D.: Promoter & Executive Director; E.D.: Executive Director; I. N-E.D.: Independent Non-Executive Director.
- Mrs. M. D. Gupta is the wife of Dr. Desh Bandhu Gupta, Ms. Vinita Gupta their daughter and Mr. Nilesh Gupta their son.
- Membership/Chairmanship of Committees includes only those of the Audit Committee and the Stakeholders Relationship Committee.
- Mr. Ramesh Swaminathan and Mr. Jean-Luc Belingard were appointed as Additional Directors w.e.f. October 27, 2015 and hold office up to the date of the forthcoming Annual General Meeting. Notices along with requisite deposits pursuant to the provisions of Section 160(1) of the Act have been received from certain members proposing the appointments of Mr. Ramesh Swaminathan, Chief Financial Officer & Executive Director and Mr. Jean-Luc Belingard, Independent Director of the Company, which will be considered at the forthcoming Annual General Meeting.

Board Meetings

The Board of Directors oversees the management performance so as to adhere to the best practices of Corporate Governance and enhance the value of stakeholders. The Board provides strategic direction, leadership and guidance to the management and also monitors the operational performance in order to ensure that robust policies are in place for achieving set goals. The Board sets standards of corporate behaviour, ensures transparency in corporate dealings and compliance with all laws and regulations. The Board is apprised regularly about important business developments. Detailed presentations on important matters are made by business heads at Board meetings. The dates of the Board meetings are finalised in consultation with all directors and Agenda papers backed by comprehensive notes and detailed background information are circulated at least seven days in advance in compliance with the Secretarial Standards which have become mandatory, effective July 1, 2015. This enables the Board to take informed decisions and discharge its functions efficiently. As stipulated in the Secretarial Standards, Minutes of the Board Meetings are circulated to all the Directors within 30 days of the Board Meeting and are confirmed at the subsequent meeting. Board Members express their opinions and they are free to bring up matters for discussions at the Board Meetings. Copies of Board Meeting minutes of subsidiaries and minutes of various Committees of the Board as also Reports in respect of compliance with various laws applicable are tabled at the Board Meetings. Directors inform the Company annually about the Board/Committee positions they hold in other companies as also notify changes, as and when they take place. The Act facilitates the participation of Directors in Meetings of the Board/Committee through video conferencing or other audio visual means. Accordingly, a Director participated in the Stakeholders Relationship Committee Meeting through video conference. The Board carried out an annual performance evaluation of its own performance and also of the Independent Directors (excluding the director being evaluated).

Details of Board Meetings

Board Meetings are held at least four times a year and the time-gap between two meetings is not more than 120 days, which is in compliance with the provisions of Section 173(1) of the Act and Regulation 17(2) of the Listing Regulations. During the year, five Board meetings were held, viz. on May 13, 2015, June 22, 2015, July 23, 2015, October 27, 2015 and February 5, 2016. The Board passed one resolution by circulation, vide Circular dated September 24, 2015.

Brief profiles, other directorships and committee memberships etc. of directors seeking appointment/re-appointment at the 34th Annual General Meeting.

Mr. Nilesh Gupta

Mr. Nilesh Gupta is a chemical engineer from UDCT, Mumbai, and a graduate with honours from the Wharton School, U.S.A. Mr. Gupta had demonstrated exemplary performance in integrating and leading the diversified portfolio and ably contributed to the growth and profitability of the Company. He directed the IP strategy of the Company towards achieving a niche position for chosen products. Mr. Gupta is a sound business leader and team builder.

List of other directorships	Chairman/Member of the Committees of the Board of the companies on which he is a director
Lupin International Pvt. Ltd., <i>Director</i> Lupin Properties Ltd., <i>Director</i> Rahas Investments Pvt. Ltd., <i>Director</i> Zyma Laboratories Ltd., <i>Director</i> Kyowa Pharmaceuticals Industry Co. Ltd., Japan, <i>Director</i> Lupin Healthcare Ltd., <i>Director</i> Element119 Leasing and Finance Pvt. Ltd., <i>Director</i> Rahas Mercantile Pvt. Ltd., <i>Director</i> Synchem Properties Pvt. Ltd., <i>Director</i>	-

Mr. Ramesh Swaminathan

Mr. Ramesh Swaminathan, with an experience of over 29 years, joined the Company on July 4, 2007, as President - Finance & Planning and is presently designated as Chief Financial Officer and Executive Director. Mr. Ramesh is a member of the Institute of Chartered Accountants of India, the Institute of Cost and Works Accountants of India, the Institute of Company Secretaries of India and the Chartered Institute of Management Accountants, U.K. He is Lord Chevening scholar at the UK for Management Studies and has also done his Senior Management Program from INSEAD France. Prior to joining Lupin, he was with Henkel, Germany, as the Regional Financial Controller and has worked with VST Industries, the SPIC group and Standard Chartered Bank.

List of other directorships	Chairman/Member of the Committees of the board of the companies on which he is a director
Kwoya Pharmaceuticals Industry Co. Ltd, Japan, <i>Director</i> Hormoson Pharma GmbH Germany, <i>Managing Director</i> Laboratorios Grin S.A. de C.V. Mexico, <i>Director</i>	-

Mr. Jean-Luc Belingard

Mr. Belingard started his career in 1974 in Sales & Marketing with Merck, Sharp and Dohme (France). In 1981, he moved to Merck, Sharp and Dohme (USA) as Senior Director, Promotion Planning. In 1983, he joined F. Hoffman-La Roche, Basel, Switzerland as Associate Director, International Marketing. During 1990-1998, he was Member of the Executive Committee, F. Hoffman-La Roche Ltd. and Chief Executive Officer, Roche Diagnostics, Basel, Switzerland. From 1999 to 2001, he was Chief Executive Officer, BioMerieux-Pierre Fabre, France. During 2002-2010, he was Chairman and Chief Executive Officer, Ipsen Group, France. In 2011, he joined BioMerieux S.A. as Chief Executive Officer and became its Chairman in April 2014. Mr. Belingard has been conferred upon prestigious National Awards viz. 'Chevalier de l'Ordre National du Merite' and 'Chevalier de la Legion d'Honneur'. Presently, Mr. Belingard is Member of the Board of Directors of Laboratory Corporation of America (USA), Stallergenes (France/USA), Transgene (France) and Laboratoire Pierre Fabre, (France). Since 2014, he is Member of the Bill and Melinda Gates Foundation. Since 1988, he is Foreign Trade Advisor to the French Government. He has served as Member of the Board of Directors of several leading corporates in the U.S., France, Germany and Japan, and has been actively involved with various Associations, Institutions and Advisory Boards in different capacities.

List of other directorships	Chairman/Member of the Committees of the Board of the companies on which he is a director
BioMérieux S.A., France, <i>Chairman and Chief Executive Officer</i> Laboratory Corporation of America, USA., <i>Member of Board of Directors</i> Stallergenes France/USA., <i>Member of the Board of Directors</i> Transgene France, <i>Member of the Board of Directors</i> Laboratoire Pierre Fabre, France, <i>Member of the Board of Directors</i>	-

[3] Audit Committee:

The Audit Committee comprises Dr. K. U. Mada and Mr. Dileep C. Choksi, independent directors and Dr. Kamal K. Sharma, Vice Chairman. Dr. Mada is the Chairman and Mr. R. V. Satam, Company Secretary, acts as the Secretary of the Committee. All Members of the Committee are financially literate and have sound knowledge of accounting practices and internal controls. Dr. Mada is an eminent economist and development banker, Mr. Choksi is a leading Chartered Accountant and financial consultant and Dr. Sharma is a Ph.D. in Economics from IIT, Mumbai. The Audit Committee acts as a link between the statutory, internal and cost auditors and the Board of Directors. The Committee assists the Board in fulfilling its responsibilities of monitoring the financial reporting process, appropriateness of audit test checks, reviewing the established processes for internal financial controls, governance and adequacy of provisions for liabilities. Dr. Mada attended the last Annual General Meeting of the Company held on July 23, 2015. Executives from the Finance Department and Statutory Auditors regularly attend the Meetings of the Audit Committee as permanent invitees. The Internal Auditor makes presentations of audit findings at the Audit Committee Meetings. The Cost Auditor is invited to attend the Meeting of the Audit Committee where the Cost Audit Report is tabled for discussion. The Chief Financial Officer & Executive Director, President - Finance, Head of Accounts and Head Internal Audit, attend the Audit Committee meetings. The Committee lays emphasis on adequate disclosures as also compliance with all the relevant statutes.

The Committee performs the functions enumerated in Section 177 of the Act and Regulation 18(3) of the Listing Regulations. The matters deliberated upon and reviewed by the Committee inter alia include: -

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- 2) Recommending to the Board, the appointment, remuneration and terms of appointment of statutory auditors and approval of payments for any other additional services rendered by them except those enumerated under Section 144 of the Act.
- 3) Examining and reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to: -
 - a) matters required to be included in the Directors' Responsibility Statement included in the Board's Report in terms of Section 134(3)(c) of the Act;
 - b) changes, if any, in accounting policies and practices and reasons therefor;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings, if any;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of related party transactions; and
 - g) modified opinion(s) in the draft audit report, if any.
- 4) Examining and reviewing with the management, the quarterly unaudited financial results with the Limited Review Report of the Auditors before submission to the Board for approval.
- 5) Review and monitor the auditors' independence, performance and effectiveness of audit process.

- 6) Approval or any subsequent modification of transactions of the Company with related parties.
- 7) Scrutiny of inter-corporate loans and investments.
- 8) Evaluation of internal financial controls and risk management systems.
- 9) The appointment, removal and terms of remuneration of internal auditors.
- 10) Reviewing with the management, the performance of statutory and internal auditors and adequacy of the internal control systems.
- 11) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, its staffing and seniority of the official heading the department, reporting structure, coverage and frequency of audits.
- 12) Discussion with the internal auditors on their significant findings and follow-up thereon.
- 13) Reviewing the findings of internal auditors and reporting them to the Board.
- 14) Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain areas of concern.
- 15) Review the functioning of the Whistle Blower mechanism.
- 16) Recommend to the Board, the appointment and remuneration of Cost Auditor to conduct audit of cost records of the Company in compliance with the provisions of the Act and Rules made thereunder.
- 17) Reviewing the financial statements of subsidiary companies as also the consolidated financial statements, including investments made by the subsidiary companies.
- 18) Review and discuss with the management the status and implications of major legal cases.
- 19) Carrying out such other functions as may be mentioned in the terms of reference of the Audit Committee.

In addition to the above, the Committee reviews the management discussion and analysis, statement of related party transactions including granting omnibus approvals, management letters/internal audit reports relating to observations on internal controls, etc.

Details of Audit Committee Meetings

In compliance with Regulation 18(2)(a) of the Listing Regulations, Audit Committee meetings are held at least four times a year and the time-gap between two meetings is not more than 120 days. During the year, seven Audit Committee meetings were held on May 12, 2015, July 22, 2015, September 3, 2015, September 23 2015, October 27, 2015, February 5, 2016 and March 22, 2016, the attendance at which, was as follows: -

Sl. No.	Name of the director	No. of Meetings	
		Held	Attended
a.	Dr. K. U. Mada, <i>Chairman</i>	7	7
b.	Dr. Kamal K. Sharma	7	5
c.	Mr. Dileep C. Choksi	7	7

[4] Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee (SRC) comprises Dr. Vijay Kelkar and Dr. K. U. Mada, independent directors. Dr. Vijay Kelkar is the Chairman and Mr. R. V. Satam, Company Secretary, acts as the Secretary of the Committee. Meetings of the SRC are also attended by the President - Finance and Head of Investors' Services Department.

The Committee regularly reviews the functioning of the Investors' Services Department covering all facets of its operations, including transfer of shares, compliances with regulatory provisions, implementation of employee stock options plans, activities related to dividend disbursement and depository operations. The Committee also closely monitors investor grievances redressal system of the Department.

During the year, the Company received and resolved 68 shareholder complaints relating to transfer of shares, non-receipt of annual report, non-receipt of declared dividends etc. As on March 31, 2016, no complaint remained pending/unattended and no share transfer remained pending for over 15 days, during the year.

Details of Stakeholders' Relationship Committee Meetings

During the year, two meetings of the Stakeholders' Relationship Committee were held on September 23, 2015 and March 31, 2016 and the attendance was as under: -

Sl. No.	Name of the director	No. of Meetings	
		Held	Attended
a.	Dr. Vijay Kelkar, <i>Chairman</i>	2	2
b.	Dr. K. U. Mada	2	2

[5] Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises Dr. K. U. Mada, Mr. R. A. Shah and Mr. Richard Zahn, all independent directors which is in compliance with the provisions of Section 178(1) of the Act and Regulation 19(1) of the Listing Regulations. In compliance with Regulation 19(2) of the Listing Regulations, Dr. Mada, Chairman of the Committee, is an Independent Director and Mr. R. V. Satam, Company Secretary, acts as the Secretary of the Committee. In compliance with Regulation 19(3) of the Listing Regulations, Dr. Mada, Chairman of the Committee is an Independent Director and attended the last Annual General Meeting of the Members held on July 23, 2015.

Role of the Nomination and Remuneration Committee:

The Committee performs the functions enumerated in Section 178 of the Act and Regulation 19(4) read with Part D of Schedule II of the Listing Regulations as follows:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- (2) formulation of criteria for evaluation of performance of independent directors and the Board of Directors;
- (3) devising a policy on diversity of Board of Directors;
- (4) identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal; and
- (5) whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

Remuneration of Executive Directors:

The Remuneration Committee reviews and recommends to the Board, the remuneration payable to Executive Directors subject to approval by the Members and such other approvals as may be necessary. While reviewing the remuneration, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent. The Committee recommends the remuneration after considering factors, such as experience, expertise, leadership qualities, qualifications, volume of the Company's business and profits earned by it, responsibilities shouldered by the director and the prevailing remuneration in the industry. The remuneration limits are as prescribed by Section 197 and Schedule V to the Act and the Rules made thereunder. The Company follows a market-linked remuneration policy. Executive Directors are not paid sitting fees for attending Meetings of the Board and its Committees.

Remuneration of Non-Executive Directors:

The Non-Executive Directors receive sitting fees for attending meetings of the Board and its Committees and the same is within the limits prescribed by the Act and the Rules made thereunder. At the 33rd Annual General Meeting held on July 23, 2015, the Members, vide an Ordinary Resolution, approved payment of commission to the non-executive directors, not exceeding in the aggregate 0.5% p.a. of the Company's net profit, computed in the manner laid down by the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, for a period of five years commencing from April 1, 2015. The Board is authorised to decide upon the eligibility criteria and the quantum of commission payable to each non-executive director. An amount of ₹ 22.47 million has been provided towards commission payable to non-executive directors for the year 2015-16 which would be paid after the Members approve the audited accounts for the year ended March 31, 2016, at the forthcoming Annual General Meeting.


Details of Remuneration paid to Directors are as under :

							₹ in million
Name of the Director	Salary	Perquisites	Stock Option	Commission	Others (Performance-Linked Incentive)	Sitting Fees	Total
Dr. Desh Bandhu Gupta, <i>Chairman</i>	36.66	10.63	-	400.50	-	-	447.79
Dr. Kamal K. Sharma, <i>Vice Chairman</i>	98.39	3.37	124.34	-	31.26	-	257.36
Ms. Vinita Gupta, <i>Chief Executive Officer</i>	111.87	-	-	-	78.30	-	190.17
Mr. Nilesh Gupta, <i>Managing Director</i>	56.52	1.27	-	-	18.12	-	75.91
Mrs. M. D. Gupta, <i>Executive Director</i>	4.57	0.52	-	-	-	-	5.09
Mr. Ramesh Swaminathan, <i>Chief Financial Officer & Executive Director</i> (w.e.f. October 27, 2015)	13.04	2.26	2.59	-	5.53	-	23.42
Dr. Vijay Kelkar, <i>Independent Director</i>	-	-	-	3.50	-	0.16	3.66
Mr. R. A. Shah, <i>Independent Director</i>	-	-	-	3.50	-	0.18	3.68
Mr. Richard Zahn, <i>Independent Director</i>	-	-	-	6.63	-	0.16	6.79
Dr. K. U. Mada, <i>Independent Director</i>	-	-	-	3.00	-	0.40	3.40
Mr. Dileep C. Choksi, <i>Independent Director</i>	-	-	-	3.00	-	0.26	3.26
Mr. Jean-Luc Belingard, <i>Independent Director</i> (w.e.f. October 27, 2015)	-	-	-	2.84	-	0.06	2.90

Note: Ms. Vinita Gupta, is an employee of Lupin GmbH, Switzerland, a wholly-owned subsidiary of the Company.

Details of the Nomination and Remuneration Committee Meetings

During the year, three meetings of the Nomination and Remuneration Committee were held on May 12, 2015, October 26, 2015 and December 8, 2015 and the attendance was as under: -

Sl. No.	Name of the director	No. of Meetings	
		Held	Attended
a.	Dr. K. U. Mada, <i>Chairman</i>	3	3
b.	Mr. R. A. Shah	3	3
c.	Mr. Richard Zahn	3	2

The Committee passed by circulation seven resolutions dated April 2, 2015, August 7, 2015, October 7, 2015, October 13, 2015, November 19, 2015, January 7, 2016 and February 2, 2016.

[6] Risk Management Committee:

Risk Management is an ongoing process. The Risk Management Committee comprises Dr. Kamal K. Sharma, Vice Chairman, Ms. Vinita Gupta, Chief Executive Officer, Mr. Nilesh Gupta, Managing Director, Mr. Ramesh Swaminathan, Chief Financial Officer & Executive Director and Mr. Sunil Makharia, President - Finance. The Committee has laid down robust procedures and framework to identify, monitor and inform the Board about the risk assessment and minimization procedures. Services of Ernst & Young LLP were engaged for framing, monitoring and implementing the risk management plan of the Company. The said firm is in the process of reviewing the existing risk management process and structure including roles and responsibilities, risk rating criteria for assessing impact and the likelihood of risks and effectiveness of mitigation plans. The process includes documentation of risk prioritization and obtaining the Management's assessments on 'risks that matter' and assessing mitigation readiness for the 'risks that matter'.

[7] Independent Directors Meeting:

In compliance with the provisions of Section 149(8) read with Schedule IV of the Act and Regulation 25(3) of the Listing Regulations, a meeting of the independent directors was convened on February 5, 2016 which was attended by all the Independent Directors. The meeting was chaired by Mr. R. A. Shah. The independent directors were appreciative of the free and frank manner in which the Board has been deliberating on various business transactions and also the openness with which the Management discussed the agenda items. It was also noted that the suggestions made by the independent directors and accepted by the Board were effectively implemented. The meeting reviewed the performance of Independent as well as non-independent directors, the Chairman of the Company and the Board as a whole. The quality and adequacy of information between the Management and the Board was also assessed.

[8] Familiarisation Programme for Independent Directors:

On their appointment, the Independent Directors are issued a formal letter of appointment inter alia covering the terms and conditions of appointment, their roles, functions, rights, duties and responsibilities. The Company believes that knowledge about latest developments in the industry as a whole should be shared with the Directors so as to enable them to participate effectively. Presentations are made at Meetings of Directors on business performance and environment health and safety measures undertaken at various plant locations. Independent Directors are familiarised with the business strategies, operations, functions, policies, procedures, risk assessment/minimization procedures and business model of the Company and its subsidiaries. Articles and write-ups about the Company published in leading newspapers and business magazines are circulated to Independent Directors. Visits to factories would be arranged where necessary. Independent Directors have access to the Company information and freedom to interact with the Senior Management personnel of the Company. Independent Directors are invited to attend the Investor meets which provide them with opportunities to interact with investors, analysts and financial advisors which help them to get familiarized with the customers. The Familiarisation Programme formulated by the Company for Independent Directors has been hosted on the Company's website www.lupin.com the web link for which is http://www.lupin.com/pdf/Familiarisation_programme_for_Independent_Directors_LL.pdf

[9] General Body Meetings:

Details of the last three Annual General Meetings: -

Year	Day, Date and Time	Location	No. of Special Resolutions passed
2012 - 13	Wednesday, August 7, 2013, at 2.30 p.m.	Rang Sharda Natyamandir, Bandra Reclamation, Bandra (West), Mumbai - 400 050	One Special Resolution was passed for raising the investment limit of FII's in the equity share capital of the Company from 33% to 49%.
2013 - 14	Wednesday, July 30, 2014, at 2.30 p.m.	Rang Sharda Natyamandir, Bandra Reclamation, Bandra (West), Mumbai - 400 050	One Special Resolution was passed for creating charges on the Company's properties to secure financial assistance availed/to be availed by the Company.
2014 - 15	Wednesday, July 23, 2015, at 2.30 p.m.	Rang Sharda Natyamandir, Bandra Reclamation, Bandra (West), Mumbai - 400 050	<p>Eight Special Resolutions as under, were passed for:</p> <ul style="list-style-type: none"> • the re-appointments of Dr. Desh Bandhu Gupta, Executive Chairman and Mrs. M. D. Gupta, Executive Director, for a period of five years w.e.f. January 1, 2016; • the re-appointments of Dr. Vijay Kelkar, Mr. R. A. Shah, Mr. Richard Zahn, Dr. K. U. Mada and Mr. Dileep C. Chokshi as Independent Directors for a period of five years from the conclusion of the 33rd Annual General Meeting till the conclusion of 38th Annual General Meeting; and • Issue of Securities.

No postal ballot was held during the year. No business was required to be transacted through postal ballot at the above meetings. Similarly, no business is required to be transacted through postal ballot at the forthcoming Annual General Meeting.

[10] Related party transactions and other disclosures:

All transactions entered into by the Company with related parties during the financial year were in the ordinary course of business and on an arm's length pricing basis. No transaction with any related party was in conflict with the interests of the Company. All related party transaction statements in summary form are periodically placed before the Audit Committee and they are approved by the Committee pursuant to the provisions of Sections 177(4)(iv) and 188 of

the Act and Regulation 23(3) of the Listing Regulations. During the year, the Company did not have any material non-listed Indian subsidiary company as defined in Regulation 24 of the Listing Regulations. The Company has framed a policy for determining material subsidiaries, which has been hosted on the Company's website (weblink: http://www.lupin.com/pdf/Policy_for_determining_material_subsidaries.pdf).

Pursuant to Clause 49(VII)(D) of the erstwhile Listing Agreement read with SEBI Circular CIR/CFD/POLICY CELL/7/2014, the Committee granted omnibus approval to transactions likely to be entered into by the Company with related parties during the period October 1, 2015 to September 30, 2016. The Committee reviews, on a quarterly basis, details of transactions entered into by the Company pursuant to each of the omnibus approval given. Pursuant to Rule 6A to the Companies (Meetings of Board and its Powers) Rules, 2014, inserted by the Ministry of Corporate Affairs vide Notification G.S.R. 971(E) dated December 14, 2015, the Audit Committee granted requisite omnibus approval to transactions which are likely to be entered into by the Company with related parties during the financial year 2016-17.

In compliance with Accounting Standard AS 18, details of related party transactions are disclosed in the notes that form part of the financial statements.

During the year, M/s. Crawford Bayley & Co., Solicitors & Advocates, of which Mr. R. A. Shah, Independent Director is a senior partner, was paid professional fees aggregating ₹ 0.15 million, which constitutes less than one percent of the total revenues of the firm and an insignificant fraction of the Company's turnover. Apart from sitting fees, commission and professional fees, there is no pecuniary transaction with Independent directors of the Company which has potential conflict of interest with the Company.

Particulars of contracts or arrangements by the Company with related parties are recorded in Form No. MBP - 4 'Register of Contracts with related party and contracts and Bodies etc.' maintained pursuant to the provisions of Section 189(1) of the Act and Rules made thereunder and the same is placed at Board Meetings and signed by all the directors present at the said Meeting. The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. Material related party transactions were entered into by the Company only with its subsidiaries. The policy, as approved by the Board, has been hosted on the Company's website www.lupin.com and web link for which is http://www.lupin.com/pdf/POLICY-RELATED_PARTY_TRANSACTIONS.pdf

[11] Means of communication:

The Company communicates with its shareholders through multiple means viz. dissemination of information on online portal of stock exchanges, press releases, annual reports, hosting relevant information on website of the Company www.lupin.com. Quarterly and annual financial results are electronically submitted on BSE's online Portal – BSE Corporate Compliance & Listing Centre (Listing Centre) and on NSE's Electronic Application Processing System (NEAPS) the on-line portal of National Stock Exchange of India Limited, within 30 minutes of their approval by the Board. Consolidated results are published in The Economic Times (all editions) and the Marathi translation thereof in The Maharashtra Times (Mumbai edition) newspapers. The shareholding pattern and corporate governance reports are also filed with the BSE Listing Centre and NSE NEAPS on a quarterly basis. The website of the Company also displays official news releases and presentations made to institutional investors and analysts.

The Company discloses to BSE and NSE, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the Listing Regulations, including material information having a bearing on the performance/operations of the Company or other price sensitive information. The Board has approved a policy for determining materiality of events for the purpose of making disclosures to the Stock Exchanges and all such disclosures are also available on the Company's website. As a good Corporate practice, a week before the date of the Board Meeting at which financial results are to be considered, black-out period is announced, during which, Directors and Senior Management personnel are advised not to communicate with Investors/Analysts and Media. The Company has complied with all requirements of the BSE, NSE, SEBI and other statutory authorities on all matters relating to capital markets during the last three years and they have not imposed any penalties on or passed any strictures against the Company. Pursuant to Regulation 9 of the Listing Regulations, the Board of Directors had approved a policy on preservation of documents and archival policy and the same has been hosted on the Company's website www.lupin.com.

[12] General Members' information:

INVESTORS' SERVICES DEPARTMENT (ISD)

Your Company accords top priority for the services to the shareholders who are its perpetual partners. The ISD comprising experienced and committed employees endeavor to provide services benchmarked to the best in the industry. Expedient response to the investors' queries / complaints and maintaining highest standards of regulatory compliances related to shares are the thrust areas of the ISD.

The ISD has established direct connectivity with both the depositories' viz. the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) for providing reliable and efficient depository operations.

The ISD deals with various matters relating to:

- Transfer and transmission of shares in physical mode
- Dematerialisation/rematerialisation of shares
- Regulatory compliances pertaining to shares
- Redressal of investor grievances
- Disbursement of dividend
- Execution of corporate actions and other depository operations
- Implementation of Code of Conduct for prevention of insider trading
- Allotment of shares and listing thereof on the stock exchanges
- Liaisoning with stock exchanges, depositories and other regulatory bodies
- Implementation of employees stock option plans
- Unclaimed shares
- Dissemination of share related information on the Company's website, NEAPS and BSE's Listing Centre.

The ISD can be approached for any query or assistance through letter, telephone, fax, email or in-person at Kalpataru Inspire, 7th Floor, Off Western Express Highway, Santacruz (East), Mumbai - 400 055, India, Tel: +91 22 6640 2402/03 Fax: +91 22 6640 8131. Email : investorservices@lupin.com

Exclusive E-mail id for communication of investors' grievances:

Pursuant to Regulation 6(2)(d) of the Listing Regulations, the following E-mail ID has been designated exclusively for communicating investors' grievances : investorservices@lupin.com

For the convenience of investors, a link at the Company's website www.lupin.com has also been provided to contact the ISD.

Person in-charge of the Department: Mr. Pradeep Bhagwat, General Manager - Investors' Services.

ANNUAL GENERAL MEETING

The 34th Annual General Meeting will be held at 2.30 p.m. on Wednesday, August 3, 2016, at Rang Sharda Natyamandir, Bandra Reclamation, Bandra (West), Mumbai - 400 050.

FINANCIAL CALENDAR

First quarter results	: July/August 2016
Second quarter results	: October/November 2016
Third quarter results	: January/February 2017
Annual results	: April/May 2017
Annual General Meeting	: July/August 2017

BOOK CLOSURE

The Register of Members and the Share Transfer Register will remain closed from Wednesday, July 27, 2016 to Wednesday, August 3, 2016, (both days inclusive).

Dividend for the year ended March 31, 2016, if declared, at the Annual General Meeting, shall be paid to:

- a) beneficial owners at the end of business day on Tuesday, July 26, 2016 as per lists furnished by NSDL and CDSL, in respect of shares held in electronic form; and
- b) persons whose names appear on the Register of Members as at the end of the business day on Tuesday, July 26, 2016, in respect of shares held in physical form.

DIVIDEND PAYMENT DATE

Dividend, if declared, shall be paid within three working days from the date of the Annual General Meeting. Dividend shall be remitted electronically i.e. through NECS/RTGS, wherever bank details of shareholders are available with the Company, and in other cases, through physical warrants, payable at par.



SHARE LISTED AT

The equity shares of the Company are listed at: -

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai Samachar Marg,
Mumbai - 400 001.

National Stock Exchange of India Limited (NSE)

Exchange Plaza,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051.

Pursuant to Listing Regulations, the Company executed fresh Listing Agreement with the BSE and the NSE. Annual Listing fees for the year 2016 - 17 have been paid to the BSE and the NSE.

STOCK CODES

The stock codes of the Company are: -

BSE : 500257

NSE : LUPIN

INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN)

ISIN, an unique identification number allotted to dematerialised scrip has to be quoted in each transaction relating to dematerialised shares of the Company. The ISIN of the equity shares of the Company is **INE 326A 01037**.

CORPORATE IDENTITY NUMBER (CIN)

CIN **L24100MH1983PLC029442** has been allotted to the Company by the Ministry of Corporate Affairs, Government of India.

MARKET PRICE DATA

Lupin scrip is a part of S&P BSE Sensex and Nifty 50. The market price data covering the year April 2015 to March 2016 is given below: -

MONTH	BSE				NSE			
	High (₹)	Date	Low (₹)	Date	High (₹)	Date	Low (₹)	Date
Apr-2015	2112.00	08.04.15	1684.45	27.04.15	2115.00	08.04.15	1683.05	27.04.15
May-2015	1858.15	29.05.15	1589.40	14.05.15	1854.90	29.05.15	1588.25	14.05.15
Jun-2015	1892.35	30.06.15	1675.65	16.06.15	1898.00	30.06.15	1675.00	16.06.15
Jul-2015	1985.00	20.07.15	1590.40	29.07.15	1983.50	20.07.15	1590.05	29.07.15
Aug-2015	1939.90	20.08.15	1634.75	04.08.15	1945.00	31.08.15	1634.10	04.08.15
Sep-2015	2066.60	28.09.15	1755.00	08.09.15	2067.75	28.09.15	1755.75	08.09.15
Oct-2015	2127.00	06.10.15	1885.05	28.10.15	2129.00	06.10.15	1885.00	28.10.15
Nov-2015	1935.00	02.11.15	1759.25	13.11.15	1935.20	02.11.15	1759.60	19.11.15
Dec-2015	1878.00	02.12.15	1690.90	10.12.15	1879.00	02.12.15	1688.50	10.12.15
Jan-2016	1858.15	01.01.16	1635.35	14.01.16	1859.00	01.01.16	1636.00	14.01.16
Feb-2016	1911.55	09.02.16	1603.20	05.02.16	1911.90	09.02.16	1603.00	05.02.16
Mar-2016	1874.30	14.03.16	1294.05	29.03.16	1874.60	14.03.16	1280.00	29.03.16

DEMATERIALISATION OF SHARES AND LIQUIDITY

Shares of the Company are traded compulsorily in dematerialised form and are available for trading with both the depositories with whom the Company has established direct connectivity. Demat requests received by the Company are regularly monitored to expedite the process of dematerialisation. The International Securities Identification Number (ISIN) assigned to the Company's equity shares by the depositories is **INE 326A 01037**.

During the year, the Company has electronically confirmed demat requests for 248064 equity shares. As on March 31, 2016, 99.58% of the equity share capital of the Company was held in dematerialised form.

The shareholders holding shares in physical form are advised to dematerialise their shares. Shareholders holding shares in dematerialised form are requested to promptly update their bank details including the nine digits MICR Code, IFSC Code and E-mail ID with their respective depository participant.

Company's shares are fairly liquid on the bourses forming part of major indices and are traded actively at the BSE and the NSE. Trading data of the same for the year April 2015 to March 2016 is as under: -

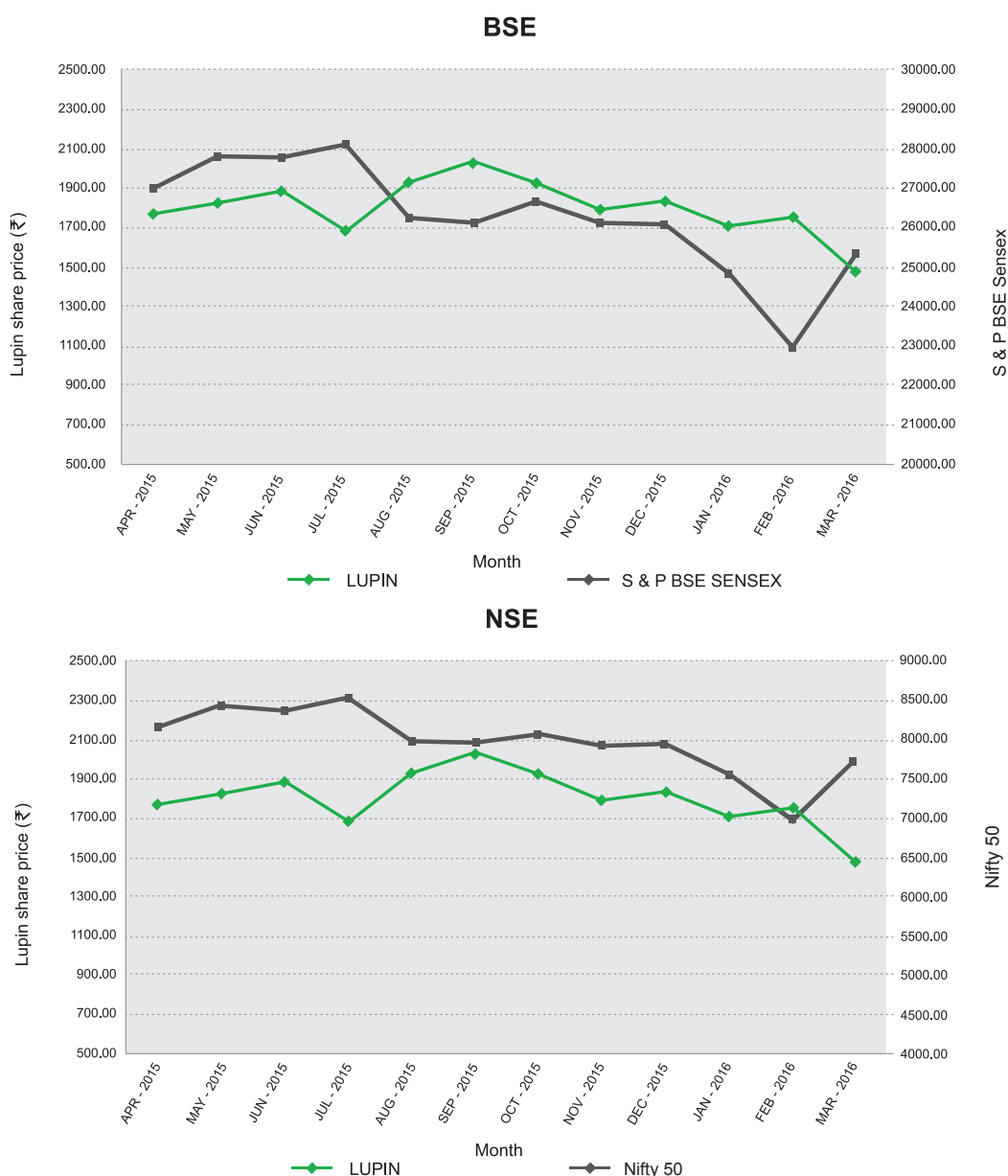
(Value in mn. ₹)

Month	BSE		NSE		Total	
	Shares	Value (₹)	Shares	Value (₹)	Shares	Value (₹)
Apr - 2015	2197473	4016.01	30485391	56710.93	32682864	60726.94
May - 2015	2531851	4399.50	62348815	109852.74	64880666	114252.24
Jun - 2015	1928153	3441.32	21236574	37834.43	23164727	41275.75
Jul - 2015	2630874	4657.84	32173381	56880.81	34804255	61538.65
Aug - 2015	2095175	3780.11	27998719	50474.66	30093894	54254.77
Sep - 2015	1886542	3642.63	21930566	41964.95	23817108	45607.58
Oct - 2015	3413784	6973.77	24030210	48764.63	27443994	55738.40
Nov - 2015	944751	1733.16	15529157	28426.74	16473908	30159.90
Dec - 2015	1578811	2821.27	16313532	29326.99	17892343	32148.26
Jan - 2016	990965	1711.97	15963810	27398.01	16954775	29109.98
Feb - 2016	2715040	4809.79	26762952	47411.60	29477992	52221.39
Mar - 2016	16257598	27651.38	68200058	104897.64	84457656	132549.02
Total:	39171017	69638.75	362973165	639944.13	402144182	709582.88

PERFORMANCE IN COMPARISON WITH BROAD BASED INDICES

Lupin share price compared with S&P BSE Sensex and Nifty 50 (Month-end closing) during the year April 2015 to March 2016: -

Month	BSE		NSE	
	Lupin share price (₹)	S&P BSE Sensex	Lupin share price (₹)	Nifty 50
Apr - 2015	1772.80	27011.31	1772.55	8181.50
May - 2015	1831.90	27828.44	1833.25	8433.65
Jun - 2015	1886.85	27780.83	1886.05	8368.50
Jul - 2015	1695.65	28114.56	1696.70	8532.85
Aug - 2015	1928.85	26283.09	1935.55	7971.30
Sep - 2015	2033.35	26154.83	2034.00	7948.90
Oct - 2015	1926.05	26656.83	1928.90	8065.80
Nov - 2015	1790.80	26145.67	1786.95	7935.25
Dec - 2015	1837.80	26117.54	1837.25	7946.35
Jan - 2016	1710.25	24870.69	1710.75	7563.55
Feb - 2016	1752.15	23002.00	1754.55	6987.05
Mar - 2016	1480.25	25341.86	1479.25	7738.40



EVOLUTION OF SHARE CAPITAL

Particulars of Equity Share Capital of the Company: -

Year	Allotment of shares (of the face value of ₹ 10/- each)	Total issued	
		No. of shares during the year	Capital at the end of the year (₹)
2001 - 02	40141134 shares upon amalgamation *	40141134	401411340
2006 - 07	11360 shares under ESOP (Pre - Bonus)	40203430	803445640
	40152494 shares as bonus (in the ratio of 1:1)		
	39576 shares under ESOP (Post - Bonus)		
2007 - 08	1656100 shares upon conversion of FCCB	1736331	820808950
	80231 shares under ESOP		
2008 - 09	571069 shares upon conversion of FCCB	738655	828195500
	167586 shares under ESOP		
2009 - 10	5816742 shares upon conversion of FCCB	6124283	889438330
	307541 shares under ESOP		
2010 - 11	170691 shares under ESOP (Pre Sub-division)	1482024	892402378
	Allotment of shares (of the face value of ₹ 2/-each)		
	628569 shares under ESOP (Post Sub-division)		
2011 - 12	440492 shares under ESOP	440492	893283362

Year	Allotment of shares (of the face value of ₹ 10/- each)	Total issued	
		No. of shares during the year	Capital at the end of the year (₹)
2012 - 13	887812 shares under ESOP	887812	895058986
2013 - 14	846311 shares under ESOP	846311	896751608
2014 - 15	1112531 shares under ESOP	1112531	898976670
2015 - 16	1094634 shares under ESOP	1094634	901165938

* Amalgamation of Lupin Laboratories Limited with Lupin Chemicals Limited whose name was changed to Lupin Limited.

SHARE TRANSFER SYSTEM

Equity shares of the Company traded in dematerialised form are transferred through the depository system. Share transfers in physical form are processed by the Investors' Services Department of the Company and placed before the Share Transfer Committee for its approval. The Board has constituted a Share Transfer Committee comprising Dr. Desh Bandhu Gupta, or in his absence, Dr. Kamal K. Sharma, as the Chairman of the Committee and Mrs. M. D. Gupta and Dr. K. U. Mada as the Members. The Committee met 24 times during the year to approve the transfer of 93550 equity shares in physical form. In terms of Regulation 40 (9) of the Listing Regulations, every six months, a Company Secretary in practice undertakes audit of the share transfer related activities and the compliance certificate issued upon audit is submitted to the BSE and the NSE.

SHARE ALLOTMENT COMMITTEE

The Board has constituted Share Allotment Committee to approve the allotment of shares, comprising Dr. Desh Bandhu Gupta, or in his absence, Dr. Kamal K. Sharma as the Chairman of the Committee and Mrs. M. D. Gupta as a Member. The Allotment Committee met 13 times during the year and allotted 1094634 shares to the employees of the Company and those of its subsidiaries, upon their exercising the vested options granted to them under various Stock Option Plans of the Company. Executives of the Company are authorized by the Share Allotment Committee to comply with pre and post allotment formalities including listing of allotted shares with the stock exchanges.

UNCLAIMED SHARES

At the beginning of the year, 395950 shares pertaining to 1501 shareholders remained outstanding as unclaimed in the 'Lupin Limited - Unclaimed Suspense Account'. During the year, 51 shareholders have claimed 12350 shares which were transferred by the Company in the name of the respective claimant shareholders after due verification of the claim documents submitted by them. As on March 31, 2016, the balance in the Unclaimed Suspense Account was 383600 shares of 1450 shareholders, the voting rights in respect of which shall remain frozen till the claim of the rightful shareholders is approved by the Company.

SHAREHOLDING PROFILE AS ON MARCH 31, 2016

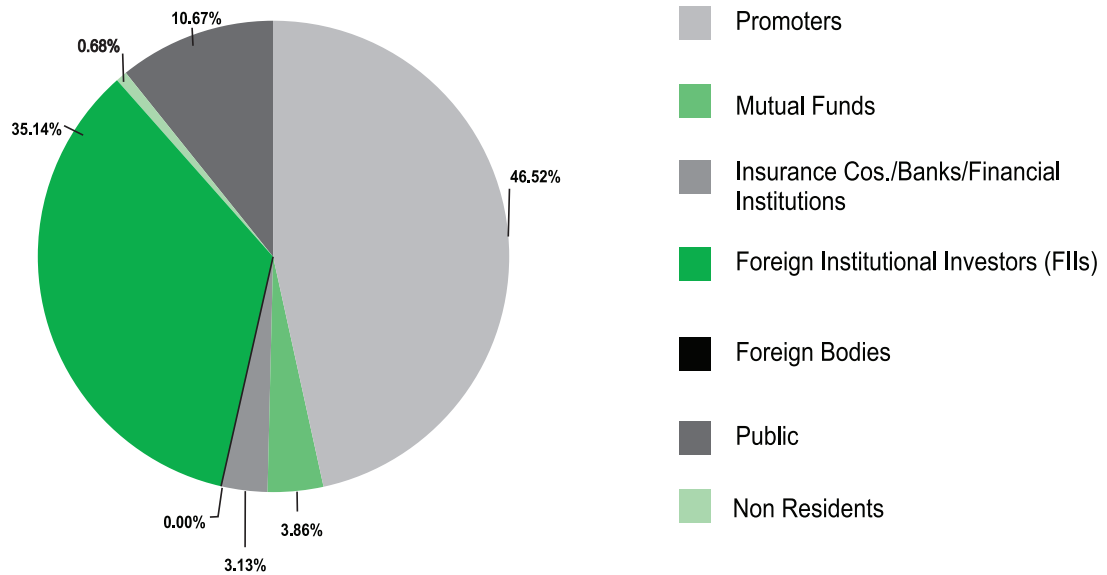
i. Distribution of Shareholding

Shareholding range (No. of shares)	Shareholders		Shareholding	
	Numbers	%	Numbers	%
1 - 500	162321	93.63	9830675	2.18
501 - 1000	4210	2.43	3199310	0.71
1001 - 2000	3945	2.28	5214272	1.16
2001 - 3000	769	0.44	1925930	0.43
3001 - 4000	321	0.18	1146952	0.25
4001 - 5000	226	0.13	1053339	0.23
5001 - 10000	435	0.25	3150565	0.70
10001 and above	1146	0.66	425061926	94.34
Total:	173373	100.00	450582969	100.00

ii. Shareholding Pattern

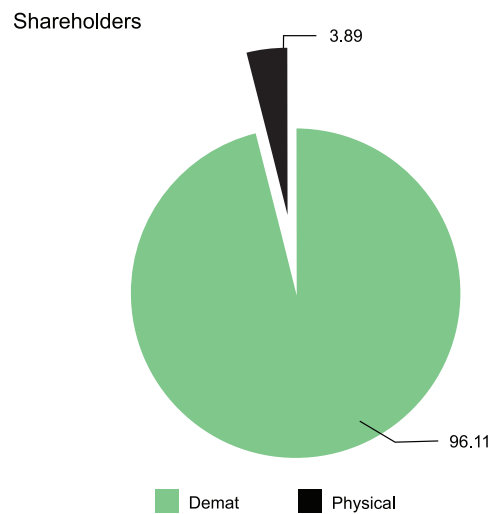
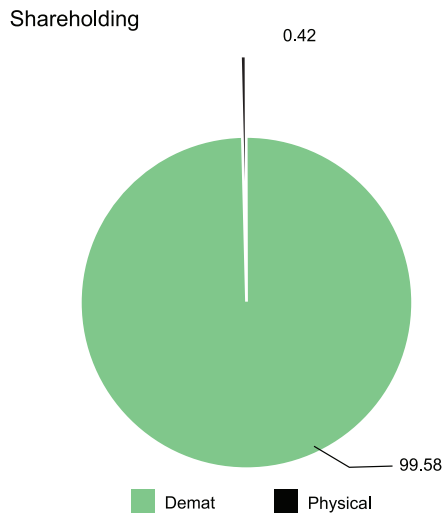
Category	As on 31.03.2016		As on 31.03.2015	
	No. of shares	%	No. of shares	%
Promoters	209606365	46.52	209602240	46.63
Mutual Funds	17377878	3.86	18771880	4.18
Insurance Cos./ Banks/ Financial Institutions	14093582	3.13	20188791	4.49
Foreign Institutional Investors (FIIs)	158356457	35.14	155918926	34.69
Foreign Bodies	7079	0.00	7079	0.00
Non Residents	3076814	0.68	1800683	0.40
Public	48064794	10.67	43198736	9.61
Total:	450582969	100.00	449488335	100.00

Shareholding Pattern as on March 31, 2016



iii. Shareholding Profile

	Demat		Physical		Total
	(nos.)	%	(nos.)	%	(nos.)
Shareholding	448712543	99.58	1870426	0.42	450582969
Shareholders	166621	96.11	6752	3.89	173373



iv. Geographical spread of Shareholders

State	Shareholders		State	Shareholders	
	Nos.	%		Nos.	%
Andhra Pradesh	7902	4.56	Madhya Pradesh	3939	2.27
Assam	680	0.39	Maharashtra	67089	38.70
Bihar	1987	1.15	North Eastern States	159	0.09
Chhattisgarh	535	0.31	Orissa	1336	0.77
Delhi	10229	5.90	Punjab	2637	1.52
Goa	879	0.51	Rajasthan	4621	2.67
Gujarat	17037	9.83	Tamilnadu	10208	5.89
Haryana	3342	1.93	Telangana	269	0.16
Himachal Pradesh	322	0.19	Uttarakhand	751	0.43
Jammu and Kashmir	342	0.20	Uttar Pradesh	9159	5.28
Jharkhand	1875	1.08	West Bengal	11588	6.68
Karnataka	11967	6.90	Others	1159	0.67
Kerala	3361	1.94	Total:	173373	100.00

DIVIDEND PROFILE

Particulars of dividend paid by the Company: -

Financial year payment	Book closure/Record date	Dividend declared %	Date of declaration	Date of payment
2014 - 15	16.07.15 - 23.07.15	375	23.07.2015	27.07.2015
2013 - 14 (Final)	23.07.14 - 30.07.14	150	30.07.2014	31.07.2014
2013 - 14 (Interim)	14.02.2014	150	03.02.2014	21.02.2014
2012 - 13	31.07.13 - 07.08.13	200	07.08.2013	08.08.2013
2011 - 12	17.07.12 - 24.07.12	160	24.07.2012	25.07.2012
2010 - 11	20.07.11 - 27.07.11	150	27.07.2011	28.07.2011
2009 - 10	21.07.10 - 28.07.10	135	28.07.2010	29.07.2010
2008 - 09	22.07.09 - 29.07.09	125	29.07.2009	30.07.2009
2007 - 08	15.07.08 - 22.07.08	100	22.07.2008	23.07.2008
2006 - 07	12.07.07 - 19.07.07	50	19.07.2007	20.07.2007
2005 - 06	11.07.06 - 12.07.06	65	25.07.2006	26.07.2006
2004 - 05	19.07.05 - 20.07.05	65	28.07.2005	29.07.2005
2003 - 04	15.07.04 - 16.07.04	65	29.07.2004	30.07.2004
2002 - 03	17.07.03 - 18.07.03	50	06.08.2003	07.08.2003
2001 - 02 (Final)	20.08.02 - 21.08.02	25	02.09.2002	03.09.2002
2001 - 02 (Interim)	07.02.02	25	17.01.2002	15.02.2002

Note: Dividend for the year 2006-07 onwards was on enhanced equity share capital, consequent to the Bonus Issue in the ratio of 1:1.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has adopted revised Code of Conduct pursuant to the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, for prevention of insider trading in the shares of the Company. The comprehensive Code has been disseminated on the intranet and strictly implemented aiming at maintaining the highest ethical standards.

The Code which is applicable to promoters, directors, auditors, employees of the Company and their immediate relatives, prescribes the procedures to be followed while dealing in the shares of the Company. The Code prohibits the said persons to deal in the shares of the Company on the basis of any unpublished price sensitive information available to them by virtue of their position in the Company.

The transactions in the shares of the Company are also subjected to the trading window closure periods announced by the Company, from time to time.

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

In terms of the provisions of Clause 55A of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, an audit of share capital of the Company is conducted for each calendar quarter, by a practicing Company Secretary, with a view to reconcile the total admitted capital with NSDL and CDSL and those held in physical form with the total issued, paid up and listed capital of the Company.

The audit report, inter alia, confirms that the Register of Members is duly updated and that demat/remat requests were confirmed within stipulated time etc. Details of changes in the share capital during the quarter are also covered in the report.

The Reconciliation of Share Capital Audit Report is submitted to the BSE and the NSE and is also placed before the meetings of the Stakeholders' Relationship Committee and the Board of Directors.

UNCLAIMED DIVIDENDS

Dividends declared by the Company up to the financial year 2007-08 which remained unclaimed/unpaid were transferred to the Investor Education and Protection Fund (IEPF), pursuant to the relevant provisions, as and when the same were due.

As a proactive measure to safeguard interests of the shareholders, the Company sends reminders periodically to shareholders concerned to claim their unpaid dividends before transferring the same to IEPF.

The unclaimed/unpaid dividends for the year 2008-09 onwards will be transferred to the IEPF, as given below: -

Financial Year	Date of Declaration	Due date for transfer to IEPF
2008 - 09	29.07.2009	03.09.2016
2009 - 10	28.07.2010	02.09.2017
2010 - 11	27.07.2011	01.09.2018
2011 - 12	24.07.2012	29.08.2019
2012 - 13	07.08.2013	12.09.2020
2013 - 14 (Interim)	03.02.2014	11.03.2021
2013 - 14 (Final)	30.07.2014	04.09.2021
2014 - 15	23.07.2015	28.08.2022

Shareholders are advised to confirm with their records and claim their dividend before the due date of transfer to IEPF, if not encashed earlier.

OUTSTANDING GDRs/ADRs/WARRANTS/CONVERTIBLE INSTRUMENTS

The Company has granted stock options to its employees and those of its subsidiaries under various employee stock option plans. Pursuant to the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 and the terms and conditions of the respective plans, the Company allots equity shares from time to time, upon the employees exercising the options vested in them.

There are no outstanding warrants and convertible instruments. The Company has not issued any GDR/ADR.

PLANT LOCATIONS

The Company's plants are located at:

i)	T-142, MIDC Industrial Estate, Tarapur Industrial Area, Boisar, Dist. Thane, Maharashtra - 401 506.	vii)	Gat No. 1156, Village Ghotawade, Taluka Mulshi, Dist. Pune, Maharashtra - 411 042.	xiii)	Kyowa CritiCare Co., Ltd., Post code 243-0014 4-18-29, Asahi-cho, Atsugi city, Kanagawa prefecture Japan.
ii)	198-202, New Industrial Area II, Mandideep, Dist. Raisen, Madhya Pradesh - 462 046.	viii)	Block 21, Dabhasa, Padra Taluka, Vadodara, Gujarat - 391 440.	xiv)	Laboratorios Grin S.A. de C.V. Rodriguez Saro#630, Col Del Valle, Mexico DF, CP 03100, RFC LGR8309144M3.
iii)	124, GIDC Industrial Estate, Ankleshwar, Gujarat - 393 002.	ix)	Plots Nos. 2 and M-1, SEZ, Phase -II, Misc. Zone, Apparel Park, Pithampur, Dist. Dhar, Madhya Pradesh - 454 775.	xv)	Medquimica Industria Farmaceutica LTDA, RUA FERNANDO LAMARCA, 255 - Bairro Distrito Industrial Juiz de Fora, Minas Gerais, CEP 36092-030, Brazil.
iv)	A-28/1, MIDC Area, Chikalthana, Aurangabad, Maharashtra - 431 001.	x)	Plot 6A, Sector-17, Special Economic Zone, Mihan Notified Area, Nagpur - 441 108.	xvi)	Novel Laboratories Inc., 400, Campus Drive, Somerset, New Jersey - 00873 - 1145, USA.
v)	B-15, Phase I-A, Verna Industrial Area, Verna Salcette, Goa - 403 722.	xi)	Plot #130, Road #11, J. N. Pharma City Parwada, Visakhapatnam, Andhra Pradesh - 531019.		
vi)	EPIP, SIDCO Industrial Complex, Bari Brahmana, Jammu - 181 133.	xii)	Kyowa Pharmaceutical Industry Co. Ltd., 11-1 Techno Park, Sanda, Hyogo 669 - 1339, Japan.		

CONTACT PERSONS FOR ENQUIRIES

Financial matters	: Mr. Sunil Makharia, email: sunilmakharia@lupin.com
Secretarial and compliance matters	: Mr. Rajvardhan V. Satam, email: rajvardhansatam@lupin.com
Investors related matters	: Mr. Pradeep Bhagwat, email: pradeepbhagwat@lupin.com

ADDRESS FOR CORRESPONDENCE

Members may address their queries/communications to:

Investors' Services Department:

Kalpataru Inspire, 7th Floor, Off Western Express Highway,
 Santacruz (East), Mumbai - 400 055, India.
 Tel: +91 22 6640 2323 Ext: 2402/2403 Fax: +91 22 6640 8131.
 E mail: investorservices@lupin.com

For and on behalf of the Board of Directors

Dr. Desh Bandhu Gupta
Chairman
 (DIN: 00209378)

Mumbai, May 19, 2016

CERTIFICATE PURSUANT TO REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, Mr. Nilesh Gupta, Managing Director and Mr. Ramesh Swaminathan, Chief Financial Officer & Executive Director do hereby certify to the Board that: -

- (a) We have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2016 and that to the best of our knowledge and belief: -
- (i) the said statements do not contain any materially untrue statements or omit any material fact, or contain statements that might be misleading;
 - (ii) the said statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee: -
- (i) significant changes in internal control over financial reporting during the year, if any;
 - (ii) significant changes in accounting policies during the year if any and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **LUPIN LIMITED**

Nilesh Gupta
Managing Director
(DIN: 01734642)

For **LUPIN LIMITED**

Ramesh Swaminathan
Chief Financial Officer & Executive Director
(DIN: 01833346)

Mumbai, May 19, 2016

DECLARATION FOR COMPLIANCE WITH THE CODES OF CONDUCT

I hereby declare that the Directors and Senior Management of the Company have affirmed compliance with the Codes of Conduct as applicable to them for the year ended March 31, 2016.

For **LUPIN LIMITED**

Nilesh Gupta
Managing Director
(DIN: 01734642)

Mumbai, May 19, 2016

INDEPENDENT AUDITOR'S CERTIFICATE

TO THE MEMBERS OF LUPIN LIMITED

1. We have examined the compliance of conditions of Corporate Governance by **LUPIN LIMITED** ("the Company"), for the year ended on March 31, 2016, as stipulated in:
 - Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with stock exchange(s) for the period from April 01, 2015 to November 30, 2015.
 - Clause 49(VII)(E) of the Listing Agreements of the Company with the stock exchange(s) for the period from April 01, 2015 to September 01, 2015.
 - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from September 02, 2015 to March 31, 2016 and
 - Regulations 17 to 27 (excluding regulation 23(4)) and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the period from December 01, 2015 to March 31, 2016.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2016.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W / W-100018)

K. A. Katki
Partner
(Membership No. 038568)

Mumbai, May 19, 2016

BUSINESS RESPONSIBILITY REPORT

The Company derives its name from the LUPIN flower which nourishes the soil in which it grows without consuming much of it. In line with its name, the Company firmly believes in giving back to the society and ensures its all-round progress with a view to achieve long-term growth. In pursuance of its commitment to demonstrate fair and ethical governance, responsible business conduct, protect the global environment and promote the well-being and safety of all stakeholders and in compliance with Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company has prepared the Business Responsibility Report as under: -

Section A: General Information about the Company

- 1. Corporate Identity Number (CIN) of the Company :** L24100MH1983PLC029442
- 2. Name of the Company :** LUPIN LIMITED
- 3. Registered address :** 159, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400 098.
Effective June 1, 2016: Kalpataru Inspire, 3rd Floor,
Off Western Express Highway, Santacruz (East),
Mumbai - 400 055.
- 4. Website:** www.lupin.com
- 5. E-mail id:** hosecretarial@lupin.com
- 6. Financial Year reported:** Year ended March 31, 2016.
- 7. Sector(s) that the Company is engaged in (industrial activity code-wise):**

Industrial Group	Description
210	Manufacture of Pharmaceuticals.

As per National Industrial Classification - Ministry of Statistics and Programme Implementation.

- 8. List three key products/services that the Company manufactures/provides (as in balance sheet):**
Cardiovascular, Anti-Infective and Diabetology.
- 9. Total number of locations where business activity is undertaken by the Company:**
 - a. Number of International Locations:**
The Company has 28 international subsidiaries located in 15 countries and a Joint Venture in Japan. The Company has Representative Offices in China, Russia, Ukraine, Kazakhstan, Uzbekistan and Vietnam.
 - b. Number of National Locations:**
The Company has 11 plants situated at Aurangabad, Tarapur, Pune and Nagpur in Maharashtra, Ankleshwar and Dabhasa in Gujarat, Mandideep and Indore in Madhya Pradesh, Visakhapatnam in Andhra Pradesh, Goa and Jammu. The R&D Centre is located at Pune. The Registered and Corporate offices are housed in Mumbai. The Company has 28 Carrying & Forwarding Agents and six Central Warehouses across the country.
- 10. Markets served by the Company - Local/State/National/International:**
In addition to serving the Indian market, the Company exports to around 76 countries worldwide.

Section B: Financial Details of the Company

- 1. Paid up Capital (INR):** ₹ 901.2 million.
- 2. Total Turnover (INR):** ₹ 109139.8 million (Standalone).
- 3. Total profit after taxes (INR):** ₹ 28850.7 million (Standalone).
- 4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** The Company's total spending on CSR for the year ended March 31, 2016 was ₹ 205.1 million which is 0.71 % of profit after tax.

5. List of activities in which expenditure in 4 above has been incurred:

The Company's policy on CSR provides room for broad based interventions in diverse sectors. During the year, various CSR initiatives were undertaken to enrich lives of the marginalized sections of the society. The CSR activities can be broadly grouped under the following thematic areas: -

a. Economic development

With a view to enhance income and economic upgradation, diverse measures involving productivity improvement and technology transfer were undertaken in diverse areas such as agriculture, rural industries, animal husbandry, skill enhancement as also financial assistance to the rural poor. These activities aim at economic up-gradation of the targeted families and enable beneficiary households to lead a dignified life with acceptable standard of living.

b. Social development

Interventions aimed at women empowerment, sports activities, education, training and community health management were implemented in the adopted areas.

c. Natural Resource Management

Conservation of natural resources was achieved in the adopted areas by constructing check dams, farm ponds, water and soil conservation measures, renovation of defunct lakes, etc. These activities enhanced the availability and accessibility of water, thereby resulting in economic upgradation through increased irrigated land.

d. Rural Infrastructure Development

With a view to improve the living standards in rural areas and boost the rural economy, various infrastructure building activities were undertaken viz. chauraha or crossroad development, construction of internal roads, schools, economic housing for rural poor, sanitation facilities, etc.

e. Learn and Earn programme

With an aim to provide opportunities to deserving students, from small towns and rural areas to pursue higher education with apprenticeship or employment, the Company has in place, the Learn and Earn programme.

f. TB Eradication

Health programs in urban areas aimed at eradication of Tuberculosis was implemented by the Company.

Section C: Other Details

1. Does the Company have Subsidiary Companies ?

As on March 31, 2016, the Company had 30 subsidiaries.

2. Do the Subsidiary Companies participate in the BR Initiatives of the parent company ? If yes, then indicate the number of such subsidiary companies:

Of the 30 subsidiaries, 28 are foreign, which comply with the requirements of their respective countries and have independent business responsibility initiatives. Lupin Healthcare Limited and Novel Clinical Research (India) Private Limited are the only two Indian subsidiaries and they have not commenced commercial operations.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:

The Company's suppliers, distributors, etc. do not directly participate in the BR initiatives of the Company; however, they support the same.

Section D: BR Information

1. Details of Director responsible for BR:

a) Details of the Director responsible for implementation of the BR policies:

- 1) **DIN Number:** 01734642
- 2) **Name:** Mr. Nilesh Gupta
- 3) **Designation:** Managing Director

b) Details of the BR head:

Sl. No.	Particulars	Details
1.	DIN Number	01734642
2.	Name	Mr. Nilesh Gupta
3.	Designation	Managing Director
4.	Telephone number	+91 22 6640 2222
5.	E-mail id	hosecretarial@lupin.com

2. Principle-wise (as per NVGs) BR Policy/policies

a) Details of compliance (Reply in Y/N):

Sl. No.	Questions	Business Ethics	Product Responsibility	Well-being of employees	Stakeholder engagement	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policies for...	Y	Y	Y	Y	Y (The policy is broadly covered in various HR policies and practices as also codes of conduct)	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	-	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify.	Y	Y	Y	Y	Y	Y	-	Y	Y
		The policies are broadly based on the National Voluntary Guidelines on social, environmental and economical responsibilities of business issued by the Ministry of Corporate Affairs, Government of India. International Standards namely, ISO 14001 and 18001 are in place to respect, protect and restore the environment.								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD /CEO/ appropriate Board Director?	Y (Signed by the MD)	Y (Signed by the QA Head)	Y (Signed by the HR Head)	Y (Signed by the CSR Head)	Y (Signed by the HR Head)	Y (Signed by the MD)	-	Y (Signed by the CSR Head)	Y (Signed by the Marketing Head)
5.	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	-	Y	Y
6.	Indicate the link for the policy to be viewed online	*	@	@	@	*	@	-	*	*
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	-	Y	Y
8.	Does the Company have in-house structure to implement the policy / policies?	Y	Y	Y	Y	Y	Y	-	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Y	Y	Y	Y	Y	Y	-	Y	Y
10.	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	N	Y	Y	-	Y	Y

* URL: <http://www.lupin.com>

@ <http://home.lupinworld.com>

b) If answer to question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No.	Questions	P	P	P	P	P	P	P	P	P
		1	2	3	4	5	6		7	8
1.	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3.	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4.	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5.	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6.	Any other reason (please specify)	-	-	-	-	-	-	The Company is a member of various trade bodies, chambers and associations through which it has been advocating from time to time in a responsible manner, about measures to be taken by the government to address issues related to the pharmaceutical industry. However, no need has been felt to formulate a specific policy for the same.	-	-

3. Governance related to BR:

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.
Annually.

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company does not publish a BR or a Sustainability Report. The details pertaining to Corporate Social Responsibility (CSR) activities have been presented in the Management Discussion and Analysis Report and the CSR Report given in 'Annexure B' to the Directors' Report.

Section E: Principle-wise performance

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/ Others?

The Company firmly believes that good governance practices stem from dynamic culture and positive mindset. The Company's philosophy on Corporate Governance lays emphasis on timely disclosures, transparent policies, consistent value systems and integrity with a view to maximise long term corporate value and preserving shareholders trust. Codes of Conduct have been adopted for Directors and Senior Management personnel as also for Independent Directors. The said Codes have been hosted on the Company's website (www.lupin.com). The Company is committed to uncompromising integrity in conduct of business and its value systems and ethical principles set the ground rules of the manner in which it interacts with employees and outside world. The Company has instituted an initiative encompassing three important policies viz. Code of Conduct, Whistleblower Policy and Prevention of Workplace Harassment (which includes 'The Sexual Harassment of Women at the Workplace' (Prevention, Prohibition and Redressal) Act and Rules, 2013). The said policies lay down the rules and procedures, by way of which the employees of the Company can report any suspected wrongdoings or fraudulent business practices against any other employee, irrespective of their grade or management level. All complaints received from employees are dealt with seriously and responded to in a prompt and professional manner by the Office of the Ombudsperson.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof.

As mentioned in the Corporate Governance Report, the Company received one complaint of sexual harassment, which was investigated by the Internal Complaints Committee, pursuant to the provisions of 'Sexual Harassment of Women

at Workplace (Prevention, Prohibition and Redressal) Act, 2013'. A detailed investigation was carried out as per law and the Internal Complaints Committee concluded in its findings which were shared with the complainant, that the allegations were not proved based on extensive proceedings and evidence on record. The Office of Ombudsperson received 39 minor and four major complaints under the Whistleblower Policy which were responded to within the stipulated time-frame and necessary action taken against those found guilty of breach of the Code of Conduct.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- i. 'Tonact' (Atorvastatin) for reducing Cholesterol.
- ii. 'Gluconorm' (Metformin) an Anti-Diabetes drug.
- iii. 'Rablet' (Rabeprazole) an Anti-Ulcer Drug for treatment of hyperacidity.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product:

(a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

The Company manufactures and distributes at its world class manufacturing facilities, a wide range of branded formulations, generics and active pharmaceutical ingredients. As consumption per unit depends on the product mix, there are no specific standards to ascertain reduction achieved at product level.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company's products do not have any broad-based impact on energy and water consumption by consumers. However, the Company has taken several measures to reduce the consumption of energy and water.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof.

The Company has formulated an operating procedure to approve vendors. Materials are procured from approved vendors both, local and international. The quality assurance team of the Company conducts periodic audit of the vendors, especially those who supply key materials. The Company has longstanding business relations with regular vendors. The Company enters into annual freight contracts with leading transporters for movement of materials. The Company continues to receive sustained support from its vendors.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company procures goods and avails services from local and small vendors, particularly those located around its manufacturing locations. As a result of procurement of goods from local vendors, the Company saves on transportation as also on inventory carrying costs. The Company provides technical support and guidance to vendors in developing products.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as < 5%, 5-10%, > 10%). Also, provide details thereof.

A mechanism for recycling products as well as also waste is in place in the Company. About 48% of the waste water generated in plants, is recycled recovered and reused, thereby reducing consumption of fresh water. Treated waste water is used for gardening in Company premises thereby reducing usage of fresh water.

About 53% of incinerable waste generated at plants is sent for co-processing in cement kilns and the same is used in place of fossil fuel by the cement industry. Most of the solvents are recycled and reused.

Principle 3

1. Please indicate the Total number of employees.

16,351 permanent employees as on March 31, 2016.

2. Please indicate the Total number of employees hired on temporary/ contractual/casual basis.

4,236 as on March 31, 2016.

3. Please indicate the number of permanent women employees.

963 as on March 31, 2016.

4. Please indicate the number of permanent employees with disabilities.

30 as on March 31, 2016.

5. Do you have an employee association that is recognized by management?

The Company's plants and offices are situated at multiple locations, thus there are unions and association of employees at the respective locations.

6. What percentage of your permanent employees are members of this recognized employee association?

About 6% of the permanent employees are members of recognised employee associations.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sl.No.	Category	No. of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour / forced labour / involuntary labour	Nil, as the Company does not hire child labour, forced labour or involuntary labour.	N.A.
2.	Sexual harassment	One	Nil
3.	Discriminatory employment	Nil	N.A.

8. What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year? (only safety training)

(a) Permanent Employees: - More than 92% of operating personnel are trained in safety. Employees are imparted safety training at the time they join the Company which includes procedural and chemical safety, firefighting and first-aid etc. Procedural safety trainings are imparted at regular intervals and first-aid and firefighting trainings are imparted at scheduled intervals.

(b) Permanent Women Employees: - About 80% of the permanent women employees are trained in safety. The Company makes no discrimination while imparting training to women employees vis-a-vis their male counterparts. Induction safety training women employees is imparted to fresh recruits and other trainings like first aid etc. are imparted periodically.

(c) Casual/Temporary/Contractual Employees: - 100% in operating functions are trained.

(d) Employees with Disabilities: - The Company makes no discrimination while imparting training to differently abled employees vis-a-vis their fellow employees.

Principle 4

1. Has the Company mapped its internal and external stakeholders? Yes/No.

Yes, the Company has mapped its stakeholders.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?

The Company has identified the disadvantaged, vulnerable and marginalized stakeholders.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof.

The 'Punarjyoti' ('Rebirth of Eyes'), campaign, by the 'Lupin Blue Eyes' division of the Company, which promotes the noble message of eye donation after death, was continued. Each product pack contains a unique insert of the eye donation form along with helpline numbers and provides patients detailed information about the eye donation process. In line with its philosophy of contributing to the well-being of patients, the Company initiated different educational programs in order to create awareness about various diseases. A dedicated multilingual website 'Right2breathe' was created to educate about Asthma and allergies in order to increase awareness about various respiratory diseases. The Company continued its commitment towards TB eradication by creating a unique mobile application 'Fight TB' which is one stop solution to doctors treating Tuberculosis. The Company also conducted parental education for Pediatric Asthma as also paramedics' updation program and spirometry technician training program. The Company created more than 1000 respiratory clinics across the country to increase awareness of respiratory diseases. 'Arogya Lifestyle Camps' strive to educate patients about lifestyle diseases by providing patients with AROGYA booklet on diet tips in regional languages. Free camps were provided to Hypothyroidism patients. The Cardiovascular and Neurology teams of the Company conducted the 'Connect to Cure' programs through various mediums to improve patient awareness on hypertension and its comorbidities. The Company appointed 'Diabetes educators' to provide coaching to patients on 'Insulin administration' and addressing patient queries related to Diabetes. The Company also identified and collaborated with doctors and created heart failure clinics across the country to increase awareness of heart failure management. Webinar platforms with unrestricted patient/public login disseminating patient awareness on cardiovascular disease were created. Medical camps were conducted for screening and diagnosis of various therapy areas like Asthma, COPD, Lipids, Anemia, Diabetes, Hypertension, Uric Acid measuring camp, Bone Mineral Density, etc.

Principle 5

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company remains committed to respect and protect human rights. The Company's code of conduct and the human resource practices cover most of these aspects. The Company does not hire child labour, forced labour or involuntary labour. The Company never discriminates between its employees. This policy extends to the entire Lupin Group.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

During the year under review, the Company did not receive any complaint in respect of violation of human rights.

Principle 6

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?

The policy covers the Company, its subsidiaries and all contractors working within the Company premises.

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

Conservation and optimum utilization of natural resources has been and continues to be the topmost priority for the Company. The Environment, Health and Safety policy of the Company stresses on conservation of energy by eliminating/reducing waste (<http://home.lupinworld.com>). Water is a precious resource and the Company has a mechanism in place for recycling waste water. The Company has installed solar power panels at some of its plant locations to reduce load on conventional sources of energy.

3. Does the Company identify and assess potential environmental risks? Y/N.

Yes all new facilities and products are risk assessed through internal and external mechanisms which includes environmental impact assessment as also development of environmental management plans. These environmental management plans are reviewed during internal meetings. The prestigious International Sustainability Rating System (ISRS) certification was renewed after audit by external independent parties. The Company continues to be the first in the pharmaceutical industry in India to have received the certification for three of its units.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

At present, the Company does not have any project related to Clean Development Mechanism.

5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Some energy-efficient initiatives carried out by the Company at different locations were as under: -

- Installed solar power panels to reduce load on conventional resources;
- Replaced conventional light fitting with low power consuming LED lights;
- Conserved energy by grouping hot water systems;
- Improved efficiency of various equipments viz. compressors, boilers, pumps, cooling towers, etc.;
- Installed heat pumps to recover waste heat of air conditioning load for hot water generation for HVAC system instead of steam operated system;
- Used wind power (renewable); and
- Installed screw blower for aeration tanks in effluent treatment plant to save energy and reduce noise.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes and the same are monitored by both internal and approved external agencies.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

There were no unresolved show cause/legal notice received from CPCB/SPCB.

Principle 7

1. Is the Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is a member of various trade bodies, task forces and forums, chambers and associations inter alia: -

- (a) Federation of Indian Chambers of Commerce and Industry (FICCI);
- (b) Confederation of Indian Industry (CII);
- (c) The Associated Chambers of Commerce and Industry (ASSOCHAM);
- (d) Indian Pharmaceutical Alliance (IPA);

- (e) Indian Drugs Manufacturers Association (IDMA);
- (f) Bulk Drugs Manufacturers Association (BDA);
- (g) Pharmaceutical Export Promotion Council of India (PHARMAEXCIL);
- (h) Bombay Chamber of Commerce and Industry; and
- (i) Federation of Indian Export Organisation (FIEO).

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).

Over the years, the Company has advocated at various forums, about measures to be taken to address basic issues related to improvement of public health and promote a balanced as well as sustainable economic development. Continuous efforts are made by the Company to promote the use of generic medicines and make medical treatment affordable to the under-privileged sections of the society. The Company supports the government in its efforts to harness the country's innovation capabilities and suggests measures to offer facilities and incentives viz., infrastructure and weighted tax deductions on expenditure incurred by Indian companies on research & development (R&D), to encourage investments in R&D.

Principle 8

1. Does the Company have specified programs/initiatives/projects in pursuit of the policy related to Principle 8 ? If yes details thereof.

The Company is one of the pioneers in the CSR field with about three decades of work in various activities. Committed to ethical values, the Company goes beyond compliance and carries out work that has touched about 2.8 million residing in about 3,500 villages across India. The CSR portfolio of the Company focusses mainly on: -

Agriculture:

- Promoted vegetable cultivation;
- Undertook yield enhancement activities;
- Developed orchards, spice cultivation and floriculture;
- Imparted training and exposure on crop management practices;
- Promoted organic farming through Vermi-compost units;
- Promoted shed-net farming and other technological interventions; and
- Promoted spice cultivation with assistance from National Research Center on seed spice (ICAR), Ajmer.

Animal Husbandry:

- Cattle was inducted for dairy business and milk collection centers established;
- Established poultry units and helped goat farming;
- Biogas units were established; and
- Organised animal management training and exposure visits and provided animal health services through health checkup camps.

Rural Industry and Skill Development:

- Conducted skill trainings for youth;
- Employed youth through job placement and self-enterprises; and
- Disbursed Micro-finance.

Health:

- Conducted Health checkup camps;
- Cataract surgeries were performed and Kumher has now become cataract backlog free block;
- Nine Model Primary Healthcare Centres were developed; and
- Patients were treated through Special health camps.

Women Empowerment:

- Formed women Self Help Groups (SHGs);
- Did credit linkages and mobilized loans; and
- Provided skill development trainings to members of Women SHGs.

Education:

- Developed Model schools;
- Promoted E-learning modules in schools;
- Provided basic computer training to students; and
- Undertook Poor Student Assistance program.

Social Security:

- Covered families under Social security schemes.

Natural Resource Management:

- Constructed check-dams which benefitted families irrigate land;
- Constructed irrigation ponds and group well irrigations which benefited farmers; and
- Completed major work of check dam and lift irrigation at Dholpur.

Infrastructure Development:

- Constructed low cost houses, toilets, internal village roads and community halls;
- Established drinking water facilities in villages; and
- Constructed tin pick up shed.

2. Are the programs/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The CSR activities are implemented mainly through the Lupin Human Welfare and Research Foundation (LHWRF). LHWRF has an elaborate and capacitated implementation mechanism at the grass-root level, with an objective of transforming rural lives across India. Apart from the above, different centers of LHWRF mobilise additional resources from Banks and Government to achieve high impact within the adopted areas.

3. Have you done any impact assessment of your initiative?

During the year under review, Lupin Foundation initiated GRI 4 sustainability reporting process and the report is awaited. The Company conducts impact assessment of its CSR initiatives through qualitative feedbacks collected from the beneficiaries of projects undertaken. Various projects are undertaken in partnership with government as well as semi-government agencies that have their own monitoring mechanisms and impact assessment systems. Efforts are on to establish a robust internal Monitoring & Evaluation (M&E) system. This year the Company developed guidelines for effective M&E process at all the levels internally.

4. What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

During the year ended March 31, 2016, an amount of ₹ 205.1 million was spent on various community development projects viz. Rural Support Programs, Learn & Earn activities for the needy, CSR at plant locations of the Company and TB Eradication Projects and Patient Awareness Camps.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

There are several initiatives that were not only adopted by the Company for the community to which it serves but were replicated elsewhere. Bee keeping was introduced by the Company in Bharatpur district. There was hardly any honey production in the area. Now Bharatpur is one of the leading honey producers in India. Various initiatives aimed at productivity enhancement, income generation, livelihood development and technological infusion have struck cord with the rural community and have been accepted on wider scale.

Principle 9**1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?**

As on March 31, 2016, about 2% of customer complaints received during the year, were pending, which have since been resolved.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information).

The Company follows all legal statutes with respect to product labeling and displaying of product information.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof.

Nil.

4. Did your Company carry out any consumer survey/consumer satisfaction trends?

Consumer surveys are regularly carried out by the Company at doctor level.

For and on behalf of the Board of Directors

Dr. Desh Bandhu Gupta

Chairman

(DIN: 00209378)

Mumbai, May 19, 2016



Consolidated Financial Statements



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LUPIN LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of LUPIN LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entity, comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable. The respective Board of Directors of the companies included in the Group and its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the 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 consolidated state of affairs of the Group and its jointly controlled entity as at March 31, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements / financial information of 27 subsidiaries and 1 jointly controlled entity, whose financial statements / financial information reflect total assets of ₹ 85,840.5 million as at March 31, 2016, total revenues of ₹ 28,396.7 million and net cash flows amounting to ₹ 863.5 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entity, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
 - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditors' reports of the Holding company and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's / subsidiary companies' incorporated in India internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its jointly controlled entity.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies incorporated in India.

For **Deloitte Haskins & Sells LLP**
 Chartered Accountants
 (Firm's Registration No. 117366W/W-100018)

Place : Mumbai
 Dated : May 19, 2016

K.A. Katki
 Partner
 (Membership No. 038568)

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Lupin Limited (hereinafter referred to as “the Holding Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India. 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 the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s 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 and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the aforesaid entities.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and taking into consideration the reports of the other auditors referred to in the Other Matter paragraph below, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 2 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place : Mumbai
Dated : May 19, 2016

K.A. Katki
Partner
(Membership No. 038568)

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

	Note	As at March 31, 2016 ₹ in million	As at March 31, 2015 ₹ in million
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	901.2	899.0
Reserves and Surplus	3	108,942.5	87,841.6
		109,843.7	88,740.6
Minority Interest	45	320.8	241.0
Non-Current Liabilities			
Long-Term Borrowings	4	53,739.0	1,018.3
Deferred Tax Liabilities (net)	5	2,044.6	2,024.1
Other Long-Term Liabilities	6	2,657.0	440.8
Long-Term Provisions	7	1,900.0	1,620.3
		60,340.6	5,103.5
Current Liabilities			
Short-Term Borrowings	8	17,454.1	3,691.5
Trade Payables			
- Total outstanding dues of Micro Enterprises and Small Enterprises	56	241.8	304.6
- Total outstanding dues of other than Micro Enterprises and Small Enterprises	9	21,676.7	19,256.0
Other Current Liabilities	10	7,742.2	8,297.6
Short-Term Provisions	11	6,757.6	5,742.6
		53,872.4	37,292.3
	TOTAL	224,377.5	131,377.4
ASSETS			
Non-Current Assets			
Fixed Assets	12		
Tangible Assets		32,624.9	26,271.4
Intangible Assets - Acquired		26,754.1	929.4
Capital Work-in-Progress		9,812.2	5,196.9
Intangible Assets Under Development		17,188.0	562.8
		86,379.2	32,960.5
Goodwill on Consolidation	43 (i)	29,643.9	16,481.1
Non-Current Investments	13	55.2	25.1
Deferred Tax Assets (net)	14	806.0	842.0
Long-Term Loans and Advances	15	9,702.9	2,742.0
Other Non-Current Assets	16	-	3.2
		126,587.2	53,053.9
Current Assets			
Current Investments	17	20.2	16,558.9
Inventories	18	31,787.4	25,035.6
Trade Receivables	19	45,498.1	26,565.7
Cash and Cash Equivalents	20	8,379.1	4,813.5
Short-Term Loans and Advances	21	7,371.8	3,420.6
Other Current Assets	22	4,733.7	1,929.2
		97,790.3	78,323.5
	TOTAL	224,377.5	131,377.4

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

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

K.A. Katki
Partner

Dr. Desh Bandhu Gupta
Chairman
DIN: 00209378

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh Gupta
Managing Director
DIN: 01734642

Ramesh Swaminathan
Chief Financial Officer
& Executive Director
DIN: 01833346

R. A. Shah
Director
DIN: 00009851

Dr. K. U. Mada
Director
DIN: 00011395

Dileep C. Choksi
Director
DIN: 00016322

Jean Luc Belingard
Director
DIN: 07325356

R. V. Satam
Company Secretary
ACS - 11973

Place : Mumbai
Dated : May 19, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

	Note	For the Current Year ended 31.03.2016 ₹ in million	For the Previous Year ended 31.03.2015 ₹ in million
INCOME:			
Revenue from Operations (Gross)	23	143,124.4	128,635.2
Less : Excise Duty		1,039.7	935.1
Revenue from Operations (Net)		142,084.7	127,700.1
Other Income	24	1,877.0	2,397.5
Total Revenue		143,961.7	130,097.6
EXPENSES:			
Cost of Raw and Packing Materials Consumed	25	27,656.1	25,194.2
Purchases of Stock-in-Trade		20,198.2	17,833.1
Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade	26	(4,760.2)	(1,456.9)
Employee Benefits Expense	27	21,076.9	17,473.4
Finance Costs	28	446.2	98.1
Depreciation and Amortisation Expense	12	4,635.0	4,347.0
Other Expenses	29	40,379.2	32,460.4
Total Expenses		109,631.4	95,949.3
Profit before Tax		34,330.3	34,148.3
Tax Expense / (Benefit):			
- Current Tax Expense		11,625.9	10,061.7
- Tax Benefit for Prior Years		(238.2)	(26.4)
Add : Share of Joint Venture - jointly controlled entity		31.4	6.3
Net Current Tax Expense		11,419.1	10,041.6
- Deferred Tax (net)		118.7	(337.1)
Add : Share of Joint Venture - jointly controlled entity		(2.0)	(0.5)
Profit after Tax before Minority Interest		22,794.5	24,444.3
Less : Share of profit attributable to Minority Interest		87.6	411.9
Profit for the period attributable to Shareholders of the Company		22,706.9	24,032.4
Earnings per equity share (in ₹)	35		
Basic		50.45	53.54
Diluted		50.15	53.20
Face Value of Equity Share (in ₹)		2.00	2.00
See accompanying notes forming part of the consolidated financial statements			

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

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

K.A. Katki
Partner

Dr. Desh Bandhu Gupta
Chairman
DIN: 00209378

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh Gupta
Managing Director
DIN: 01734642

Ramesh Swaminathan
Chief Financial Officer
& Executive Director
DIN: 01833346

R. A. Shah
Director
DIN: 00009851

Dr. K. U. Mada
Director
DIN: 00011395

Dileep C. Choksi
Director
DIN: 00016322

Jean Luc Belingard
Director
DIN: 07325356

R. V. Satam
Company Secretary
ACS - 11973

Place : Mumbai
Dated : May 19, 2016

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	For the Current Year ended 31.03.2016 ₹ in million	For the Previous Year ended 31.03.2015 ₹ in million
A. Cash Flow From Operating Activities		
Profit before Tax	34,330.3	34,148.3
Adjustments for:		
Depreciation and Amortisation Expense	4,635.0	4,347.0
(Profit) / Loss on sale / write-off of Fixed Assets (net)	(118.7)	43.1
Finance Costs	446.2	98.1
Net Gain on Sale of Current Investments	(38.1)	(4.0)
Interest on Deposits with Banks	(25.9)	(74.7)
Dividend on Current Investments	(438.0)	(650.8)
Dividend on Long-Term Investment	(0.2)	(0.2)
Provision for Doubtful Trade Receivables / Advances / Deposits	153.0	1.8
Excess of carrying cost over fair value of Current Investments	-	2.5
Provision for Doubtful Trade Receivables / Deposits written back	-	(119.4)
Expenses on Employees Stock Options / Stock Appreciation Rights	365.2	676.8
Impairment of Assets	57.2	-
Unrealised Exchange loss / (gain) on revaluation (net)	257.8	(182.9)
Net unrealised exchange difference during the year	(115.1)	(570.0)
Operating Profit before Working Capital Changes	39,508.7	37,715.6
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(6,002.6)	(3,366.4)
Trade Receivables	(17,820.3)	(1,236.2)
Short-Term Loans and Advances	(3,788.8)	(193.4)
Long-Term Loans and Advances	(2,637.3)	248.0
Other Current Assets	(2,310.8)	468.0
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	876.7	3,224.5
Other Current Liabilities	(2,808.9)	(215.9)
Other Long-Term Liabilities	2,082.9	(21.7)
Short-Term Provisions	575.1	(126.6)
Long-Term Provisions	297.5	270.6
Cash Generated from Operations	7,972.2	36,766.5
Net Income tax paid	(11,661.9)	(9,436.0)
Net Cash Flow (used in) / generated from Operating Activities	(3,689.7)	27,330.5
B. Cash Flow From Investing Activities		
Capital expenditure on fixed assets, including capital advances	(58,157.2)	(8,711.8)
Proceeds from sale of fixed assets	411.7	36.0
Purchase of Non-Current Investments	(30.1)	(4.5)
Net Gain on sale of Current Investments	38.1	4.0
Proceeds from sale of investment in subsidiary company	59.4	-
Consideration for acquisition of subsidiary companies	(12,282.0)	(6,294.1)
Bank balances not considered as Cash and Cash Equivalents (net)	61.7	3,699.6
Interest on Deposits with Banks	25.9	74.7
Dividend on Current Investments	438.0	650.8
Dividend on Long-term Investments	0.2	0.2
Net Cash used in Investing Activities	(69,434.3)	(10,545.1)

	For the Current Year ended 31.03.2016 ₹ in million	For the Previous Year ended 31.03.2015 ₹ in million
C. Cash Flow From Financing Activities		
Proceeds from Long-Term Borrowings	52,931.4	-
Repayment of Long-Term Borrowings	(601.6)	(690.2)
Proceeds from / Repayment of Short-Term Borrowings - Loans from banks (net)	9,751.1	(9.3)
Proceeds from issue of equity shares (ESOPs)	2.2	2.2
Securities Premium Received (ESOPs)	534.2	410.8
Finance Costs	(436.1)	(109.2)
Dividend paid	(3,368.3)	(1,344.5)
Corporate Tax on Dividend	(686.9)	(228.7)
Net Cash Flow generated / (used in) Financing Activities	58,126.0	(1,968.9)
Net (decrease) / increase in Cash and Cash Equivalents	(14,998.0)	14,816.5
Cash and Cash Equivalents as at the beginning of the year	21,084.3	6,066.2
Cash and Cash Equivalents taken over on acquisition of subsidiary companies	1,928.8	201.6
Cash and Cash Equivalents as at the end of the year	8,015.1	21,084.3
Reconciliation of Cash and Cash Equivalents with the Balance Sheet		
Cash and Cash Equivalents as per Balance Sheet (Refer note 20)	8,379.1	4,813.5
Unrealised loss / (gain) on foreign currency Cash and Cash Equivalents	(150.3)	14.1
Less : Bank balances not considered as Cash and Cash Equivalents as defined in AS-3 - Cash Flow Statements (Refer note 20)	233.9	304.7
Add : Current Investments considered as part of Cash and Cash Equivalents (Refer Note 17)	20.2	16,561.4
Cash and Cash Equivalents as restated as at the year end	8,015.1	21,084.3

Notes :

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS-3), "Cash Flow Statements".
- Consideration for acquisition of subsidiary companies and Other Current Liabilities exclude investments of ₹ nil (previous year ₹ 5,977.6 million) [Refer note 43 (e) (v)].
- Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

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

K.A. Katki
Partner

Dr. Desh Bandhu Gupta
Chairman
DIN: 00209378

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh Gupta
Managing Director
DIN: 01734642

Ramesh Swaminathan
Chief Financial Officer
& Executive Director
DIN: 01833346

R. A. Shah
Director
DIN: 00009851

Dr. K. U. Mada
Director
DIN: 00011395

Dileep C. Choksi
Director
DIN: 00016322

Jean Luc Belingard
Director
DIN: 07325356

R. V. Satam
Company Secretary
ACS - 11973

Place : Mumbai
Dated : May 19, 2016

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES:

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

- i) The financial statements of the subsidiaries and jointly controlled entity used in the consolidation are drawn upto the same reporting date as that of Lupin Limited ("the Company"), i.e. March 31, 2016.
- ii) The Consolidated Financial Statements of the Company and its subsidiaries ("the Group") and its jointly controlled entity have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the 2013 Act"), and the relevant provisions of the 2013 Act / Companies Act, 1956 ("the 1956 Act"), as applicable. The Consolidated Financial Statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Consolidated Financial Statements are consistent with those followed in the previous year.

b) Principles of Consolidation:

- i) The Consolidated Financial Statements of the Company and its subsidiaries have been prepared in accordance with the Accounting Standard 21 (AS-21) "Consolidated Financial Statements", on line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits / losses, unless cost cannot be recovered.
- ii) The excess of cost to the Group of its investment in the subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as "Goodwill on Consolidation" being an asset in the Consolidated Financial Statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. On the other hand, where the share of equity in the subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as "Capital Reserve" and shown under the head "Reserves and Surplus" in the Consolidated Financial Statement. The Goodwill / Capital Reserve on Consolidation is determined separately for each subsidiary / jointly controlled entity and such amounts are not set off between different entities.
- iii) Minority Interest in the net assets of the consolidated subsidiaries consist of:
 - a) The amount of equity attributable to minorities as at the date on which the investment in a subsidiary is made.
 - b) The Minorities share of movements in equity since the date the parent-subsidiary relationship came into existence. The losses applicable to the minority in excess of the minority interest in the equity of the subsidiary and further losses applicable to the minority, are adjusted against the majority interest except to the extent that the minority has a binding obligation to and is able to make good the losses. If the subsidiaries subsequently reports profit, all such profits are allocated to the majority interest until the minority's share of losses previously absorbed by the majority has been recovered.
 - c) Minority Interest is presented separately from the liabilities or assets and the equity of the shareholders in the Consolidated Balance Sheet. Minority Interest in the income or loss of the Group is separately presented.
- iv) The Consolidated Financial Statements of the Group reflect its share of the Assets, Liabilities, Income and Expenditure of the Jointly controlled entity which are accounted on the basis of the audited accounts of the Joint venture on line-by-line basis with similar items in the Group's Consolidated Financial Statement to the extent of the participating interest of the Group as per the Joint Venture Agreements in accordance with the Accounting Standard 27 (AS-27) "Financial Reporting of Interests in Joint Ventures". The intra-group balances, intra-group transactions and unrealized profits or losses have been eliminated to the extent of the Group's share in the entity.
- v) The financial statements of the Company and its subsidiaries and jointly controlled entity have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances as mentioned in those policies.
- vi) The difference between the proceeds from sale / disposal of investment in a subsidiary and the carrying amount of assets less liabilities as of the date of sale / disposal is recognised in the Consolidated Statement of Profit and Loss as the profit or loss on sale / disposal of investment in subsidiary.

c) Use of Estimates:

The preparation of the Consolidated Financial Statements in conformity with Indian GAAP 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 the preparation of the consolidated 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 / materialise.

d) Tangible Fixed Assets:

Fixed Assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. The Group has adopted the provisions of paragraph 46A of AS-11 "The Effects of Changes in Foreign Exchange Rates", accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

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.

e) Intangible Assets:

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

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

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) Foreign currency monetary items (other than derivative contracts) of the Group, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Group are carried at historical cost.
- iii) Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Consolidated Statement of Profit and Loss.

The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Consolidated Statement of Profit and Loss except in case of exchange differences arising on net investment in non-integral foreign operations, where such amortisation is taken to "Foreign currency translation reserve" until disposal / recovery of the net investment. The unamortised exchange difference is carried under Reserves and Surplus as "Foreign currency monetary item translation difference account" net of the tax effect thereon, where applicable.

- iv) Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.
- v) In respect of foreign offices, which are integral foreign operations, all revenues and expenses during the year are reported at average rates. Outstanding balances in respect of monetary assets and liabilities are restated at the year end exchange rates. Outstanding balances in respect of non-monetary assets and liabilities are stated at the rates prevailing on the date of the transaction. Net gain / loss on foreign currency translation is recognised in the Consolidated Statement of Profit and Loss.
- vi) Foreign Subsidiaries:

In case of foreign subsidiaries, the local accounts are maintained in their local currency except subsidiaries at Switzerland whose accounts are maintained in USD, the functional currency.

- a) The financial statements of the subsidiaries, whose operations are integral foreign operations for the Company, have been translated to Indian Rupees on the following basis:
 - i) All income and expenses are translated at the average rate of exchange prevailing during the year if not at actual transaction rate.
 - ii) Monetary assets and liabilities are translated at the closing rate on the Balance Sheet date.
 - iii) Non-monetary assets and liabilities are translated at historical rates.

- iv) The resulting exchange difference is accounted in 'Exchange Rate Difference on Translation Account' and is charged / credited to the Consolidated Statement of Profit and Loss.
- b) The financial statements of subsidiaries, whose operations are non-integral foreign operations for the Company, have been translated to Indian Rupees on the following basis:
 - i) All income and expenses are translated at the average rate of exchange prevailing during the year if not at actual transaction rate.
 - ii) Monetary and non-monetary assets and liabilities are translated at the closing rate as on the Balance Sheet date.
 - iii) The resulting exchange difference is accounted in 'Foreign Currency Translation Reserve' and carried in the Balance Sheet.
- c) i) When an integral foreign operation is reclassified as a non-integral foreign operation, exchange differences arising on the translation of non-monetary assets at the date of the reclassification are accumulated in a foreign currency translation reserve.
- ii) When a non-integral foreign operation is reclassified as an integral foreign operation, the translated amounts for non-monetary items at the date of the change are treated as the historical cost for those items in the period of change and subsequent periods. Exchange differences that have been deferred are not recognised as income or expense until the disposal of the operation.

Subsequent to the date of change in classification of the foreign operation, transactions and balances in such operations are accounted as per the accounting policy applicable to the new classification.

g) Hedge Accounting:

The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Group designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in Accounting Standard 30 (AS-30) "Financial Instruments: Recognition and Measurement". These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in "Cash Flow Hedge Reserve Account" under Reserves and Surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Consolidated Statement of Profit and Loss. Amounts accumulated in the "Cash Flow Hedge Reserve Account" are reclassified to the Consolidated Statement of Profit and Loss in the same period during which the forecasted transaction affects profit and loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in "Cash Flow Hedge Reserve Account" is retained until the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in "Cash Flow Hedge Reserve Account" is immediately transferred to the Consolidated Statement of Profit and Loss.

h) Derivative Contracts:

The Group enters into derivative contracts in the nature of currency options, forward contracts and currency futures with an intention to hedge its existing assets and liabilities and highly probable forecast transactions in foreign currency. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Currency Transactions / Translations.

Derivative contracts designated as a hedging instrument for highly probable forecast transactions are accounted as per the policy stated for Hedge Accounting.

The gain or loss in respect of currency futures contracts the pricing period of which has expired or squared off during the year are recognised in the Consolidated Statement of Profit and Loss. In respect of contracts outstanding as at the year end, losses, if any, are recognised in the Consolidated Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.

All other derivative contracts are marked-to-market on a portfolio basis and losses, if any, are recognised in the Consolidated Statement of Profit and Loss.

i) Investments:

Long-term investments are carried individually at cost, less provision for diminution, other than temporary, in the value of such investments.

Current investments are carried individually at lower of cost and fair value.

Cost of investments includes expenses directly incurred on acquisition of such investments.

j) Inventories:

Inventories of all procured materials and Stock-in-Trade 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. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. Work-in-process and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

k) Revenue Recognition:

Revenue from sale of goods is recognised net of returns, product expiry claims and trade discounts, on transfer of significant risks and rewards in respect of ownership to the buyer. Sales include excise duty but exclude sales tax and value added tax. Sales are also netted off for probable non-saleable return of goods from the customers, estimated on the basis of historical data of such returns.

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

Revenue is recognised when it is reasonable to expect that the ultimate collection will be made.

Interest income is accounted on accrual basis. Dividend from investments is recognised as revenue when right to receive is established.

Revenue from service charges is recognised on rendering of the related services in accordance with the terms of the agreement.

l) Depreciation and Amortisation:

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

Depreciation on tangible fixed assets of the Company and its India subsidiary has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on independent technical evaluation and management's assessment thereof, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Particulars	Estimated useful life
Leasehold Land	Over the period of lease
Plant and Equipment	10 to 15 years
Office Equipment (Desktop)	4 years
Certain assets provided to employees	3 years

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

Particulars	Estimated useful life
Computer Software	5 to 6 years
Trademark and Licences	4 to 5 years

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

Depreciation on the tangible fixed assets of the Company's foreign subsidiaries (other than subsidiaries in Japan) and jointly controlled entity has been provided on straight-line method and in case of subsidiaries in Japan provided on written down value method (other than indicated separately below) as per the estimated useful life of such assets as follows:

Assets	Estimated useful life
Buildings ¹	5 to 50 years
Leasehold Improvements	Over the period of lease
Plant and Equipment ²	3 to 20 years
Furniture and Fixtures	2 to 20 years
Vehicles	3 to 7 years
Office Equipment	2 to 21 years
Intangible Assets – Acquired	
- Goodwill	5 years
- Computer software	2 to 5 years
- Trademarks & Licenses ³	3 to 14 years
- Dossiers / Marketing Rights ⁴	3 to 20 years

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

1. In respect of subsidiaries in Japan assets acquired from April 1, 1998 onwards, are depreciated based on straight line method. In respect of subsidiary in Germany, Building annex completed in 1989 (estimated useful life – 25 years) and the residential building purchased in 2005 (estimated useful life – 50 years) are depreciated according to the reducing-balance method in accordance with local regulations.
2. In respect of subsidiaries in Japan few assets acquired from April 1, 1998 onwards, are depreciated based on straight line method.

3. In respect of subsidiary in Netherlands, useful life is estimated after taking into consideration expected usage and future economic benefits to the Subsidiary.
4. In respect of subsidiary in South Africa, useful life is estimated after taking into consideration product life cycle, market demand for products, expected usage and future economic benefits to the Subsidiary.

m) Employee Benefits:

Employee benefits include provident fund, superannuation fund, social security, gratuity fund and compensated absences.

i) Defined Contribution Plans:

Contribution to provident fund, social security and superannuation fund for certain eligible employees are considered as defined contribution plans as the Group does not carry any further obligations, apart from the contributions made on a monthly basis. Such contributions are charged as an expense to the Consolidated Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

ii) Defined Benefit Plans:

For defined benefit plan in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Consolidated Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

Provident Fund for certain employees is administered through the "Lupin Limited Employees Provident Fund Trust". Periodic contributions to the Fund are charged to the Consolidated Statement of Profit and Loss. The Group has an obligation to make good the shortfall, if any, between the return from the investment of the trust and interest rate notified by the Government of India.

iii) Short-Term Employee Benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- a. in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- b. in case of non-accumulating compensated absences, when the absences occur.

iv) Long-Term Employee Benefit:

The cost of compensated absences and Other long-term employee benefits not expected to occur within twelve months, after the end of the period in which employee renders service, are determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Consolidated Statement of Profit and Loss in the period in which they occur.

n) Taxes on Income:

Tax expense comprises both Current Tax and Deferred Tax. Current tax is the amount of tax payable on taxable income for the year as determined in accordance with the provisions of applicable tax laws of the respective jurisdiction where the Company, its Subsidiaries and Jointly Controlled Entity are located.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Consolidated Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets for timing differences in respect of unabsorbed depreciation, carry forward of losses and items relating to capital losses are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income

levied by the same governing tax laws and the Group has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Consolidated Statement of Profit and Loss.

o) Operating Leases:

Assets taken on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease rentals under operating leases are recognised in the Consolidated Statement of Profit and Loss on a straight line basis over the lease term in accordance with the respective lease agreement terms.

p) Finance Leases:

Assets acquired under lease where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. The rent obligations net of interest charges are reflected as secured loans. Each lease rentals paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

q) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised when the Group 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. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent liabilities are disclosed for (1) possible obligations which will be confirmed only by future events not wholly within the control of the Group or (2) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the Consolidated Financial Statements.

r) Borrowing Costs:

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Consolidated Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Consolidated Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

s) Stock based Compensation:

i) Employees Stock Option Plans ("ESOPs"):

The compensation cost of stock options granted to employees is measured by the intrinsic value method, i.e. the difference between the market price of the Company's shares on the date of the grant of options and the exercise price to be paid by the option holders. The compensation cost, if any, is amortised on a straight-line basis over the vesting period of the options.

ii) Stock Appreciation Rights ("SARs"):

The compensation cost of SARs granted to employees is measured by the intrinsic value method, i.e. the excess of the market price of the Company's shares as at the period end and the acquisition price as on the date of grant. The compensation cost is amortised on a straight line basis over the vesting period of the SARs.

t) Government Grants, subsidies and export incentives:

Government grants and subsidies are accounted when there is reasonable assurance that the Group will comply with the conditions attached to them and it is reasonably certain that the ultimate collection will be made. Capital grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets. Revenue grants are recognised in the Consolidated Statement of Profit and Loss.

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

u) Research and Development:

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

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

v) Impairment of Assets:

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

- (a) an intangible asset that is not yet available for use; and
- (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

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

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

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

w) Earnings per share:

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

x) Insurance claims:

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

y) Service tax input credit:

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

z) Segment Reporting:

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

aa) Operating cycle:

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

2. SHARE CAPITAL**a) Share Capital**

Particulars	As at 31 March 2016		As at 31 March 2015	
	No. of Shares	₹ in million	No. of Shares	₹ in million
Authorised				
Equity Shares of ₹ 2 each	1,000,000,000	2,000.0	500,000,000	1,000.0
Issued, Subscribed and Paid up				
Equity Shares of ₹ 2 each fully paid	450,582,969	901.2	449,488,335	899.0
Total	450,582,969	901.2	449,488,335	899.0

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

Particulars	As at 31 March 2016		As at 31 March 2015	
	No. of Shares	₹ in million	No. of Shares	₹ in million
Equity Shares outstanding at the beginning of the year	449,488,335	899.0	448,375,804	896.8
Equity Shares issued during the year pursuant to exercise of ESOPs	1,094,634	2.2	1,112,531	2.2
Equity Shares outstanding at the end of the year	450,582,969	901.2	449,488,335	899.0

c) Rights attached to Equity Shares

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

During the year ended 31 March 2016, the amount of dividend per equity share recognised as distributions to equity shareholders is ₹ 7.5 (previous year ₹ 7.5).

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

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

Name of Shareholder	As at 31 March 2016		As at 31 March 2015	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Zyma Laboratories Limited	55,260,490	12.26	54,960,490	12.23
Rahas Investments Pvt. Limited	45,699,510	10.14	45,699,510	10.17
Visiomed Investments Pvt. Limited	43,514,660	9.66	43,514,660	9.68
Lupin Holdings Pvt. Limited	40,401,000	8.97	40,401,000	8.99

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

Particulars	As at 31 March 2016 No. of Shares	As at 31 March 2015 No. of Shares
Lupin Employees Stock Option Plan 2003	227,759	343,000
Lupin Employees Stock Option Plan 2005	232,181	445,304
Lupin Employees Stock Option Plan 2011	2,059,547	2,758,708
Lupin Employees Stock Option Plan 2014	3,334,820	3,375,000
Lupin Subsidiary Companies Employees Stock Option Plan 2005	226,927	233,536
Lupin Subsidiary Companies Employees Stock Option Plan 2011	846,902	878,097
Lupin Subsidiary Companies Employees Stock Option Plan 2014	1,125,000	1,125,000

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

Particulars	As at 31 March 2016 Aggregate No. of Shares	As at 31 March 2015 Aggregate No. of Shares
Equity Shares :		
Issued under various Stock Option plans of the Company	4,381,780	4,769,170

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

3. RESERVES AND SURPLUS

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Capital Reserve		
- Investment Subsidies from Central Government		
Opening and Closing Balance as per last Balance Sheet	1.0	1.0
- Investment Subsidies from State Government		
Opening and Closing Balance as per last Balance Sheet	8.2	8.2
- On restructuring of capital of the Company under the Scheme of Amalgamation		
Opening and Closing Balance as per last Balance Sheet	254.7	254.7
	263.9	263.9
Capital Redemption Reserve		
Opening and Closing Balance as per last Balance Sheet	126.5	126.5
	126.5	126.5
Securities Premium Account		
Opening Balance as per last Balance Sheet	6,044.1	5,633.3
Add : Addition during the year*	640.2	410.8
Balance as at the year end	6,684.3	6,044.1
Employees Stock Options Outstanding (Refer note 37)		
- Employees Stock Options Outstanding		
Opening Balance as per last Balance Sheet	453.4	47.7
Add : Options granted during the year	1,061.9	414.1
Less : Exercised during the year	106.0	-
Less : Lapsed during the year	26.5	8.4
Balance as at the year end (A)	1,382.8	453.4
- Deferred Employees Stock Options Cost		
Opening Balance as per last Balance Sheet	360.3	11.3
Add : Options granted during the year	1,061.9	414.1
Less : Amortisation during the year	247.0	56.7
Less : Lapsed during the year	26.5	8.4
Balance as at the year end (B)	1,148.7	360.3
(A-B)	234.1	93.1
Employee Stock Appreciation Rights Outstanding (Refer note 38)		
Opening Balance as per last Balance Sheet	467.0	225.9
Add : Additions during the year	118.2	620.1
Less : Transferred to General Reserve	585.2	379.0
Balance as at the year end	-	467.0
General Reserve		
Opening Balance as per last Balance Sheet	15,894.4	15,515.4
Add : Transferred from Employee Stock Appreciation Rights	585.2	379.0
Balance as at the year end	16,479.6	15,894.4
Amalgamation Reserve		
Opening and Closing Balance as per last Balance Sheet	317.9	317.9
	317.9	317.9
Cash Flow Hedge Reserve (Refer note 41)		
Opening Balance as per last Balance Sheet	220.2	127.6
(Less) / Add : Effect of foreign exchange rate variations on hedging instruments outstanding [net of deferred tax of ₹ 4.3 million (previous year ₹ 34.2 million)]	(68.2)	135.2
Add / (Less) : Transferred to the Statement of Profit and Loss	35.9	(42.6)
Balance as at the year end	187.9	220.2
Foreign Currency Translation Reserve (Refer note 47)		
Opening Balance as per last Balance Sheet	650.0	1,771.0
Add / (Less) : Exchange Rate Difference on Translation (net)	1,554.2	(1,121.0)
Balance as at the year end	2,204.2	650.0
Surplus in the Consolidated Statement of Profit and Loss		
Opening Balance as per last Balance Sheet	63,764.5	44,401.0
Less : Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (previous year net of deferred tax ₹ 314.6 million) (Refer note 12 & 53)	-	610.8
Add : Profit for the year	22,706.9	24,032.4
Add : Profit on disposal of partial investment in subsidiary [Refer note 43(g)]	43.7	-
Less : Proposed Final Dividend on Equity Shares [Refer note 2 (c)]	3,379.4	3,371.2
Less : Dividend for previous year on Equity Shares issued after year end pursuant to ESOPs allotment	3.0	0.5
Less : Corporate Tax on Final Dividend **	688.6	686.4
Balance as at the year end	82,444.1	63,764.5
Total	108,942.5	87,841.6
Above includes Share of Joint Venture - jointly controlled entity	55.2	(103.7)

* Represents amount received on allotment of 1,094,634 (previous year 1,112,531) Equity Shares of ₹ 2 each, pursuant to "Lupin Employees Stock Option Plans". [Refer note 37 (a)].

** Represents Corporate tax on Proposed Final Dividend ₹ 688.0 million (previous year ₹ 686.3 million) and on dividend paid for previous year on Equity Shares issued after the year end pursuant to ESOPs allotment ₹ 0.6 million (previous year ₹ 0.1 million).

4. LONG-TERM BORROWINGS

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
(Refer note 10)		
Secured		
Foreign Currency Term Loans from Banks	55.2	124.0
Long Term Maturities of Finance Lease Obligations [Refer note 36 (b)]	0.3	1.0
	55.5	125.0
Unsecured		
Foreign Currency Term Loans from Banks	53,544.9	701.9
Deferred Sales Tax Loan from Government of Maharashtra	25.1	36.5
Term Loans from Council for Scientific and Industrial Research (CSIR)	92.8	123.8
Term Loans from Department of Science and Technology (DST)	20.7	31.1
	53,683.5	893.3
Total	53,739.0	1,018.3

- a) Secured Term Loans of a subsidiary company located in Japan consists of 2 loans and carries interest rate of 1.25% p.a. Loans are secured against mortgage of immovable property. First loan of ₹ 40.2 million is repayable in monthly installments of ₹ 3.6 million till 20 February 2017. Second loan of ₹ 58.4 million repayable in monthly installments of ₹ 3.4 million till 20 August 2017.
- b) Secured Term Loans of a subsidiary company located in Germany consists of 2 loans and carries interest rate in the range of 1.85% - 5.05% p.a. Loans are secured against mortgage of immovable property. First loan of ₹ 28.7 million is repayable in monthly installments of ₹ 0.5 million till 30 November 2020. Second loan of ₹ 13.2 million repayable in monthly installments (including interest) of ₹ 0.1 million till March 2042.
- c) Secured Term Loans of a subsidiary company located in Brazil consists of 2 loans and carries interest rate in the range of 7.06% to 12.82% p.a. Loans are secured against mortgage of immovable property. First loan of ₹ 1.6 million is repayable till 26 March 2018. Second loan of ₹ 0.4 million is repayable till 29 April 2020.
- d) Unsecured Term Loans of a subsidiary company located in Germany consists of 2 loans and carries interest rate in the range of 4.85% - 5.80% p.a. Loans have been guaranteed by the Company. First loan of ₹ 1.2 million is repayable in biannual installment of ₹ 1.2 million till 30 September 2016. Second loan of ₹ 6.3 million is repayable in terminal installment of ₹ 6.3 million till 30 September 2016.
- e) Unsecured Term Loans of subsidiary companies located in Japan aggregating to ₹ 1,084.9 million carries interest rate in the range of 0.31% to 0.53% p.a. and is guaranteed by the Company / subsidiary of the Company. Two loans are repayable in quarterly installments aggregating to ₹ 145.2 million till 30 November 2016, one loan repayable in monthly installments of ₹ 5.9 million commencing from May 2017 and one loan repayable in monthly installments of ₹ 4.9 million commencing from March 2018.
- f) Unsecured Term Loan of ₹ 44,945.4 million of a subsidiary company located in Switzerland carries interest rate of 1.08% p.a. and has been guaranteed by the Company.
- g) Unsecured Term Loan of ₹ 7,950.6 million of a subsidiary company located in USA carries interest rate of 1.08% p.a. and has been guaranteed by the Company.
- h) Deferred Sales Tax Loan is interest free and payable in 5 equal annual installments after expiry of initial 10 years moratorium year from each such year of deferral period from 1998-99 to 2009-10.
- i) Term Loans from CSIR carry interest of 3% p.a. and is payable in 4 annual installments of ₹ 30.9 million each along with interest.
- j) Term Loans from DST carry interest of 3% p.a. and is payable in 3 annual installments of ₹ 10.4 million each along with interest.
- k) Finance lease obligations to Financial Institutions represents present value of minimum lease rentals payable and are secured by hypothecation of concerned plant, machinery, equipments and vehicles.
- l) The Group has not defaulted on repayment of loans and interest during the year.

5. DEFERRED TAX LIABILITIES (NET)

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Tax effect of items constituting Deferred Tax Liabilities		
On differences between book and tax depreciation	2,796.4	2,512.2
Cash Flow Hedge Reserve	87.0	82.7
Others	181.3	132.7
	3,064.7	2,727.6
Less : Tax effect of items constituting Deferred Tax Assets		
Provision for Doubtful Trade Receivables	122.7	76.9
Provision for VRS Compensation	40.0	44.0
Provision for Employee Benefits	486.1	384.0
Provision for Expenses	18.2	13.7
Others	353.1	184.9
	1,020.1	703.5
Total	2,044.6	2,024.1

6. OTHER LONG-TERM LIABILITIES

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Trade Payables	196.0	138.8
Mark to Market Derivative Liabilities	-	2.8
Payable for Purchase of Fixed Assets	8.6	16.7
Deposits (at foreign subsidiary)	-	272.6
Payable on purchase of non-current investment (Refer note 55)	2,290.9	-
Other Payables	161.5	9.9
Total	2,657.0	440.8

7. LONG-TERM PROVISIONS

Provision for Employee Benefits (Refer note 11)		
Gratuity [Refer note 39 (ii) (a) (A)]	683.3	574.0
Retirement Benefits [Refer note 39 (ii) (b), (c), (d), (e)]	671.1	589.1
Compensated Absences	545.6	457.2
Total	1,900.0	1,620.3

8. SHORT-TERM BORROWINGS

Secured		
Loans from Banks	3,185.4	844.7
	3,185.4	844.7
Unsecured		
Loans from Banks	14,268.7	2,846.8
	14,268.7	2,846.8
Total	17,454.1	3,691.5

- a) Secured Loans aggregating ₹ 2,205.7 million comprise of Cash Credit, Short-Term Loans, Packing Credit, Post Shipment Credit, Bills Discounted and Overseas Import Credit and are secured by hypothecation of inventories and trade receivables, and all other moveable assets, including current assets at godowns, depots, in course of transit or on high seas and a second charge on immovable properties and moveable assets of the Company both present and future. Foreign currency loans carry interest rate at LIBOR plus market driven margin and those in Indian Rupees carries interest rate in the range of 9.70% to 11.70% p.a.
- b) Secured Loans of ₹ 409.0 million being loans availed by a subsidiary company located in Australia and carries interest rate in the range of 3.05% to 3.30% p.a. and is secured by fixed and floating charge over all assets of the said subsidiary and are guaranteed by the Company.
- c) Secured Loans of ₹ 391.6 million being loans availed by a subsidiary company located in Philippines are secured by way of hypothecation of trade receivables of the said subsidiary and carries interest rate in the range of 2.75% to 3.50% p.a.
- d) Secured Loans of ₹ 179.1 million being loans availed by a subsidiary company located in Brazil are secured by way of hypothecation of trade receivables and immovable property of the said subsidiary and carries interest rate in the range of 7.06% to 20.84% p.a.
- e) Secured Loans include foreign currency loans of ₹ 2,834.8 million.
- f) Unsecured Loans aggregating ₹ 1,523.9 million comprise of Short-Term Loans, Packing Credit, Post Shipment Credit, Bills Discounted and Overseas Import Credit. The entire amount is foreign currency loans.
- g) Unsecured Loans of ₹ 136.1 million being loans availed by subsidiary company located in Philippines carries interest rate in the range of 2.75% to 3.50% p.a. and are supported by letter of comfort by the Company.
- h) Unsecured Loans aggregating to ₹ 4,542.2 million availed by the subsidiary company located in Japan carries interest rate of 0.38 % p.a.
- i) Unsecured Loans of ₹ 339.2 million availed by a subsidiary company located in Germany carries interest rate of 0.86% p.a. and guaranteed by the Company.
- j) Unsecured Loans of ₹ 7,727.3 million availed by subsidiary companies located in USA carries interest rate in the range of 0.8283% to 1.08% p.a. and is guaranteed by the Company.
- k) The Group has not defaulted on repayment of loans and interest during the year.

9. TRADE PAYABLES

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Acceptances	2,148.6	2,762.0
Other than Acceptances	19,528.1	16,494.0
Total	21,676.7	19,256.0
Above includes Share of Joint Venture - jointly controlled entity	41.2	7.7

10. OTHER CURRENT LIABILITIES

Current Maturities of Long-Term Borrowings (Refer note 4)		
- Foreign Currency Term Loans from Banks	530.8	600.2
- Current Maturities of Finance Lease Obligations [Refer note 36 (b)]	0.6	10.0
- Deferred Sales Tax Loan from Government of Maharashtra	9.4	9.9
- Term Loans from CSIR	30.9	30.9
- Term Loans from DST	10.4	10.4
Interest Accrued but not due on Borrowings	14.1	4.0
Unpaid Dividend*	32.7	26.8
Mark to Market Derivative Liabilities	25.8	-
Statutory Dues Payables (includes VAT, Excise Duty, Provident Fund, Withholding Taxes, etc.)	831.4	616.6
Payable for Purchase of Fixed Assets	1,063.8	726.8
Deposits	414.7	160.8
Advances from customers	111.0	74.6
Payable on purchase of non-current investment (Refer note 55)	2,676.9	5,977.6
Employee related liabilities at foreign subsidiaries	1,955.2	-
Other Payables (Includes Retention money from vendors, etc.)	34.5	49.0
Total	7,742.2	8,297.6
Above includes Share of Joint Venture - jointly controlled entity	0.1	-

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

11. SHORT-TERM PROVISIONS

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Provisions for Employee Benefits (Refer note 7)		
Gratuity [Refer note 39 (ii) (a) (A)]	159.7	207.6
Retirement Benefits [Refer note 39 (ii) (b), (c), (d) and (e)]	11.9	-
Compensated Absences	350.6	262.1
Other Provisions		
For Sales Returns (Refer note 50)	1,228.8	406.4
For Taxation (net of Advance Tax)	939.2	809.0
For Proposed Dividend on Equity Shares	3,379.4	3,371.2
For Corporate Tax on Dividend	688.0	686.3
Total	6,757.6	5,742.6
Above includes Share of Joint Venture - jointly controlled entity	30.9	5.8

12. FIXED ASSETS

Particulars	Gross Block					Accumulated Depreciation and Amortisation					Net Block	
	As at 01.04.2015	Additions on Acquisition of Subsidiary Company	Transitions Adjustments	Deductions	As at 31.03.2016	As at 01.04.2015	Additions on Acquisition of Subsidiary Company	Transitions Adjustments	Deductions	Transition adjustment recorded against Surplus balance in the Statement of Profit and Loss (Refer notes 3 & 52)	As at 31.03.2016	As at 31.03.2016
A. Tangible Assets												
Freehold Land	2,343.4	109.9	139.1	-	2,592.4	-	-	-	-	-	-	2,592.4
	1,237.4	577.5	(210.2)	-	2,343.4	-	-	-	-	-	-	2,343.4
Leasehold Land	639.1	-	(0.4)	155.5	548.6	75.3	10.4	12.5	12.5	-	73.2	475.4
	638.8	-	0.3	-	639.1	64.9	10.4	-	-	-	75.3	563.8
Buildings	10,153.5	453.7	193.6	43.3	12,312.0	2,947.7	71.8	352.2	42.0	-	3,462.0	8,850.0
	9,675.3	450.3	(304.2)	23.7	10,153.5	2,657.2	89.7	350.1	16.4	20.9	2,947.7	7,205.8
Leasehold Improvements	204.5	56.7	26.7	35.8	918.8	22.4	22.6	87.0	11.3	-	123.2	795.6
	-	-	(1.3)	(1.3)	204.5	-	22.4	-	-	-	22.4	182.1
Plant and Equipment	28,514.3	1,481.6	767.9	1,158.5	35,131.1	13,978.7	649.8	2,999.1	488.4	1,124.0	16,992.0	18,139.1
	26,736.4	249.8	(78.1)	678.5	28,514.3	11,013.2	217.2	3,102.6	624.5	805.3	13,978.7	14,535.6
Furniture and Fixtures	1,611.1	88.0	107.9	113.9	2,015.6	911.9	25.5	239.1	76.5	100.2	1,152.8	862.8
	1,405.8	12.7	(79.7)	(79.7)	1,611.1	753.3	11.4	211.6	(60.4)	19.4	911.9	699.2
Vehicles	294.0	11.9	1.7	68.4	354.1	160.9	10.9	52.0	1.8	61.3	164.3	189.8
	188.8	70.6	(5.8)	14.2	294.0	99.2	39.7	39.2	(5.3)	13.7	160.9	133.1
Office Equipment	1,529.2	62.1	42.9	75.6	1,942.3	937.2	46.7	295.3	24.3	74.5	1,229.0	713.3
	1,263.3	20.4	(13.4)	53.1	1,529.2	562.6	17.6	335.2	(10.8)	49.4	937.2	592.0
Assets under Lease:												
- Plant and Equipment	146.9	-	11.7	89.8	68.8	132.5	-	10.1	10.6	89.8	-	63.4
	165.0	-	(18.1)	-	146.9	125.3	-	22.4	(15.2)	-	-	132.5
- Vehicles	8.9	-	(0.3)	5.8	2.8	6.9	-	0.5	(0.1)	5.6	-	1.7
	19.1	-	0.1	11.5	8.9	15.9	-	2.1	0.2	11.3	-	6.9
Total - Tangible Assets (A)	45,444.9	2,263.9	1,290.8	1,746.6	55,886.5	19,173.5	827.3	4,045.7	736.3	1,521.2	-	32,624.9
	41,329.9	1,381.3	(1,410.7)	802.0	45,444.9	15,291.6	375.6	4,096.0	(780.4)	734.7	925.4	26,271.4
B. Intangible Assets - Acquired												
Computer Software	630.2	46.3	53.5	7.1	868.2	324.6	36.4	120.5	23.7	7.1	-	498.1
	509.9	-	(25.3)	0.5	630.2	243.0	-	96.2	(14.1)	0.5	-	324.6
Trademarks and Licences	542.9	-	36.0	0.1	654.7	379.5	-	73.7	29.2	0.1	-	482.3
	500.4	-	(72.4)	-	542.9	370.1	-	67.1	(57.7)	-	-	379.5
Dossiers/Marketing rights	3,346.8	-	493.8	67.6	29,684.1	2,886.4	-	395.1	191.0	-	-	3,472.5
	3,297.3	-	(4.8)	11.8	3,346.8	2,755.5	-	87.7	43.2	-	-	2,886.4
Total - Intangible Assets (B)	4,519.9	46.3	583.3	74.8	31,207.0	3,590.5	36.4	589.3	243.9	7.2	-	4,452.9
	4,307.6	-	(102.5)	12.3	4,519.9	3,368.6	-	251.0	(28.6)	0.5	-	3,590.5
Total (A+B)	49,964.8	2,310.2	1,874.1	1,821.4	87,093.5	22,764.0	863.7	4,635.0	980.2	1,528.4	-	59,379.0
	45,637.5	1,381.3	(1,513.2)	814.3	49,964.8	18,660.2	375.6	4,347.0	(809.0)	735.2	925.4	27,200.8
Capital Work-in-Progress												
(Refer notes 33 & 54)												
Intangible Assets Under Development												
Total												
Above includes Share of Joint Venture - jointly controlled entity	0.5	-	0.9	0.2	1.6	0.1	-	0.4	0.1	-	-	0.6
	-	-	(0.1)	-	0.5	-	-	0.1	-	-	-	0.1

- a) Cost of Buildings include cost of shares in co-operative societies of ₹ 1,000 (previous year ₹ 1,000/-).
- b) Additions to Fixed Assets include items of fixed assets aggregating ₹ 2,107.3 million (previous year ₹ 974.1 million) located at Research and Development Centres of the Group.
- c) No exchange difference has been adjusted to the cost of fixed assets in terms of paragraph 46A of AS11.
- d) Previous year figures are given in italics below current year figures in each class of assets.

13. NON-CURRENT INVESTMENTS

			As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Trade Investments - Unquoted				
a) Others				
1) In Equity Instruments:	Number	Face Value		
- Biotech Consortium India Ltd., India	50,000	₹	0.5	0.5
	(50,000)	10		
- Enviro Infrastructure Co. Ltd., India	100,000	₹	1.0	1.0
	(100,000)	10		
- Bharuch Enviro Infrastructure Ltd., India	4,585	₹		
[31.03.2016 - ₹ 45,850/- (previous year ₹ 45,850/-)]	(4,585)	10		
- Narmada Clean Tech Ltd., India	1,145,190	₹	11.5	11.5
	(1,145,190)	10		
- Tarapur Environment Protection Society, India	72,358	₹	7.2	7.2
	(72,358)	100		
- Sai Wardha Power Ltd., India	3,007,237	₹	30.1	-
	(-)	10		
- Japan Medical Products Exporter's Association, Japan	10	JPY		
[31.03.2016 - ₹ 29,495/- (previous year ₹ 26,065/-)]	(10)	5,000		
- The Pharmaceuticals and Medical Devices Agency, Japan	30	JPY	0.2	0.2
	(30)	10,000		
- Osaka Fire Mutual Aid Association, Japan	10	JPY		
[31.03.2016 - ₹ 590/- (previous year ₹ 521/-)]	(10)	100		
- Frankfurter Volksbank eG Bank, Germany	10	Eur		
[31.03.2016 - ₹ 37,698/- (previous year ₹ 33,595/-)]	(10)	50		
- Atsugi Gas Corporation, Japan	600	Nil	0.2	0.2
	(600)			
2) In Preference Shares:				
- Enviro Infrastructure Co. Ltd., India	450,000	₹	4.5	4.5
	(450,000)	10		
(Figures in brackets are for previous year)				
			55.2	25.1
b) In Government Securities				
National Saving Certificates				
[31.03.2016 - ₹ 6,000/- (previous year ₹ 6,000/-)]				
[Deposited with Government Authority				
31.03.2016 - ₹ 6,000/- (previous year ₹ 6,000/-)]				
Total			55.2	25.1
i)	All investments in shares are fully paid up			
ii)	All investments are stated at cost			
iii)	Aggregate amount of unquoted investments		55.2	25.1

14. DEFERRED TAX ASSETS (NET)

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Tax effect of items constituting Deferred Tax Assets		
Provision for Bonus	123.7	161.4
Provision for Leave Encashment	17.2	17.2
Provision for Retirement Benefits	41.2	42.0
Provision for Expenses	51.2	39.2
Provision for Price Differential	107.8	75.5
Provision for Sales Return	279.4	114.6
On differences between book and tax depreciation	23.2	24.9
Charitable Deductions	14.6	176.3
Others	325.5	381.8
	983.8	1,032.9
Less: Tax effect of items constituting Deferred Tax Liabilities		
On differences between book and tax depreciation	75.2	119.3
Reserved for Deferred Capital Gain	13.3	13.1
Others	89.3	58.5
	177.8	190.9
Total	806.0	842.0
Above includes Share of Joint Venture - jointly controlled entity	2.8	0.5

15. LONG-TERM LOANS AND ADVANCES

Unsecured, considered good unless otherwise stated		
Capital Advances	5,121.5	985.6
Loans and Advances to Related Parties [Refer note 58 (C)]	54.7	54.7
Security Deposits	536.6	279.5
Loans to Employees	3.4	16.7
Prepaid Expenses	4.2	-
Advance payment of Income Tax (net of Provision)	646.0	294.2
Balances with Government Authorities (Drawback / Customs and Excise duties receivable, etc.)	816.5	880.7
Advance against investments	2,273.6	-
Other Loans and Advances	246.4	230.6
Total	9,702.9	2,742.0
Above includes Share of Joint Venture - jointly controlled entity	4.2	-

16. OTHER-NON CURRENT ASSETS

Unsecured, considered good unless otherwise stated		
Mark to Market Derivative Assets	-	3.2
Total	-	3.2

17. CURRENT INVESTMENTS

		As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Non Trade Investments - Unquoted			
- In Mutual Funds			
	Number of Units		
- Birla Sun Life Cash Plus Daily Dividend Regular Plan	201,880	20.2	1,098.2
	(10,960,902)		
- HDFC Liquid Fund - Dividend Daily Reinvest	-	-	474.5
	(46,530,363)		
- HDFC High Interest Fund-Short Term Plan Fortnightly Dividend	-	-	2,076.9
	(196,263,170)		
- ICICI Prudential Blended Plan B Regular Plan Monthly Dividend Option - I	-	-	1,037.8
	(101,597,773)		
- Axis Short Term Fund Monthly Dividend	-	-	1,025.7
	(100,692,087)		
- Birla Sun Life Short Term Fund Monthly Dividend Regular Plan	-	-	1,027.0
	(86,839,119)		
- Birla Sun Life Treasury Optimizer Plan Monthly Dividend Regular Plan	-	-	510.9
	(4,919,391)		
- Reliance Medium Term Fund Monthly Dividend Plan	-	-	2,046.1
	(191,462,695)		
- Reliance Short Term Fund Monthly Dividend Plan	-	-	511.4
	(46,961,944)		
- ICICI Prudential Banking & PSU Debt Fund Regular Plan Weekly Dividend	-	-	1,510.0
	(148,063,792)		
- ICICI Prudential Ultra Short Term Regular Plan Daily Dividend	-	-	1,002.9
	(98,833,834)		
- Axis Banking Debt Fund-Weekly Dividend	-	-	2,508.6
	(2,495,963)		
- SBI Magnum Insta Cash Fund Liquid Floater Regular Plan Daily Dividend	-	-	1,005.6
	(995,692)		
- Axis Liquid Fund-Daily Dividend	-	-	50.0
	(50,002)		
- Kotak Treasury Advantage Fund Daily Dividend Regular Plan	-	-	503.1
	(49,914,730)		
- Kotak Liquid Scheme Plan A Daily Dividend Regular Plan	-	-	170.2
	(139,208)		
(Figures in brackets are for previous year)			
Total		20.2	16,558.9

a) All investments are stated at lower of cost and fair value unless otherwise stated

b) Aggregate amount of unquoted investments (At cost)

20.2

16,561.4

c) Excess of carrying cost over fair value of current investments as adjusted above

-

2.5

18. INVENTORIES

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Raw Materials	7,268.4	5,945.8
Packing Materials	1,282.7	1,135.0
Work-in-Process	4,697.9	4,099.1
Finished Goods	6,965.7	5,340.2
Stock-in-Trade	7,739.4	5,649.2
Consumable Stores and Spares	1,060.1	862.5
Goods-in-Transit		
- Raw Materials	280.9	390.3
- Packing Materials	18.3	21.7
- Stock-in-Trade	2,450.7	1,565.8
- Consumable Stores and Spares	23.3	26.0
[Refer note 1 j]	Total	25,035.6
Above includes Share of Joint Venture - jointly controlled entity	0.7	2.1
	31,787.4	31,067.4

19. TRADE RECEIVABLES

Unsecured		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
- Considered Good	548.2	536.6
- Considered Doubtful	411.9	235.6
	960.1	772.2
Other Trade Receivables		
- Considered Good	44,949.9	26,029.1
- Considered Doubtful	36.3	3.8
	44,986.2	26,032.9
	45,946.3	26,805.1
Less : Provision for Doubtful Trade Receivables	448.2	239.4
	Total	26,565.7
	45,498.1	26,565.7

20. CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents (as per AS-3 - "Cash Flow Statements")		
Bank Balances		
- In Current Accounts (including money-in-transit)	7,664.3	3,925.0
- In EEFC Account	11.3	137.7
- In Deposit Accounts	333.6	306.5
Cheques on hand	126.9	132.7
Cash on hand	9.1	6.9
	8,145.2	4,508.8
Other Bank Balances (Refer note below)		
Earmarked Balances with Banks		
- Unpaid dividend accounts	32.7	26.8
- Deposits against guarantees and other commitments	158.2	277.9
Bank Deposits maturing more than 3 months but less than 12 months	43.0	-
	233.9	304.7
	Total	4,813.5
	8,379.1	4,813.5
Above includes Share of Joint Venture - jointly controlled entity	219.2	133.7

Other Bank Balances - Earmarked Balances with Banks include deposits ₹ 11.9 million (previous year ₹ 11.2 million) which have an original maturity of more than 12 months.

21. SHORT-TERM LOANS AND ADVANCES

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Unsecured, considered good unless otherwise stated		
Security Deposits	120.7	85.6
Advance payment of Income Tax (net of Provision)	31.6	10.4
Prepaid Expenses	755.5	471.5
Balances with Government Authorities (VAT/Cenvat/Service tax credit receivable/other taxes)	2,144.6	1,858.4
Advance to Vendors	1,121.4	577.6
Loans to Employees Benefit Trust (Refer note 38)	-	251.3
Advance against investments	2,981.5	-
Other Loans and Advances (includes Loans and Advances to employees, etc.)	216.5	165.8
Total	7,371.8	3,420.6
Above includes Share of Joint Venture - jointly controlled entity	48.3	28.7

22. OTHER CURRENT ASSETS

Mark to Market Derivative Assets	275.7	339.3
Export Benefits receivable	3,224.1	1,253.6
Other Current Assets (includes receivable from Government Authorities, Interest receivables, etc.)	1,233.9	336.3
Total	4,733.7	1,929.2
Above includes Share of Joint Venture - jointly controlled entity	2.7	-

23. REVENUE FROM OPERATIONS (GROSS)

	For the Current Year ended 31.03.2016 ₹ in million	For the Previous Year ended 31.03.2015 ₹ in million
Sale		
Goods	136,670.4	124,825.1
Research Services	1,384.9	2,107.1
	138,055.3	126,932.2
Other Operating Revenue		
Export Benefits and Other Incentives	3,495.2	1,272.7
Service Charges	76.6	185.9
Insurance Claims	76.6	15.1
Compensation and Settlement Income	1,192.3	22.0
Miscellaneous Income	228.4	207.3
	5,069.1	1,703.0
Total	143,124.4	128,635.2
Above includes Share of Joint Venture - jointly controlled entity	0.3	4.0

24. OTHER INCOME

Interest on Deposits with Banks	25.9	74.7
Other Interest (including interest on income tax refunds)	162.1	55.9
Dividend on Current Investments	438.0	650.8
Dividend on Long-Term Investments	0.2	0.2
Net gain on Foreign Currency Transactions	921.4	1,441.7
Profit on Sale / Disposal of Assets (net)	118.7	-
Net gain on Sale of Current Investments	38.1	4.0
Provision for Doubtful Trade Receivables / Deposits written back	-	119.4
Provisions no longer required written back	119.2	26.5
Other Non-Operating Income	53.4	24.3
Total	1,877.0	2,397.5
Above includes Share of Joint Venture - jointly controlled entity	0.7	-

25. COST OF RAW AND PACKING MATERIALS CONSUMED

Raw Materials Consumed	23,193.2	21,548.2
Packing Materials Consumed	4,462.9	3,646.0
Total	27,656.1	25,194.2

26. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE

Opening Stock:		
Finished Goods	5,340.2	4,495.0
Stock-in-Trade	7,215.0	6,968.2
Work-in-Process	4,099.1	3,656.7
	16,654.3	15,119.9
Acquired on acquisition:		
Finished Goods	107.8	59.6
Stock-in-Trade	272.3	-
Work-in-Process	59.2	17.9
	439.3	77.5
Less:		
Closing Stock:		
Finished Goods	6,965.7	5,340.2
Stock-in-Trade	10,190.2	7,215.0
Work-in-Process	4,697.9	4,099.1
	21,853.8	16,654.3
Changes In Inventories:		
Finished Goods	(1,517.7)	(785.6)
Stock-in-Trade	(2,702.9)	(246.8)
Work-in-Process	(539.6)	(424.5)
Total	(4,760.2)	(1,456.9)

27. EMPLOYEE BENEFITS EXPENSE

	For the Current Year ended 31.03.2016 ₹ in million	For the Previous Year ended 31.03.2015 ₹ in million
(Refer note 51)		
Salaries and Wages	17,540.6	14,144.7
Contribution to Provident and Other Funds	1,641.3	1,394.7
Retirement Benefits Expense [Refer note 39 (ii)]	198.3	211.5
Expenses on Employees Stock Options / Stock Appreciation Rights [Refer notes 37 & 38]	365.2	676.8
Staff Welfare Expenses	1,331.5	1,045.7
Total	21,076.9	17,473.4
Above includes Share of Joint Venture - jointly controlled entity	25.4	17.4

28. FINANCE COSTS

Interest on Borrowings	227.2	55.9
Other Borrowing Costs (includes bank charges, etc.)	140.9	42.2
Interest on Income Tax	78.1	-
Total	446.2	98.1

29. OTHER EXPENSES

Processing Charges	1,320.5	1,154.5
Stores and Spares Consumed	4,916.7	3,646.5
Repairs and Maintenance:		
- Buildings	357.6	314.8
- Plant and Machinery	929.2	753.0
- Others	1,116.3	953.1
Rent	447.0	360.7
Rates and Taxes	1,549.7	1,092.0
[Net of provision of earlier year adjusted ₹ nil (previous year ₹ 5.0 million)]		
Insurance	487.7	421.8
Power and Fuel	3,812.7	3,628.1
Contract Labour Charges	1,294.5	1,055.6
Excise Duty (net) [Refer note 48]	199.6	137.2
Selling and Promotion Expenses	6,128.1	5,654.9
Commission, Brokerage and Discount	1,374.0	1,234.7
[Including cash discount of ₹ 8.0 million (previous year ₹ 8.4 million)]		
Freight and Forwarding	1,785.8	1,465.2
Lease Rent and Hire Charges [Refer note 36(a)]	955.2	725.4
Postage and Telephone Expenses	400.6	334.3
Travelling and Conveyance	2,246.6	1,948.0
Legal and Professional Charges	5,337.4	3,115.0
[Net of recoveries of ₹ 81.2 million (previous year ₹ 330.2 million)]		
Donations	77.1	173.8
Clinical and Analytical Charges	3,097.1	1,682.0
Loss on sale / write-off of Fixed Assets (net)	-	43.1
Bad Trade Receivables / Deposits written off	41.0	54.3
[Net of provision of earlier years adjusted ₹ 17.3 million (previous year ₹ 33.4 million)]		
Impairment of Assets	57.2	-
Provision for Doubtful Trade Receivables	153.0	1.8
Excess of carrying cost over fair value of Current Investments	-	2.5
Corporate Social Responsibility Expenses [Refer note 51]	205.1	-
Directors Sitting Fees	1.7	2.1
Exchange Rate Difference on Translation (net)	342.4	1,237.1
Miscellaneous Expenses	1,745.4	1,268.9
Total	40,379.2	32,460.4
Above includes Share of Joint Venture - jointly controlled entity	492.4	74.1

30. The Consolidated Financial Statements present the consolidated accounts of Lupin Limited (“the Company”) and its following subsidiaries (“the Group”) and its jointly controlled entity:

Name of Subsidiaries / Jointly controlled entity	Country of Incorporation	Proportion of Ownership Interest	
		As at 31.03.2016	As at 31.03.2015
Lupin Pharmaceuticals, Inc.	USA	100% ¹	100% ¹
Kyowa Pharmaceutical Industry Co., Limited	Japan	99.82% ²	100% ²
Kyowa CritiCare Co., Limited (formerly Irom Pharmaceutical Co., Limited)	Japan	99.82% ³	100% ³
Hormosan Pharma GmbH	Germany	100% ²	100% ²
Pharma Dynamics (Proprietary) Limited	South Africa	100% ²	100% ²
Lupin Australia Pty Limited	Australia	100%	100%
Lupin Holdings B.V.	Netherlands	100%	100%
Lupin Atlantis Holdings SA	Switzerland	100%	100%
Multicare Pharmaceuticals Philippines Inc.	Philippines	51% ²	51% ²
Lupin (Europe) Limited	UK	100% ⁵	100%
Lupin Pharma Canada Limited	Canada	100% ²	100% ²
Lupin Healthcare Limited	India	100%	100%
Generic Health Pty Limited	Australia	100% ²	100% ²
Bellwether Pharma Pty Limited	Australia	100% ⁴	100% ⁴
Max Pharma Pty Limited (upto December 17, 2014)	Australia	-	-
Lupin Mexico S.A. de C.V.	Mexico	100% ²	100% ²
Lupin Philippines Inc.	Philippines	100% ²	100% ²
Generic Health SDN. BHD.	Malaysia	100% ²	100% ²
Lupin Middle East FZ-LLC	UAE	100% ⁵	100%
Lupin GmbH	Switzerland	100% ⁵	100% ⁵
Lupin Inc.	USA	100% ⁵	100% ⁵
Lupin Farmaceutica do Brasil LTDA (upto December 31, 2015)	Brazil	-	100% ²
Nanomi B.V.	Netherlands	100% ⁵	100% ⁵
Laboratorios Grin S.A. de C.V. (from September 30, 2014)	Mexico	100% ⁵	100% ⁵
Medquímica Indústria Farmacêutica LTDA (from June 24, 2015) (formerly Medquímica Indústria Farmacêutica S.A.)	Brazil	100% ⁵	-
Lupin Pharma LLC (from February 11, 2016)	Russia	100% ⁵	-
Gavis Pharmaceuticals, LLC (from March 8, 2016)	USA	100% ⁶	-
VGS Holdings, Inc. (from March 8, 2016)	USA	100% ⁶	-
Novel Laboratories, Inc. (from March 8, 2016)	USA	100% ⁶	-
Novel Clinical Research (India) Pvt. Ltd. (from March 8, 2016)	India	100% ⁷	-
Edison Therapeutics LLC (from March 8, 2016)	USA	100% ⁸	-
Lupin Research Inc. (from March 8, 2016)	USA	100% ⁶	-
YL Biologics Ltd. (from April 23, 2014)	Japan	45% ⁹	45% ⁹

¹ 97% interest held through Lupin Inc., USA from 31 December 2014.

² Ownership interest held through Lupin Holdings B.V., Netherlands.

³ 99.82% interest held through Kyowa Pharmaceutical Industry Co., Limited, Japan.

⁴ Wholly owned subsidiary of Generic Health Pty Limited, Australia.

⁵ Ownership interest held through Lupin Atlantis Holdings SA, Switzerland.

⁶ Wholly owned subsidiaries of Lupin Inc., USA

⁷ Wholly owned subsidiary of Novel Laboratories Inc., USA

⁸ Wholly owned subsidiary of Gavis Pharmaceuticals LLC, USA

⁹ Jointly Controlled Entity of Lupin Atlantis Holdings SA, Switzerland (with Yoshindo Inc. having 55% of share of interest).

The consolidated financial statements include the results of the aforesaid subsidiaries and there are no other bodies corporate / entities, where the Company holds more than 50% of the share capital or where the Company can control the composition of the Board of Directors / Governing Bodies of such entities, where the holding may be less than 50%.

31. Commitments:

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances, Tangible assets ₹ 4832.5 million (previous year ₹ 2459.7 million) and Intangible assets ₹ 123.9 million (previous year ₹ 65.2 million).
- b) Commitments for research activities amounting to ₹ 942.4 million (net of advances) (previous year ₹ 839.9 million).
- c) Other commitments – Non-cancellable operating and finance leases (Refer note 36).
- d) There are no capital commitments at the jointly controlled entity of the Group as at the year end.
- e) The Group is committed to operationally, technically and financially support the operations of its subsidiaries.

32. Contingent Liabilities:

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
a) Income tax demands / matters on account of deductions / disallowances for earlier years, pending for appeals [including ₹ 44.3 million (previous year ₹ 49.7 million) consequent to department preferring appeals against the orders of the Appellate Authorities passed in favour of the Company]. Amount paid there against and included under note 15 "Long-Term Loans and Advances" ₹ 115.1 million (previous year ₹ 55.4 million).	825.2	826.4
b) Customs duty, Excise duty, Service tax and Sales tax demands, for input tax credit disallowances and demand for Entry Tax are in appeals and pending decisions. Amount paid there against and included under note 21 "Short-Term Loans and Advances" ₹ 23.2 million (previous year ₹ 28.5 million) and under note 15 "Long-Term Loans and Advances" ₹ nil (previous year ₹ 2.5 million).	292.5	377.0
c) Claims against the Company not acknowledged as debts (excluding interest where the amount is unascertainable) for transfer charges of land, octroi duty, local body tax, employee claims, power, trade marks, pricing, indemnity, stamp duty and price reported under Medicaid for one subsidiary. Amount paid there against without admitting liability and included under note 21 "Short-Term Loans and Advances" ₹ 12.3 million (previous year ₹ 12.3 million).	6218.1	6378.7
d) During the previous year, the Company received a notice from the European Commission for alleged breach of the EU Antitrust Rules, whereby it has sought to levy a fine of Euro 40.0 million (₹ 3015.8 million) on the Company in respect of an agreement entered into by the Company with Laboratories Servior, France, for sale of certain patent applications and IPs for the product Perindopril which the European Commission considered as anti-competitive. The Company, based on facts of the matter and legal advice received does not agree with the said notice / demand and is of the view that it has a strong case to defend itself. Accordingly, the Company has filed an appeal before the European General Court. A bank guarantee (excluding interest) of Euro 40.0 million equivalent to ₹ 3015.8 million (previous year Euro 40.0 million equivalent to ₹ 2687.6 million) has been furnished to the European Commission.		

There are no contingent liabilities at the jointly controlled entity of the Group as at the year end.

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

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

The Company and its subsidiaries are involved in various legal proceedings, including product liability related claims, employment claims and other regulatory matters relating to conduct of its business. The Group carries product liability insurance policy with an amount it believes is sufficient for its needs. In respect of other claims, the Group believes, these claims do not constitute material litigation matters and with its meritorious defenses, the ultimate disposition of these matters will not have material adverse effect on its Consolidated Financial Statements.

33. Pre-operative expenses pending capitalisation included in Capital Work-In-Progress (Refer note 12) represent direct attributable expenditure for setting up of plants prior to the date of commencement of commercial production. The same will be capitalised on completion of projects and commencement of commercial operations. The details of the pre-operative expenses are:

Particulars	2015-2016 ₹ in million	2014-2015 ₹ in million
Opening balance	241.0	182.2
Incurring during the current year:		
Salaries, allowances and contribution to funds	97.1	65.7
Legal and Professional Charges	2.4	6.3
Travelling and Conveyance	17.2	13.0
Others	41.9	16.3
Total	158.6	101.3
Less : Capitalised during the year	168.3	42.5
Closing balance	231.3	241.0

34. Segment Reporting:

- i) Primary segment:
The Group operates exclusively in the Pharmaceutical business segment which is the only reportable business segment.
- ii) Secondary segment data:

(Current year ₹ in million)					
Particulars	India	USA	Japan	Others	Total
Revenue by Geographical Segment	39139.0	60117.1	13697.5	29131.1	142084.7
Carrying amount of Segment Assets	60080.4	56557.9	22193.9	84061.7	222893.9
Capital Expenditure	7702.4	10943.3	2529.5	50555.2	71730.4

(Previous year ₹ in million)					
Particulars	India	USA	Japan	Others	Total
Revenue by Geographical Segment	33848.9	54747.3	13269.0	25834.9	127700.1
Carrying amount of Segment Assets	69236.1	18283.0	17075.6	25635.9	130230.6
Capital Expenditure	5035.7	578.6	1504.3	12558.5	19677.1

- a) The segment revenue in geographical segments considered for disclosure is as follows:
- i) Revenue within India includes sales to customers located within India and other operating income earned in India.
- ii) Revenue outside India includes sales to customers located outside India and other operating income outside India.
- b) Segment revenue comprises:

(Current year ₹ in million)					
Particulars	India	USA	Japan	Others	Total
Sales (net of excise duty)	37968.0	60017.6	13646.3	25383.7	137015.6
Other Operating Income	1171.0	99.5	51.2	3747.4	5069.1
Total Revenue	39139.0	60117.1	13697.5	29131.1	142084.7

(Previous year ₹ in million)					
Particulars	India	USA	Japan	Others	Total
Sales (net of excise duty)	33586.2	54601.3	13239.0	24570.6	125997.1
Other Operating Income	262.7	146.0	30.0	1264.3	1703.0
Total Revenue	33848.9	54747.3	13269.0	25834.9	127700.1

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

Particulars	2015-2016	2014-2015
Net Profit after minority interest attributable to equity shareholders (₹ in million)	22706.9	24032.4
Weighted average number of Equity Shares:		
- Basic	450112397	448868014
Add : Effect of dilutive issue of employees stock options (ESOPs) - converted during the year and ESOPs outstanding as at the year end	2664767	2846900
- Diluted	452777164	451714914
Earnings per Share (in ₹)		
- Basic	50.45	53.54
- Diluted	50.15	53.20

36. a) The Group procures equipments, vehicles and office premises under operating leases. The initial tenure of the lease is generally between 12 months to 60 months. The lease rentals recognised in the Consolidated Statement of Profit and Loss (Refer note 29) for the year are ₹ 835.5 million (previous year ₹ 626.3 million). The future minimum lease payments and payment profile of non-cancellable operating leases are as under:

Particulars	2015-2016 ₹ in million	2014-2015 ₹ in million
Not later than one year	821.5	517.2
Later than one year but not later than five years	1937.7	845.3
Later than five years	259.8	229.3
Total	3019.0	1591.8

- b) Subsidiary companies in Japan and South Africa have future obligations under finance lease for procurement of Plant and Equipment and Vehicles which are payable as under:

Particulars	2015-2016		
	Present Value of minimum lease payment	Future Interest Cost	Minimum lease payment
Not later than one year	0.6	0.1	0.7
	(10.0)	(0.6)	(10.6)
Later than one year but not later than five years	0.3	-	0.3
	(1.0)	(0.1)	(1.1)
Later than five years	-	-	-
	(-)	(-)	(-)
Total	0.9	0.1	1.0
	(11.0)	(0.7)	(11.7)

Previous year figures are given in bracket.

37. Employees Stock Option Plans:

- a) The Company implemented "Lupin Employees Stock Option Plan 2003" (ESOP 2003), "Lupin Employees Stock Option Plan 2005" (ESOP 2005), "Lupin Subsidiary Companies Employees Stock Option Plan 2005" (SESOP 2005), "Lupin Employees Stock Option Plan 2011" (ESOP 2011), "Lupin Subsidiary Companies Employees Stock Option Plan 2011" (SESOP 2011), "Lupin Employees Stock Option Plan 2014" (ESOP 2014) and "Lupin Subsidiary Companies Employees Stock Option Plan 2014" (SESOP 2014) in earlier years, as approved by the Shareholders of the Company and the Remuneration / Compensation / Nomination and Remuneration Committee of the Board of Directors. Details of the options granted during the year under the plans are as under:

Lupin Employees Stock Option Plan 2011 (ESOP 2011):

Grant Date	No. of Options	Exercise Price ₹	Vesting Period
November 19, 2015	50000	891.53	19.11.2015 to 19.11.2016
	50000		

Lupin Subsidiary Companies Employees Stock Option Plan 2011 (SESOP 2011):

Grant Date	No. of Options	Exercise Price ₹	Vesting Period
April 02, 2015	19525	2037.50	02.04.2015 to 02.04.2016
	19525	2037.50	02.04.2015 to 02.04.2017
	19525	2037.50	02.04.2015 to 02.04.2018
	19525	2037.50	02.04.2015 to 02.04.2019
	78100		

Lupin Employees Stock Option Plan 2014 (ESOP 2014):

Grant Date	No. of Options	Exercise Price ₹	Vesting Period
August 07, 2015	503	2.00	07.08.2015 to 07.08.2016
	503	2.00	07.08.2015 to 07.08.2017
	503	2.00	07.08.2015 to 07.08.2018
	504	2.00	07.08.2015 to 07.08.2019
	2013		
October 07, 2015	111195	2.00	07.10.2015 to 07.10.2016
	111195	2.00	07.10.2015 to 07.10.2017
	111195	2.00	07.10.2015 to 07.10.2018
	111196	2.00	07.10.2015 to 07.10.2019
	444781		
October 13, 2015	3000	2.00	13.10.2015 to 13.10.2016
	3000	2.00	13.10.2015 to 13.10.2017
	3000	2.00	13.10.2015 to 13.10.2018
	3000	2.00	13.10.2015 to 13.10.2019
	12000		
December 08, 2015	8120	2.00	08.12.2015 to 08.12.2016
	8120	2.00	08.12.2015 to 08.12.2017
	8120	2.00	08.12.2015 to 08.12.2018
	8120	2.00	08.12.2015 to 08.12.2019
	32480		
January 07, 2016	577	2.00	07.01.2016 to 07.01.2017
	577	2.00	07.01.2016 to 07.01.2018
	577	2.00	07.01.2016 to 07.01.2019
	577	2.00	07.01.2016 to 07.01.2020
	2308		
February 02, 2016	755	2.00	02.02.2016 to 02.02.2017
	755	2.00	02.02.2016 to 02.02.2018
	755	2.00	02.02.2016 to 02.02.2019
	755	2.00	02.02.2016 to 02.02.2020
	3020		

Lupin Subsidiary Companies Employees Stock Option Plan 2014 (SESOP 2014):

Grant Date	No. of Options	Exercise Price ₹	Vesting Period
April 02, 2015	9463	2037.50	02.04.2015 to 02.04.2016
	9463	2037.50	02.04.2015 to 02.04.2017
	9463	2037.50	02.04.2015 to 02.04.2018
	9461	2037.50	02.04.2015 to 02.04.2019
	37850		

The options are granted at an exercise price, which is in accordance with the relevant SEBI guidelines in force, at the time of such grants. Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of ₹ 2 each. The options have vesting periods as stated above in accordance with the vesting schedule as per the said plans with an exercise period of ten years from the respective grant dates.

The particulars of the options granted and lapsed under the Schemes are as below:

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
	Nos.	Nos.
Lupin Employees Stock Option Plan 2003 (ESOP 2003):		
Options outstanding as at the beginning of the year	343000	539389
Add: Options granted during the year	-	161000
Less: Options lapsed during the year	5875	14000
Less: Options exercised during the year	109366	343389
Options outstanding as at the year end	227759	343000

During the previous year, the Company terminated the offering of fresh grants under the above plan resulting in termination of 745 options which were not granted upto the date of termination. Options already granted under the said plan would continue to be in force in terms of their grant.

Lupin Employees Stock Option Plan 2005 (ESOP 2005):		
Options outstanding as at the beginning of the year	445304	494529
Add: Options granted during the year	-	40500
Less: Options lapsed during the year	5000	6750
Less: Options exercised during the year	208123	82975
Options outstanding as at the year end	232181	445304

During the previous year, the Company terminated the offering of fresh grants under the above plan resulting in termination of 4200 options which were not granted upto the date of termination. Options already granted under the said plan would continue to be in force in terms of their grant.

Lupin Subsidiary Companies Employees Stock Option Plan 2005 (SESOP 2005):		
Options outstanding as at the beginning of the year	233536	364133
Add: Options granted during the year	-	-
Less: Options lapsed during the year	-	220
Less: Options exercised during the year	6609	130377
Options outstanding as at the year end	226927	233536

During the previous year, the Company terminated the offering of fresh grants under the above plan resulting in termination of 7190 options which were not granted upto the date of termination. Options already granted under the said plan would continue to be in force in terms of their grant.

Lupin Employees Stock Option Plan 2011 (ESOP 2011):		
Options outstanding as at the beginning of the year	2708351	2737539
Add: Options granted during the year	50000	669250
Less: Options lapsed during the year	69322	159664
Less: Options exercised during the year	699161	538774
Options outstanding as at the year end	1989868	2708351

Subsequent to the year end, the Company terminated the offering of fresh grants under the above plan resulting in termination of 90178 options which were not granted upto the date of termination. Options already granted under the said plan would continue to be in force in terms of their grant.

Lupin Subsidiary Companies Employees Stock Option Plan 2011 (SESOP 2011):		
Options outstanding as at the beginning of the year	799944	429033
Add: Options granted during the year	78100	449210
Less: Options lapsed during the year	90125	61283
Less: Options exercised during the year	31195	17016
Options outstanding as at the year end	756724	799944

Lupin Employees Stock Option Plan 2014 (ESOP 2014):		
Options outstanding as at the beginning of the year	254239	-
Add: Options granted during the year	496602	260022
Less: Options lapsed during the year	14588	5783
Less: Options exercised during the year	40180	-
Options outstanding as at the year end	696073	254239

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
	Nos.	Nos.
Lupin Subsidiary Companies Employees Stock Option Plan 2014 (SESOP 2014):		
Options outstanding as at the beginning of the year	-	-
Add: Options granted during the year	37850	-
Less: Options lapsed during the year	-	-
Less: Options exercised during the year	-	-
Options outstanding as at the year end	37850	-

- b) The Group has followed the intrinsic value based method of accounting for stock options granted after April 1, 2005 based on Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India (ICAI). Had the compensation cost for the Group's stock based compensation plans been determined in the manner consistent with the fair value approach as described in the said Guidance Note, the Group's net income would be lower by ₹ 494.9 million (previous year ₹ 444.7 million) and earnings per share as reported would be as indicated below:

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
	₹ in million	₹ in million
Net profit as reported	22706.9	24032.4
Less : Total stock-based employee compensation expense determined under fair value based method	741.9	501.4
Add : Total stock-based employee compensation expense determined under intrinsic value based method	247.0	56.7
Adjusted net profit	22212.0	23587.7
Basic earnings per share		
- As reported (in ₹)*	50.45	53.54
- Adjusted (in ₹)	49.35	52.55
Diluted earnings per share		
- As reported (in ₹)*	50.15	53.20
- Adjusted (in ₹)	49.06	52.22

* Refer note 35

The fair value of each option granted during the year is estimated on the date of grant based on the following assumptions:

Particulars	Grant Date	Dividend Yield (%)	Expected life (years)	Risk Free interest rate (%)	Volatility (%)
ESOP 2011 Plan	November 19, 2015	0.66	3.00	7.82	23.11
SESOP 2011 Plan	April 02, 2015	0.66	4.50	7.80	33.03
ESOP 2014 Plan	August 07, 2015	0.66	4.50	7.80	33.03
	October 07, 2015	0.66	4.50	7.80	33.03
	October 13, 2015	0.66	4.50	7.80	33.03
	December 08, 2015	0.66	4.50	7.80	33.03
	January 07, 2016	0.66	4.50	7.80	33.03
	February 02, 2016	0.66	4.50	7.80	33.03
SESOP 2014 Plan	April 02, 2015	0.66	4.50	7.80	33.03

38. Stock Appreciation Rights

During the years 2011-12 and 2012-13, the Company has granted Stock Appreciation Rights ("SARs") to certain eligible employees in accordance with Lupin Employees Stock Appreciation Rights Scheme 2011 ("LESARs 2011") approved by the Board of Directors (Board) at their Board Meeting held on September 13, 2011. Under the Scheme, eligible employees are entitled to receive appreciation in value of shares on completion of the vesting period.

The Scheme is administered through the Lupin Employees Benefit Trust (the "Trust") as settled by the Company. The Trust is administered by an independent Trustee. At the end of the vesting period of 3 years, the equity shares will be sold in the market by the Trust and the appreciation on the same (if any) will be distributed to the said employees, subject to vesting conditions.

The Company has been submitting required details with stock exchanges in terms of the circulars issued by SEBI in this regard. During the previous year SEBI vide its circular no. CIR/CFD/POLICYCELL/3/2014 dated June 27, 2014 has extended the timelines for alignment of the Scheme till the new regulations are notified, continuing the prohibition on acquiring securities from the secondary market.

The new regulation viz: Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('the Regulation') was notified on October 28, 2014, pursuant to which the existing schemes are to be aligned within one year of the effective date of the Regulation. During the year, the Trust has distributed the benefits of SARs to the eligible employees in terms of LESARs 2011 and has not acquired any shares from the secondary market.

As approved by the Board, the Company had, prior to the SEBI circular no. CIR/CFD/DIL/3/2013 dated January 17, 2013 advanced an interest free loan to the Trust during the years 2011-12 and 2012-13 to acquire appropriate number of Equity Shares of the Company from the market on the grant date of SARs and the loan outstanding as at the Balance Sheet date aggregating to ₹ nil (previous year ₹ 251.3 million) is included under "Short-Term Loans and Advances" (Refer note 21).

The particulars of the SARs assigned, lapsed and redeemed under the Scheme are as below:

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
Lupin Employees Stock Appreciation Rights Scheme 2011:		
SARs outstanding as at the beginning of the year	408592	843396
Less: SARs lapsed during the year	7103	13873
Less: SARs redeemed during the year	401489	420931
SARs outstanding as at the year end	-	408592

The related compensation cost for outstanding SARs and in case of redeemed SARs upto the date of redemption amounting to ₹ 118.2 million (previous year ₹ 620.1 million) has been recognized as Employee Benefits Expense and the corresponding credit is included under "Reserves and Surplus" as Employee Stock Appreciation Rights Outstanding. In respect of SARs redeemed during the year, the corresponding amount of ₹ 585.2 million (previous year ₹ 379.0 million) has been transferred from Employee Stock Appreciation Rights Outstanding to General Reserve. Had the compensation cost for the Company's stock based compensation plans been determined in the manner consistent with the fair value approach as described in the Guidance Note on Accounting for Employee Share-based Payments issued by ICAI, the Group's net income would be higher by ₹ 24.6 million (previous year by ₹ 587.3 million) and earnings per share as reported would be as indicated below:

Particulars	Year Ended 31.03.2016 ₹ in million	Year Ended 31.03.2015 ₹ in million
Net profit as reported	22706.9	24032.4
Less : Total stock-based employee compensation expense determined under fair value based method	93.6	32.8
Add : Total stock-based employee compensation expense determined under intrinsic value based method	118.2	620.1
Adjusted net profit	22731.5	24619.7
Basic earnings per share		
- As reported (in ₹)*	50.45	53.54
- Adjusted (in ₹)	50.50	54.85
Diluted earnings per share		
- As reported (in ₹)*	50.15	53.20
- Adjusted (in ₹)	50.21	54.50

* Refer note 35

39. Post Employment Benefits:

(i) Defined Contribution Plans:

The Group makes contributions towards provident fund, superannuation fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

The Group recognised ₹ 635.5 million (previous year ₹ 454.4 million) for superannuation contribution and other retirement benefit contributions in the Consolidated Statement of Profit and Loss.

The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

The Company recognised ₹ 199.9 million (previous year ₹ 147.5 million) for provident fund contributions in the Consolidated Statement of Profit and Loss.

(ii) Defined Benefit Plan:

a) The Company

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 an ex-gratia and the said amount is provided as non-funded liability based on actuarial valuation.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2016. 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 Group's financial statements as at balance sheet date:

Sr. No.	Particulars	Gratuity (Funded)		Gratuity (Unfunded)	
		As on 31.03.2016 ₹ in million	As on 31.03.2015 ₹ in million	As on 31.03.2016 ₹ in million	As on 31.03.2015 ₹ in million
I)	Reconciliation in present value of obligations ('PVO') – defined benefit obligation:				
	Current service cost	111.1	136.2	65.2	92.3
	Past service cost	-	-	-	-
	Interest cost	64.3	57.5	44.6	39.7
	Actuarial loss / (gain)	51.2	75.1	(0.5)	10.2
	Benefits paid	(80.6)	(52.8)	-	-
	PVO at the beginning of the year	868.4	652.4	574.0	431.8
	PVO at the end of the year	1014.4	868.4	683.3	574.0
II)	Change in fair value of plan assets:				
	Expected return on plan assets	61.6	54.2	-	-
	Actuarial gain / (loss)	5.3	2.0	-	-
	Contributions by the employer	207.6	76.5	-	-
	Benefits paid	(80.6)	(52.8)	-	-
	Fair value of plan assets at the beginning of the year	660.8	580.9	-	-
	Fair value of plan assets at the end of the year	854.7	660.8	-	-
III)	Reconciliation of PVO and fair value of plan assets:				
	PVO at end of the year	1014.4	868.4	683.3	574.0

Sr. No.	Particulars	Gratuity (Funded)		Gratuity (Unfunded)	
		As on 31.03.2016 ₹ in million	As on 31.03.2015 ₹ in million	As on 31.03.2016 ₹ in million	As on 31.03.2015 ₹ in million
	Fair Value of plan assets at the end of the year	854.7	660.8	-	-
	Funded status	(159.7)	(207.6)	(683.3)	(574.0)
	Unrecognised actuarial gain / (loss)	-	-	-	-
	Net liability recognised in the Balance Sheet	(159.7)	(207.6)	(683.3)	(574.0)
IV)	Net cost for the year:				
	Current service cost	111.1	136.2	65.2	92.3
	Past service cost	-	-	-	-
	Interest cost	64.3	57.5	44.6	39.7
	Expected return on plan assets	(61.6)	(54.2)	-	-
	Actuarial losses / (gain)	45.9	73.1	(0.5)	10.2
	Total expense recognised in the Statement of Profit and Loss (Refer note 27)	159.7	212.6	109.3	142.2
V)	Category of assets as at the end of the year:				
	Insurer Managed Funds (100%) (Fund is Managed by LIC as per IRDA guidelines, category-wise composition of the plan assets is not available)	854.7	660.8	NA	NA
VI)	Actual return on the plan assets:	66.9	56.2	NA	NA
VII)	Assumptions used in accounting for the gratuity plan:				
	Discount rate (%)	7.5	7.8	7.5	7.8
	Salary escalation rate (%)	6.0	6.0	6.0	6.0
	Expected rate of return on plan assets (%)	8.5	9.1 & 9.2	NA	NA
VIII)	Estimate of amount of contribution in immediate next year	159.7	207.6	NA	NA

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.

(₹ in million)

Gratuity (Funded)	Year Ended				
	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Experience adjustment					
- On plan liabilities	25.4	(15.3)	32.6	6.1	90.5
- On plan assets	5.3	2.0	4.2	0.1	2.3
Present value of benefit obligation	1014.4	868.4	652.4	594.9	462.7
Fair value of plan assets	854.7	660.8	580.9	469.4	417.7
Excess of (obligation over plan assets) / plan assets over obligation	(159.7)	(207.6)	(71.5)	(125.5)	(45.0)

- B) The provident fund plan of the Company, except at two plants, is operated by the "Lupin Limited Employees Provident Fund Trust" (the "Trust"). Eligible employees receive benefits from the said Provident Fund. Both the employees and the Company make monthly contributions to the Provident Fund Plans equal to a specified percentage of the covered employee's salary. The minimum interest rate payable by the Trust to the beneficiaries every year is being notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

The ASB Guidance on Implementing AS-15, Employee Benefits (revised 2005) issued by Accounting Standards Board (ASB) states that benefit plans involving employer established provident funds, which require interest shortfalls to be recompensed are to be considered as defined benefit plans. As per the Guidance Note from the Actuarial Society of India, the Company has obtained the actuarial valuation of interest rate obligation in respect of Provident Fund as at March 31, 2016 and based on the same, there is no shortfall towards interest rate obligation. The Company has an obligation to service the shortfall on account of interest generated by the fund and on maturity of fund investments and hence the same has been classified as Defined Benefit Plan.

The Company recognised ₹ 281.8 million (previous year ₹ 266.4 million) for provident fund contributions in the Consolidated Statement of Profit and Loss.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the provident fund plan and the amounts recognised in the Group's financial statements as at balance sheet date:

Sr. No.	Particulars	Provident Fund (Funded)	
		As on 31.03.2016 ₹ in million	As on 31.03.2015 ₹ in million
I)	Reconciliation in present value of obligations ('PVO') – defined benefit obligation:		
	Current service cost	1178.2	1068.4
	Past service cost	-	-
	Interest cost	-	0.8
	Actuarial loss / (gain)	-	(9.8)
	Benefits paid	(334.2)	(286.2)
	PVO at the beginning of the year	4162.1	3388.9
	PVO at the end of the year	5006.1	4162.1
II)	Change in fair value of plan assets:		
	Expected return on plan assets	383.3	329.7
	Adjustment to opening balance	-	(3.5)
	Actuarial gain / (loss)	-	-
	Contributions by the employer	794.9	742.2
	Benefits paid	(334.2)	(286.2)
	Fair value of plan assets at the beginning of the year	4162.1	3379.9
	Fair value of plan assets at the end of the year	5006.1	4162.1
III)	Reconciliation of PVO and fair value of plan assets:		
	PVO at end of the year	5006.1	4162.1
	Fair Value of plan assets at the end of the year	5006.1	4162.1
	Funded status	-	-
	Unrecognised actuarial gain / (loss)	-	-
	Net liability recognised in the Balance Sheet (Refer note 7)	-	-
IV)	Net cost for the year:		
	Current service cost	1178.2	1068.4
	Past service cost	-	-
	Interest cost	-	0.8
	Expected return on plan assets	(383.3)	(329.7)
	Actuarial losses / (gain)	-	(6.3)
	Interest expense pertaining to the Trust	(794.9)	(742.2)
	Net expense recognised in the Statement of Profit and Loss (Refer note 27)	-	(9.0)
V)	Category of assets as at the end of the year:		
	Investment in PSU bonds	23%	21%
	Investment in Government Securities	46%	45%
	Bank Special Deposit	4%	6%
	Equity Oriented Mutual Funds	1%	-
	Investment in other securities	24%	26%
	Bank Savings Deposit	2%	2%
VI)	Actual return on the plan assets:	383.3	329.7
VII)	Assumptions used in accounting for the provident fund plan:		
	Discount rate (%)	7.5	7.8
	Salary escalation rate (%)	6.0	6.0
	Expected rate of return on plan assets (%)	8.9	8.8

b) Kyowa Pharmaceutical Industry Co., Limited, Japan

The Group's subsidiary at Japan has retirement plan to cover all its employees. The plan consist of a defined benefit non funded pension plan (referred as "plan").

Under the plan, employees are entitled to benefits based on level of salaries, length of service and certain other factors at the time of retirement or termination.

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.

Retirement allowances for directors are provided for liability of the amount that would be required if all directors retired at the balance sheet date.

The following table sets out the status of the retirement plan and the amounts recognised in the Group's financial statements as at balance sheet date:

Sr. No.	Particulars	Lump sum Retirement Benefits (non funded)	
		As on 31.03.2016 ₹ in million	As on 31.03.2015 ₹ in million
I)	Reconciliation in present value of obligations ('PVO') – defined benefit obligation:		
	Current service cost	20.3	19.8
	Interest cost	1.1	1.1
	Actuarial (gain) / loss	11.0	8.4
	Benefits paid	(3.6)	(4.4)
	Foreign exchange translation difference	21.7	(16.8)
	PVO at the beginning of the year	146.6	138.5
	PVO at end of the year	197.0	146.6
II)	Reconciliation of PVO and fair value of plan assets:		
	PVO at end of the year	197.0	146.6
	Fair Value of plan assets at end of the year	-	-
	Funded status	(197.0)	(146.6)
	Unrecognised actuarial gain / (loss)	-	-
	Net asset / (liability) recognised in the balance sheet	(197.0)	(146.6)
III)	Net cost for the year:		
	Current service cost	20.3	19.8
	Interest cost	1.1	1.1
	Actuarial (gain) / losses	11.0	8.4
	Total expense recognised in the Consolidated Statement of Profit and Loss (Refer note 27)	32.4	29.3
IV)	Assumptions used in accounting for the retirement benefit plan:		
	Discount rate (%)	0.4	0.7
	Salary escalation rate (%)	-	-
	Expected rate of return on plan assets (%)	-	-

Liability of lump sum retirement benefit as above along with liability for retirement benefits of directors ₹ 27.6 million (previous year ₹ 20.4 million) is shown under "Long-Term Provisions" (Refer note 7).

(₹ in million)

	Year Ended				
	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Experience adjustment					
- On plan liabilities	2.4	7.8	3.9	1.3	2.0
- On plan assets	-	-	-	-	-
Present value of benefit obligation	197.0	146.6	138.5	113.4	108.5
Fair value of plan assets	-	-	-	-	-
Excess of obligation over plan assets	(197.0)	(146.6)	(138.5)	(113.4)	(108.5)

c) Kyowa CritiCare Co., Limited, Japan (formerly I'rom Pharmaceutical Co., Limited)

The Group's another subsidiary at Japan has retirement plan to cover its employees.

Under the plan, employees are entitled to benefits based on level of salaries, length of service and certain other factors at the time of retirement or termination.

The most recent actuarial valuation of the present value of the defined benefit obligation for retirement benefits were carried out as at March 31, 2016. 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.

The following table sets out the status of the retirement plan and the amounts recognised in the Group's financial statements as at balance sheet date:

Sr. No	Particulars	Lump sum Retirement Benefits (non funded)	
		As on 31.03.2016 ₹ in million	As on 31.03.2015 ₹ in million
I)	Reconciliation in present value of obligations ('PVO') – defined benefit obligation:		
	Current Service Cost	23.9	24.0
	Interest Cost	1.0	1.3
	Actuarial (gain) / loss	12.0	0.8
	Prior Service Cost	-	5.9
	Benefits paid	(3.0)	(37.1)
	Foreign exchange translation difference	33.7	(29.1)
	PVO at beginning of the year	234.6	268.9
	PVO at the end of the year	302.2	234.6
II)	Reconciliation of PVO and fair value of plan assets:		
	PVO at end of the year	302.2	234.6
	Fair Value of planned assets at end of the year	-	-
	Funded status	(302.2)	(234.6)
	Unrecognised actuarial gain / (loss)	-	-
	Net asset / (liability) recognised in the balance sheet	(302.2)	(234.6)
III)	Net cost for the year:		
	Current Service cost	23.9	24.0
	Interest cost	1.0	1.3
	Actuarial (gain) / losses	12.0	0.8
	Amortization of prior service cost	-	5.9
	Total expense recognised in the Consolidated Statement of Profit and Loss (Refer note 27)	36.9	32.0
IV)	Assumptions used in accounting for retirement benefit plans:		
	Discount rate (%)	0.1	0.4
	Salary escalation rate (%)	-	-
	Expected rate of return on plan assets (%)	-	-

Liability of lump sum retirement benefit as above along with liability for retirement benefits of directors ₹ nil (previous year ₹ 2.3 million) is shown under "Long-Term Provisions" (Refer note 7).

(₹ in million)

	Year Ended				
	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Experience adjustment					
- On plan liabilities	12.0	0.8	(5.9)	(3.5)	#
- On plan assets	-	-	-	-	-
Present value of benefit obligation	302.2	234.6	268.9	268.2	283.4
Fair value of plan assets	-	-	-	-	-
Excess of obligation over plan assets	(302.2)	(234.6)	(268.9)	(268.2)	(283.4)

Experience adjustment information in respect of one year is not available, hence not disclosed.

In addition to above plan, the company is a member of Tokyo Pharmaceutical Industry Employee Pension Fund. This multi-employer pension plan does not permit us to reasonably calculate the value of the pension assets based on our contribution. As a result, this multi-employer pension plan is excluded from the calculation of projected benefit obligation. The required contribution to this plan along with the contribution under the retirement plan is charged to Statement of Profit and Loss amounting to ₹ 18.6 million.

d) Multicare Pharmaceuticals Philippines Inc., Philippines

The Group's subsidiary at Philippines makes annual contributions to a private bank to fund defined benefit plan for qualifying employees. The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for retirement benefit were carried out as at March 31, 2016. 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.

The following table sets out the status of the retirement plan and the amounts recognised in the Group's financial statements as at balance sheet date:

Sr. No	Particulars	Lump sum Retirement Benefits (funded)	
		As on 31.03.2016 ₹ in million	As on 31.03.2015 ₹ in million
I)	Reconciliation in present value of obligations ('PVO') – defined benefit obligation:		
	Current service cost	10.2	9.5
	Interest cost	2.9	3.0
	Actuarial (gain) / loss	3.7	(11.2)
	Benefits paid	(1.3)	(0.7)
	Foreign exchange translation difference	1.7	2.4
	PVO at the beginning of the year	55.7	52.8
	PVO at end of the year	73.0	55.7
II)	Change in fair value of plan assets:		
	Expected return on plan assets	1.7	1.7
	Actuarial gain / (loss)	(2.0)	1.2
	Contributions by the employer	-	-
	Benefits paid	(1.3)	(0.7)
	Foreign exchange translation difference	0.9	1.4
	Fair value of plan assets at beginning of the year	34.4	30.8
	Fair value of plan assets at end of the year	33.7	34.4
III)	Reconciliation of PVO and fair value of plan assets:		
	PVO at end of year	73.0	55.7
	Fair Value of plan assets at end of year	33.7	34.4
	Funded status	(39.3)	(21.3)
	Unrecognised actuarial (loss) / gain	-	-
	Net asset / (liability) recognised in the balance sheet	(39.3)	(21.3)
IV)	Net cost for the year:		
	Current Service cost	10.2	9.5
	Interest cost	2.9	3.0
	Expected return on plan assets	(1.7)	(1.7)
	Actuarial (gain) / losses	5.7	(12.4)
	Total expense recognised in the Consolidated Statement of Profit and Loss (Refer note 27)	17.0	(1.7)
V)	Category of assets as at the end of the year:		
	Investment in government bonds	26%	15%
	Investment in unit investment trust fund	27%	40%
	Investment in debt instruments – bonds	20%	15%
	Investment in equity and other securities	16%	21%
	Cash and cash equivalents	11%	9%
VI)	Actual return on the plan assets	(0.3)	3.0
VII)	Assumptions used in accounting for retirement benefit plan:		
	Discount rate (%)	5.2	5.1
	Salary escalation rate (%)	7.0	7.0
	Expected rate of return on plan assets (%)	5.0	5.4

(₹ in million)

	Year Ended				
	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Experience adjustment					
- On plan liabilities	5.4	(6.0)	(1.7)	19.9	0.3
- On plan assets	(2.0)	1.2	₹ 22674	1.3	₹ (33109)
Present value of benefit obligation	73.0	55.7	52.8	69.7	34.6
Fair value of plan assets	33.7	34.4	30.7	23.7	12.0
Excess of obligation over plan assets	(39.3)	(21.3)	(22.1)	(46.0)	(22.6)

e) Laboratorios Grin S.A. de C.V., Mexico

The Company has retirement plan to cover its employees which are required by law.

Under the plan, employees are entitled to benefits based on level of salaries, length of service and certain other factors at the time of retirement or termination.

The most recent actuarial valuation of the present value of the defined benefit obligation for retirement benefits were carried out as at March 31, 2016. 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.

The following table sets out the status of the retirement plan and the amounts recognised in the Company's financial statements as at March 31, 2016.

Sr. No	Particulars	Lump sum Retirement Benefits (non funded)	
		As on 31.03.2016 ₹ in million	As on 31.03.2015 ₹ in million
I)	Reconciliation in present value of obligations ('PVO') – defined benefit obligation :		
	Current Service Cost	2.2	1.0
	Interest Cost	1.2	0.6
	Actuarial (gain) / losses	(0.2)	(0.1)
	Benefits paid	-	0.5
	Foreign exchange translation difference	(1.0)	(1.4)
	Past service cost	0.6	(0.4)
	PVO at the beginning of the year	12.7	12.5
	PVO at end of the year	15.5	12.7
II)	Reconciliation of PVO and fair value of plan assets:		
	PVO at end of year	15.5	12.7
	Fair Value of planned assets at end of year	-	-
	Funded status	-	-
	Unrecognised actuarial gain / (loss)	-	-
	Net asset / (liability) recognised in the balance sheet	15.5	12.7
III)	Net cost for the year:		
	Current Service cost	2.2	1.0
	Past service cost	0.5	(0.4)
	Interest cost	1.2	0.6
	Actuarial (gain) / losses	(0.2)	(0.1)
	Benefits paid	-	0.5
	Expected return on plan assets	-	-
	Net cost	3.7	1.6
IV)	Assumption used in accounting for the plans:		
	Discount rate (%)	6.6	6.8
	Salary escalation rate (%)	5.3	5.3
	Expected rate of return on plan assets (%)	-	-

(₹ in million)

	Year Ended				
	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Experience adjustment					
- On plan liabilities	0.9	12.7	#	#	#
- On plan assets	-	-	#	#	#
Present value of benefit obligation	15.5	12.7	#	#	#
Fair value of plan assets	-	-	#	#	#
Excess of obligation over plan assets	(15.5)	(12.7)	#	#	#

Information in respect of previous three years is not available, hence not disclosed.

40. (i) The Company has entered into foreign currency forward and futures contracts which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables. The following are the outstanding foreign currency forward contracts entered into by the Company:

(Amount in million)				
Currency	As on 31.03.2016	As on 31.03.2015	Buy or Sell	Cross Currency
USD	1.0	-	Buy	BRL
USD	1.1	-	Buy	ZAR
EURO	2.1	-	Buy	ZAR

- (ii) The Group has entered into foreign currency forward and futures contracts which are for trading or speculative purposes. The following are the outstanding foreign currency forward contracts entered into by the Company:

(Amount in million)				
Currency	As on 31.03.2016	As on 31.03.2015	Buy or Sell	Cross Currency
USD	0.5	-	Buy	ZAR

- (iii) The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

- a. Amount receivable in foreign currency on account of the following:

Particulars	Foreign Currency	As on 31.03.2016		As on 31.03.2015	
		₹ in million	Amount in Foreign Currency	₹ in million	Amount in Foreign Currency
Export of goods					
	AUD	12.1	237990	25.5	535690
	ACUD	16.5	249000	16.7	267382
	EURO	594.1	7880437	350.9	5222949
	RUB	-	-	₹ 2126	1961
	USD	3265.2	49259936	3369.0	53900315
	CNY	331.9	32455000	-	-
Other receivables					
	JPY	29.1	49296650	27.5	52776791
	UZS	₹ 23000	1023312	0.1	2251420
	EURO	235.7	2591473	263.8	3156620
	USD	12.4	187761	212.9	3406643
	RUB	2.3	2338023	0.7	611994
	KZT	₹ 16000	86349	1.0	2826041
	CAD	-	-	0.6	12121
	GBP	-	-	48.4	523094
	RMB	10.4	1020785	5.5	542456
	UAH	₹ 45360	17805	3.4	1248759
	CHF	80.2	1187659	38.2	573238
	AUD	-	-	5.4	113274

- b. Amount payable in foreign currency on account of the following:

Particulars	Foreign Currency	As on 31.03.2016		As on 31.03.2015	
		₹ in million	Amount in Foreign Currency	₹ in million	Amount in Foreign Currency
Import of goods and services					
	USD	1178.5	17896718	2431.2	39202196
	GBP	32.6	335162	18.9	205529
	EURO	384.1	5029443	378.4	5468187
	AUD	0.2	3045	1.1	22726
	CHF	1.0	15100	120.6	1857888
	JPY	111.1	188330913	0.3	495850
	SEK	2.9	365800	-	-

Particulars	Foreign Currency	As on 31.03.2016		As on 31.03.2015	
		₹ in million	Amount in Foreign Currency	₹ in million	Amount in Foreign Currency
	CAD	-	-	₹ 10586	216
	MYR	2.0	118555	2.0	118555
	ZAR	-	-	0.2	30100
	CNY	₹ 30462	2978	-	-
	AED	₹ 13021	722	-	-
Secured and Unsecured Loans Payable					
	USD	3379.0	51000000	-	-
Other payables					
	USD	727.1	10964154	271.0	4317173
	RUB	3.1	3192962	1.0	903873
	GBP	-	-	5.7	61500
	JPY	₹ 27706	46972	₹ 24484	46972
	KZT	₹ 2000	12114	0.2	451218
	ACUD	3.4	51023	0.8	12354
	UAH	3.2	1259755	2.8	1040844
	EURO	297.9	4056803	65.0	967963
	AUD	0.2	4000	-	-
	CHF	195.3	2836620	20.4	314317
	PHP	1.4	996075	27.1	19403305
	ZAR	-	-	5977.6	1167833450
	CAD	0.7	14583	-	-

41. Details of Derivative Contracts:

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

The category wise break-up of outstanding derivative contracts entered into by the Company is as under:

Particulars	Currency	(Amount in million)		
		As at 31.03.2016	As at 31.03.2015	Cross Currency
Forward contracts	USD	209.0	333.0	INR

The changes in the fair value of the derivative contracts during the year ended March 31, 2016, aggregating ₹ 32.3 million (previous year ₹ 92.6 million credited) designated and effective as hedges have been debited to the Cash Flow Hedge Reserve and ₹ 35.9 million (previous year ₹ 42.6 million credited) is debited to the Consolidated Statement of Profit and Loss, being the ineffective portion thereof.

42. The aggregate amount of revenue expenditure incurred by the Group during the year on Research and Development and shown in the respective heads of account is ₹ 16037.8 million (previous year ₹ 10987.8 million).

43. a) During the year, the Company has made additional Capital Contribution of ₹ 13142.3 million (previous year ₹ 7982.8 million) in Lupin Atlantis Holdings SA, Switzerland (LAHSA), a wholly owned subsidiary.

During the year, the Company has made Capital Contribution of ₹ 6385.5 million (previous year ₹ nil) in Lupin Holdings B.V., Netherlands (LHBV), a wholly owned subsidiary.

During the year, the Company has transferred its 100% shareholding in Lupin (Europe) Limited, UK (LEL) for ₹ 20.0 million to LAHSA. Consequently, LEL has become a step-down subsidiary of the Company.

During the previous year, the Company invested an additional amount of ₹ 24.8 million in Lupin Middle East FZ-LLC, UAE (LME), a wholly owned subsidiary. During the year, the Company has transferred its 100% shareholding in LME for ₹ 32.3 million to LAHSA. Consequently, LME has become a step-down subsidiary of the Company.

b) During the year, the Company, through its wholly owned subsidiary Lupin Farmaceutica do Brasil LTDA, Brazil purchased 100% stake in Medquimica Industria Farmaceutica S.A., Brazil (MQ) at a total cost of ₹ 2506.4 million.

c) During the year, the Company, through its wholly owned subsidiary LAHSA acquired / subscribed to the equity stake of the following subsidiaries / jointly controlled entity:

- i) Additional investment in YL Biologics Ltd., Japan, a jointly controlled entity at a total cost of ₹ nil (previous year ₹ 33.0 million for 45% equity stake). Initial investment was ₹ 80.8 million of which ₹ 47.8 million was refunded subsequently in terms of resolution passed at extraordinary shareholders meeting of YL Biologics Ltd. on November 14, 2014 which was accounted as reduction in investment by LAHSA in the previous year.
 - ii) Additional investment in Laboratorios Grin S.A. de C.V., Mexico at a total cost of ₹ nil (previous year ₹ 6149.6 million for 100% equity stake).
 - iii) Additional investment in Lupin Inc., USA at a total cost of ₹ 1762.0 million (previous year ₹ 542.1 million) as additional paid-in capital (securities premium).
 - iv) Additional investment in Lupin GmbH, Switzerland at a total cost of ₹ nil (previous year ₹ 93.5 million) as capital contribution.
 - v) 94.91% equity stake in Lupin Farmaceutica do Brasil LTDA, Brazil (LFB) at a total cost of ₹ 3627.4 million (previous year ₹ nil). Effective January 01, 2016, LFB merged with MQ, its wholly owned subsidiary company. Subsequently, LAHSA made an additional investment of ₹ 274.1 million in MQ resulting into LAHSA's equity stake in MQ equal to 94.97%.
 - vi) 99.99% equity stake in Lupin Pharma LLC, Russia at a total cost of ₹ 0.1 million.
- d) During the year, Lupin Inc., USA (LINC), a wholly owned subsidiary of LAHSA, acquired / subscribed to the equity stake of the following subsidiaries:
- i) Additional investment in Lupin Pharmaceuticals, Inc., USA (LPI) at a total cost of ₹ nil (previous year ₹ 538.5 million resulting into LINC holding 97% and the Company holding 3% of LPI's equity stake). During the year, LPI has effected a reverse split of the shares in the ratio of 10000:1 and also changed the par value of the shares from USD 1 per share to USD 0.001 per share. This has resulted in reduction of number of shares held by the Company in LPI without changing the proportionate holding of the existing shareholders.
 - ii) 100% equity stake in Gavis Pharmaceuticals, LLC, USA and its wholly owned subsidiary Edison Therapeutics LLC., USA at a total cost of ₹ 3664.7 million.
 - iii) 100% equity stake in VGS Holdings, Inc., USA at a total cost of ₹ 793.2 million.
 - iv) 100% equity stake in Novel Laboratories, Inc., USA and its wholly owned subsidiary Novel Clinical Research (India) Pvt. Ltd., India at a total cost of ₹ 5327.7 million.
 - v) 100% equity stake in Lupin Research Inc., USA at a total cost of ₹ 67/-.
- e) During the year, the Company, through its wholly owned subsidiary Lupin Holdings B.V., Netherlands (LHBV), acquired / subscribed to the equity stake of the following subsidiaries:
- i) Additional investment in LFB at a total cost of ₹ 174.1 million (previous year ₹ 51.7 million). Effective January 01, 2016, LFB merged with MQ, its wholly owned subsidiary company, resulting into LHBV's equity stake in MQ equal to 5.03%.
 - ii) Additional investment in Generic Health Pty Ltd., Australia at a total cost of ₹ nil (previous year ₹ 144.5 million thereby making it 100% subsidiary of LHBV).
 - iii) Additional investment in Generic Health SDN. BHD., Malaysia at a total cost of ₹ 0.6 million (previous year ₹ 1.4 million).
 - iv) 0.01% equity stake in Lupin Pharma LLC, Russia at a total cost of ₹ 107/-.
 - v) During the previous year, acquired balance 40% shareholding of Pharma Dynamics (Proprietary) Ltd., South Africa (PD) consequent to exercise of Put Option by the minority shareholders of PD, for a consideration of ₹ 5977.6 million. Accordingly PD became wholly owned subsidiary of LHBV. Upon completion of certain formalities during the current year, the transfer of share certificates in the name of LHBV for the said balance shareholding has been completed.
- f) During the previous year, the Company, through Kyowa Pharmaceutical Industry Co., Limited, Japan, wholly owned subsidiary of LHBV subscribed to additional investment in Kyowa CritiCare Co., Limited, Japan at a total cost of ₹ 835.8 million.
- g) During the year, the Company's wholly owned subsidiary LHBV sold 356 shares (0.18% equity stake) of its subsidiary Kyowa Pharmaceutical Industry Co., Limited, Japan to Medipal Holdings Corporation, Japan at a total consideration of ₹ 59.4 million.
- The above acquisitions / subscriptions are based on the net asset values, the future projected revenues, operating profits, cash flows and independent valuation reports; as applicable, of the investee companies.
- h) During the year, LAHSA entered into a Share Sale and Purchase Deed dated July 1, 2015 to acquire 100% equity stake in ZAO "Biocom" in Russia subject to certain closing conditions including obtaining regulatory approvals. As at the year end, regulatory approvals for completing the acquisition were awaited and consequently, the Group has not gained control of ZAO "Biocom".

- i) Goodwill on Consolidation comprises of:

Particulars	2015-2016 ₹ in million	2014-2015 ₹ in million
Opening Balance	16481.1	6578.7
Add : On acquisition / increase of stake in subsidiaries during the year	11855.0	10762.8
Add / (Less) : Exchange difference during the year on translation of Goodwill of foreign subsidiaries	1307.8	(860.4)
Total	29643.9	16481.1

44. a) The Company through LAHSA holds 100% equity stake at a cost of ₹ 20.0 million (previous year the Company directly held 100% equity stake at a cost of ₹ 20.0 million) in Lupin (Europe) Limited, UK (LEL). The said subsidiary has incurred losses during the year and has negative net worth as at the end of the year. Considering the financial, technical and operational support from the Company and LEL's projections / plans for introducing new products (including products from the Company) in the UK Market in the near future, growth in the turnover and profitability is expected, which would result in improvement in net worth, over a period of time.
- b) The Company through LAHSA holds 100% equity stake at a cost of ₹ 857.0 million (previous year ₹ 857.0 million) in Nanomi B.V., Netherlands (Nanomi). Nanomi has incurred losses during the year and has negative net worth as at the end of the year. Considering Nanomi's research work, the Company is of the view that this would lead to an improvement in growth, turnover and profitability, which would result in improvement in net worth, over a period of time.
- c) The Company through Lupin Inc., USA (LINC) holds 100% equity stake at a cost of ₹ 3664.7 million (previous year ₹ nil) in Gavis Pharmaceuticals, LLC, USA (Gavis). Gavis has reported profit in the current year but its net worth is negative. Considering the financial, technical and operational support from the Company and other strategic plan for Gavis in the near future, the Company is of the view that this would lead to an improvement in net worth over a period of time.
- d) The Company through its wholly owned subsidiary at Netherlands, namely Lupin Holdings B.V., Netherlands ("LHBV"), holds 100% equity stake at a cost of ₹ 1207.7 million (previous year ₹ 1207.7 million) including capital contribution in Hormosan Pharma GmbH, Germany (Hormosan). Hormosan has reported profit in the current year but its net worth is negative. Considering the financial, technical and operational support from the Company and Hormosan's projections / plans for introducing new products (including products from the Company) in the German Market in the near future, the Company is of the view that this would lead to an improvement in growth, turnover and profitability, which would result in improvement in net worth, over a period of time.
- e) The Company through LHBV has made long-term strategic investments aggregating to ₹ 155.6 million (previous year ₹ 155.6 million) in Lupin Pharma Canada Ltd. (LPCL), wholly owned subsidiary. LPCL has reported profit in the current year but its net worth is negative. The Company considers its investments in LPCL to be long term and strategic in nature. LPCL renders marketing services in terms of the marketing and service agreement with the Company and LAHSA for registration and sale of products in Canada. Also based on projections / plans for introducing new products (including products from the Company and LAHSA) in the Canadian market in near future, the Company is of the view that this would lead to an improvement in growth, turnover and profitability, which would result in improvement in net worth of LPCL over a period of time.
- f) Further, net worth of Pharma Dynamics (Proprietary) Limited, Lupin Mexico S.A. de C.V., Generic Health Pty Limited, Generic Health SDN. BHD., Lupin Middle East FZ-LLC, Laboratorios Grin S.A. de C.V., VGS Holdings, Inc., and Novel Laboratories, Inc., is substantially less than the carrying amount of investments made by the Company directly or through its subsidiaries. In addition, net worth of Bellwether Pharma Pty Ltd. and Novel Clinical Research (India) Pvt Ltd is negative.

The Company considers its investments in subsidiaries as strategic and long-term in nature and accordingly, in view of the management, any decline in the value of such long-term investments in subsidiaries is considered to be temporary in nature and hence no provision for diminution in value of investments is considered necessary.

45. **Minority Interest represents the minority's share in equity of the subsidiaries as below:**

Particulars	As on 31.03.2016 ₹ in million	As on 31.03.2015 ₹ in million
Multicare Pharmaceuticals Philippines Inc., Philippines		
- Share in Equity Capital	13.2	13.2
- Share in Reserves and Surplus	291.9	227.8
	305.1	241.0
Kyowa Pharmaceutical Industry Co., Limited, Japan		
- Share in Equity Capital	0.1	-
- Share in Reserves and Surplus	15.6	-
	15.7	-
Total	320.8	241.0

46. Auditors' Remuneration:

Particulars	2015-2016 ₹ in million	2014-2015 ₹ in million
Payment to Auditors:		
a) As Auditors	63.3	43.8
b) For audit of subsidiaries*	4.9	4.3
c) for other services including Taxation matters and certifications**	23.6	19.6
d) Reimbursement of out-of-pocket expenses	1.7	1.7
Total	93.5	69.4

* Represents fees in respect of audit of subsidiaries for consolidation requirements of the Company in terms of Section 129(3) of the 2013 Act pursuant to enactment of the 2013 Act.

** Includes payment for taxation matters to an affiliated firm covered by a networking arrangement which is registered with the Institute of Chartered Accountants of India.

47. a) Foreign Currency Translation Reserve (Refer note 3) represents the net exchange difference on translation of net investment in non-integral foreign operations located at Japan, Australia, Germany, South Africa, Philippines, Mexico, Switzerland, Brazil, USA and Netherlands from their local currency to the Indian currency. Consequently, in accordance with the Accounting Standard 11 (AS-11) "The Effects of Changes in Foreign Exchange Rates (Revised 2003)", the exchange rate difference on translation of ₹ 1554.2 million (previous year ₹ 1121.0 million debited) is credited during the year to such reserve instead of to the Consolidated Statement of Profit and Loss.
- b) Based on the methods of operations, financing models, management's autonomy and relationship with Lupin Limited, its ultimate holding company, certain significant foreign operations namely Lupin Pharmaceuticals, Inc. (LPI) and Lupin Inc. (LINC) have re-classified their operations w.e.f. July 1, 2015 as 'non-integral operations', which were hitherto classified as 'integral operations'. Accordingly, LPI and LINC have applied the translation procedures in accordance with the Accounting Standard 11 (AS-11) 'The Effects of Changes in Foreign Exchange Rates' applicable for non-integral foreign operations and the resulting net exchange difference is accumulated in the Foreign Currency Translation Reserve. Had LPI and LINC applied the translation procedure applicable for a non-integral operation, from the earliest period presented, the Net profit after tax for the year would be higher by ₹ 105.7 million (previous year ₹ 606.0 million) and the corresponding Shareholders' Funds as at the year-end would be higher by ₹ 36.4 million (previous year ₹ 36.4 million).
48. Excise duty (Refer note 29) includes ₹ 74.2 million (previous year ₹ 32.9 million) being net impact of the excise duty provision on opening and closing stock.
49. The current tax in respect of foreign subsidiaries has been computed considering the applicable tax laws and tax rates of the respective countries, as certified by the local tax consultants / local management of the said subsidiaries.
50. As per best estimates of the management, provision has been made towards probable non-saleable return of goods from customers, as per Accounting Standard 29 (AS-29) notified under Companies (Accounting Standards) Rules, 2006.

Particulars	2015-2016 ₹ in million	2014-2015 ₹ in million
Carrying amount at the beginning of the year	406.4	672.2
Add : Additional Provisions made during the year	4095.6	2083.8
Less : Amounts used / utilised during the year	2519.5	2367.3
Add / (Less) : Exchange Difference during the year	(753.7)	17.7
Carrying amount at the end of the year	1228.8	406.4

51. The aggregate amount of cash expenditure incurred during the year on Corporate Social Responsibility (CSR) is ₹ 205.1 million (previous year ₹ 125.8 million shown in the respective heads of account) and is shown separately under note 28 based on Guidance Note on Accounting for Expenditure on CSR Activities issued by the ICAI.

Particulars	2015-2016 ₹ in million	2014-2015 ₹ in million
Donations	181.1	119.8
Employee Benefits Expense	9.8	6.0*
Others – Patient Awareness, etc.	14.2	-
Total	205.1	125.8

* Refer note 27

The amount required to be spent by the company during the year is ₹ 541.5 million. No amount was spent during the year towards construction/acquisition of any asset relating to CSR expenditure.

52. During the previous year, pursuant to the notification of Schedule II to the Companies Act, 2013 read together with Accounting Standard 6 (AS - 6) "Depreciation Accounting", the management of the Company has, based on independent technical evaluation, reassessed the remaining useful lives of fixed assets to align with those specified in schedule II and undertaken the componentization of major items of fixed assets with effect from April 1, 2014. During the current year, the management has confirmed its reassessment of the useful lives of the assets which is in line with such assertions in the previous year. In terms of these evaluations, the useful lives of certain assets are as under:

Asset	Revised Useful Life
Plant and Equipment	10 to 15 years
Furniture and Fixtures	10 years
Vehicles	8 years
Office Equipment	3 to 6 years

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company had fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted an amount of ₹ 610.8 million (net of deferred tax of ₹ 314.6 million) against the opening Surplus balance in the Consolidated Statement of Profit and Loss under Reserves and Surplus.

The depreciation expense in the Consolidated Statement of Profit and Loss in the previous year was higher by ₹ 1618.2 million consequent to the change in the useful life of the assets.

53. During the previous year, LPI had revised the useful life of certain assets, 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. In terms of these evaluations, changes had been made in the useful lives of certain assets are as under:

Assets class	Revised Useful Life
Computers	2 to 3 years
Office Equipment	2 to 6 years

The depreciation expense in the Consolidated Statement of Profit and Loss for the previous year was higher by ₹ 3.4 million consequent to the changes in the useful life of the assets.

54. During the year, Kyowa CritiCare Co., Limited (formerly I'rom Pharmaceutical Co., Limited) has incurred ₹ 1.2 million (previous year ₹ nil) on interest on loan taken specifically against the construction of the Fixed Assets. The above amount is recorded under Capital Work in Progress.

55. a) The Company through Lupin Inc. (LINC), a wholly owned subsidiary, has acquired Gavis Pharmaceuticals, LLC, Novel Laboratories, Inc. (Novel), VGS Holdings, Inc., Novel Clinical Research (India) Pvt. Ltd. (subsidiary of Novel) and Edison Therapeutics LLC (subsidiary of Gavis Pharmaceuticals, LLC) (collectively "Gavis") vide a Purchase and Sale Agreement dated July 23, 2015, as amended (the "SPA"). Subsequently, LINC entered into an Asset Purchase Agreement dated March 07, 2016 with Lupin Atlantis Holdings SA (LAHSA), its holding company, whereby LAHSA agreed to purchase certain assets directly from the Gavis Sellers.

LINC and LAHSA entered into a Credit Agreement dated February 29, 2016 with JPMorgan Chase Bank, N.A. (JPM) to finance the Gavis acquisition cost of USD 880.0 million (USD 201.6 million to LINC and USD 678.4 million to LAHSA) ("Bridge Loan") with an intention to replace the Bridge Loan with a long-term loan in future. JPM funded USD 880.0 million on March 08, 2016 based on Borrowing Request by the respective companies.

On March 31, 2016, LINC and LAHSA entered into a Facilities Agreement with five banks i.e. Bank of America, N.A., the Bank of Tokyo-Mitsubishi UFJ, Ltd., Citigroup Global Markets Asia Ltd., HSBC Bank (Mauritius) Ltd. and Mizuho Bank, Ltd. for loan assistance of USD 800.0 million (USD 120.0 million to LINC and USD 680.0 million to LAHSA) so as to replace the existing Bridge Loan.

On May 03, 2016, Bridge Loan to the extent of USD 800.0 million was directly repaid by Citicorp International Limited (Agent for Facilities Agreement) and the balance of USD 80.0 million was repaid from own funds by LINC.

Based on the above, loans to the extent of USD 798.4 million equivalent to ₹ 52896.0 million have been shown under Long-Term Borrowings (Refer Note 4) and the balance of USD 81.6 million equivalent to ₹ 5408.4 million have been shown under Short-Term Borrowings (Refer Note 8).

The long-term loans will have a Termination Date falling 72 months after the first Utilisation Date and will be repayable in three equal instalments starting from the 48th month after the first Utilisation Date.

As at the year end, LINC and LAHSA have discharged their obligations with respect to Gavis acquisition. Further, an amount of USD 71.4 million equivalent to ₹ 4730.6 million has been deposited in escrow accounts and is payable at later dates in terms of the said SPA and has accordingly been classified as Long-Term and Short-Term Loans and Advances amounting to USD 26.4 million equivalent to ₹ 1749.1 million (Refer Note 15) and USD 45.0 million equivalent to ₹ 2981.5 million (Refer Note 21), respectively. The corresponding liabilities to the sellers / beneficiaries amounting to USD 66.8 million equivalent to ₹ 4426.0 million are stated under Other Long-Term liabilities and Other Current Liabilities amounting to USD 26.4 million equivalent to ₹ 1749.1 million (Refer Note 6) and USD 40.4 million equivalent to ₹ 2676.9 million (Refer Note 10), respectively.

- b) On February 22, 2016, Novel received a letter from Hi-Tech Pharmacal Co. Inc. ("Hi-Tech") alleging breach by Novel of the Development and Manufacturing Agreement, dated March 13, 2009, between them and demanding payment of damages of USD 200.0 million INR 13251.0 million. On March 15, 2016, Novel responded to the letter denying in full all allegations in the Hi-Tech letter and any associated liability. The parties have been in communications regarding settlement of this matter. No litigation has been commenced in this matter. Pursuant to the SPA, the sellers of the Novel stock to the Company have agreed to indemnify the Company in full for any losses resulting from a breach by Novel of the said Agreement or the relationship between Novel and Hi-Tech prior to March 08, 2016.

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

Particulars	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
i. The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	391.9 (interest ₹ nil)	387.3 (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	-	-

57. Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

Particulars	Net assets, i.e., total assets minus total liabilities		Share of profit	
	As % of consolidated net assets	₹ in million	As % of consolidated profit	₹ in million
Parent				
Lupin Ltd	105.54	115926.4	127.06	28850.7
Indian Subsidiaries				
Lupin Healthcare Ltd., India	0.07	79.5	-	0.7
Novel Clinical Research (India) Pvt. Ltd. (from March 08, 2016)	-	(0.1)	-	-
Foreign Subsidiaries				
Lupin Pharmaceuticals, Inc., USA	1.75	1926.6	4.94	1120.6
Kyowa Pharmaceutical Industry Co., Ltd., Japan	7.61	8361.1	6.45	1465.5
Kyowa CritiCare Co., Ltd., Japan	1.83	2007.3	0.66	150.4
Hormosan Pharma GmbH, Germany	(0.13)	(138.2)	0.31	70.1
Pharma Dynamics (Proprietary) Ltd., South Africa	1.28	1400.5	2.73	620.0
Lupin Australia (Pty) Ltd., Australia	0.02	18.4	(0.01)	(3.0)
Lupin Holdings B.V., Netherlands	15.31	16812.3	2.05	465.3
Lupin Atlantis Holdings SA, Switzerland	13.44	14759.8	(20.85)	(4733.9)
Multicare Pharmaceuticals Philippines Inc., Philippines	0.57	622.0	0.79	178.7
Lupin (Europe) Ltd., U.K.	(0.25)	(273.7)	(0.49)	(111.7)
Lupin Pharma Canada Ltd., Canada	(0.02)	(19.6)	0.08	17.3
Generic Health Pty Ltd., Australia	0.05	50.2	(0.21)	(47.9)
Bellwether Pharma Pty Ltd., Australia	(0.01)	(9.0)	-	-
Lupin Mexico SA de CV, Mexico	0.01	11.7	-	0.5
Lupin Philippines Inc., Philippines	0.04	41.0	0.01	2.8
Generic Health SDN. BHD., Malaysia	-	0.2	-	(0.8)
Lupin Middle East FZ - LLC, UAE	-	3.5	(0.02)	(4.3)
Lupin GmbH, Switzerland	0.12	131.8	0.15	34.2

Particulars	Net assets, i.e., total assets minus total liabilities		Share of profit	
	As % of consolidated net assets	₹ in million	As % of consolidated profit	₹ in million
Lupin Inc, USA	2.54	2793.2	0.11	24.0
Lupin Farmaceutica Do Brasil Ltda, Brazil (upto December 31, 2015)	-	-	(0.91)	(205.6)
Nanomi B.V., Netherlands	(0.75)	(821.6)	(2.58)	(585.1)
Laboratorios Grin, S.A. de C.V., Mexico	0.93	1017.9	0.82	187.3
Lupin Pharma LLC, Russia (from February 11, 2016)	-	0.1	-	-
Medquimica Industria Farmaceutica LTDA, Brazil (from June 24, 2015)	3.22	3533.8	(0.42)	(95.5)
Lupin Research Inc, USA (from March 08, 2016)	-	-	-	-
Gavis Pharmaceuticals LLC, USA (from March 08, 2016)	(0.84)	(923.5)	4.29	973.6
VGS Holdings Inc, USA (from March 08, 2016)	0.21	233.8	-	(0.5)
Novel Laboratories Inc, USA (from March 08, 2016)	2.22	2440.2	0.04	9.5
Edison Therapeutics LLC, USA (from March 08, 2016)	-	-	-	-
Minority Interests in the Subsidiaries				
Multicare Pharmaceuticals Philippines Inc., Philippines	(0.28)	(305.1)	(0.39)	(87.6)
Kyowa Pharmaceutical Industry Co., Ltd., Japan	(0.01)	(15.7)	-	-
Foreign Joint Controlled Entity (as per proportionate consolidation)				
YL Biologics Limited, Japan	0.09	96.1	0.24	54.2
Total Eliminations / Consolidation Adjustments	(54.56)	(59917.2)	(24.85)	(5642.6)
Total	100.00	109843.7	100.00	22706.9

The above amounts / percentage of net assets and net profit or (loss) in respect of Lupin Limited and its subsidiaries and Joint Venture are determined based on the amounts of the respective entities included in consolidated financial statements before inter-company eliminations / consolidation adjustments.

58. Related Party Disclosures, as required by Accounting Standard 18 (AS-18) are given below :

A. Relationships -

Category I: Jointly Controlled Entity:

YL Biologics Ltd., Japan (from April 23, 2014)

Category II: Key Management Personnel (KMP)

Dr. D. B. Gupta	Chairman
Dr. Kamal K. Sharma	Vice Chairman
Ms. Vinita Gupta	Chief Executive Officer
Mr. Nilesh Gupta	Managing Director
Mrs. M. D. Gupta	Executive Director
Mr. Ramesh Swaminathan	Chief Financial Officer and Executive Director
Mr. R.V. Satam	Company Secretary

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

Mrs. Kavita Sabharwal (Daughter of Chairman)
Dr. Anuja Gupta (Daughter of Chairman)
Dr. Richa Gupta (Daughter of Chairman)
Mrs. Pushpa Khandelwal (Sister of Chairman)
Mrs. Shefali Nath (Wife of Managing Director)
Ms. Veda Nilesh Gupta (Daughter of Managing Director)
Bharat Steel Fabrication and Engineering Works
D. B. Gupta (HUF)
Lupin Human Welfare and Research Foundation
Lupin Foundation

Lupin International Pvt. Limited
Lupin Investments Pvt. Limited
Lupin Holdings Pvt. Limited
Matashree Gomati Devi Jana Seva Nidhi
Polynova Industries Limited
Rahas Investments Pvt. Limited
Synchem Investments Pvt. Limited
Visiomed Investments Pvt. Limited
Zyma Laboratories Limited
Concept Pharmaceuticals Limited
Shuban Prints
Team Lease Services Limited

B. Transactions with the related parties:

(₹ in million)					
Sr. No.	Transactions	Jointly Controlled Entity*	Key Management Personnel	Others	Total
1.	Rent Expenses	-	-	90.2	90.2
		(-)	(-)	(84.8)	(84.8)
2.	Expenses Recovered / Rent Received	2.0	-	2.7	4.7
		(43.0)	(-)	(2.7)	(45.7)
3.	Remuneration Paid	-	1,055.6	-	1,055.6
		(-)	(877.8)	(-)	(877.8)
4.	Purchases of Goods / Materials	-	-	149.6	149.6
		(-)	(-)	(119.6)	(119.6)
5.	Donations Paid	-	-	197.4	197.4
		(-)	(-)	(143.8)	(143.8)
6.	Dividend Paid	-	49.4	1527.8	1577.2
		(-)	(19.6)	(611.1)	(630.7)
7.	License Fees Received	-	-	-	-
		(122.3)	(-)	(-)	(122.3)
8.	Services Received (Expense)	-	-	49.2	49.2
		(-)	(-)	(-)	(-)

Out of the above items, transactions in excess of 10% of the total related party transactions are as under :

(₹ in million)				
Sr. No.	Transactions	Related party relation	For the year ended 31.03.2016	For the year ended 31.03.2015
1.	Rent Expenses			
	Lupin Investments Pvt. Limited	Others	70.2	65.9
	Bharat Steel Fabrication and Engineering Works	Others	11.1	10.4
2.	Expenses Recovered / Rent Received			
	YL Biologics Ltd	Jointly Controlled Entity	2.0	43.0
	Polynova Industries Limited	Others	2.7	2.7
3.	Remuneration Paid			
	Dr. D. B. Gupta	Key Management Personnel	447.8	375.8
	Dr. Kamal K. Sharma	Key Management Personnel	257.4	166.1
	Ms. Vinita Gupta	Key Management Personnel	190.2	248.6
4.	Purchases of Goods / Materials			
	Concept Pharmaceuticals Limited	Others	104.5	93.9
	Shuban Prints	Others	45.1	25.7
5.	Donations Paid			
	Lupin Human Welfare and Research Foundation	Others	181.2	133.8

(₹ in million)				
Sr. No.	Transactions	Related party relation	For the year ended 31.03.2016	For the year ended 31.03.2015
6.	Dividend Paid			
	Lupin Holdings Pvt. Limited	Others	303.0	121.2
	Rahas Investments Pvt. Limited	Others	342.7	137.1
	Visiomed Investments Pvt. Limited	Others	326.4	130.5
	Zyma Laboratories Limited	Others	412.2	164.9
7.	License Fees Received			
	YL Biologics Ltd	Jointly Controlled Entity	-	122.3
8.	Services Received (Expenses)			
	Team Lease Services Limited	Others	49.2	-

C. Balances due from/to the related parties:

(₹ in million)					
Sr. No.	Balances	Jointly controlled entity*	Key Management Personnel	Others	Total
1.	Deposits paid under Leave and Licence arrangement for premises	-	-	54.7	54.7
		(-)	(-)	(54.7)	(54.7)
2.	Trade Payables	0.8	-	3.9	4.7
		(-)	(-)	(3.4)	(3.4)
3.	Advance to Vendors	-	-	-	-
		(149.1)	(-)	(-)	(149.1)
4.	Advance from Customers	139.7	-	-	139.7
		(-)	(-)	(-)	(-)
5.	Commission Payable	-	400.5	-	400.5
		(-)	(326.8)	(-)	(326.8)
6.	Deposits received under Leave and Licence arrangement for premises	-	-	0.1	0.1
		(-)	(-)	(0.1)	(0.1)

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

- i) Figures in brackets are for previous year.
- ii) Related party relationship is as identified by the Company and relied upon by the Auditors.

59. The Consolidated Financial Statements includes results of operations of six new subsidiaries acquired and two subsidiaries incorporated during the year. Accordingly, the current year figures are not strictly comparable with those of the previous year.

60. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Signature to note 1 to 60

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

Dr. Desh Bandhu Gupta
Chairman
DIN: 00209378

Nilesh Gupta
Managing Director
DIN: 01734642

Dr. K. U. Mada
Director
DIN: 00011395

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Ramesh Swaminathan
Chief Financial Officer
& Executive Director
DIN: 01833346

Dileep C. Choksi
Director
DIN: 00016322

R. V. Satam
Company Secretary
ACS - 11973

Vinita Gupta
Chief Executive Officer
DIN: 00058631

R. A. Shah
Director
DIN: 00009851

Jean Luc Belingard
Director
DIN: 07325356

Place : Mumbai
Dated : May 19, 2016



Standalone Financial Statements



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LUPIN LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of LUPIN LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under Section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
 - e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with 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:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 30(a), (b), (c) and (f) to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Notes 42(i) and 43 to the financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place : Mumbai
Dated : May 19, 2016

K.A. Katki
Partner
(Membership No. 038568)

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

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

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Lupin Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place : Mumbai
Dated : May 19, 2016

K.A. Katki
Partner
(Membership No. 038568)

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date).

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed / share certificate / other documents evidencing title provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except the following:

Particulars of the land and building	Gross Block (as at March 31, 2016) (₹ in million)	Net Block (as at March 31, 2016) (₹ in million)	Remarks
Freehold land located in Maharashtra admeasuring 7 Hectare and 70.91 Are	29.6	29.6	The title deeds are in the name of erstwhile Company that was amalgamated with the Company pursuant to the Scheme of Amalgamation sanctioned by the Hon’ble Bombay High Court.
Freehold building located in Maharashtra admeasuring 8,038 sft	133.9	98.0	The title deeds are in the name of erstwhile Company that was amalgamated with the Company pursuant to the Scheme of Amalgamation sanctioned by the Hon’ble Bombay High Court.

Immovable properties of land whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmations directly received by us from lenders.

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement, except the following:

Particulars of the building	Gross Block (as at March 31, 2016) (₹ in million)	Net Block (as at March 31, 2016) (₹ in million)	Remarks
Leasehold building located in Delhi admeasuring 1,628 sft	2.8	2.5	The title deeds are in the name of erstwhile Company that was amalgamated with the Company pursuant to the Scheme of Amalgamation sanctioned by the Hon’ble Bombay High Court.

In respect of immovable properties of land and buildings which are disclosed as fixed asset in the financial statements, the original documents are not available for verification, details of which are as given below:

Particulars of the land and building	Gross Block (as at March 31, 2016) (₹ in million)	Net Block (as at March 31, 2016) (₹ in million)
Building located in Maharashtra	7.1	5.3
Land located in Uttarakhand	0.3	0.3

- (ii) As explained to us, the inventories, except goods-in-transit and stocks lying with certain third parties for which alternate procedures were performed such as obtaining confirmations, were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of making investments and providing guarantees, as applicable. The Company has not granted any loans or provided any securities covered under Sections 185 and 186.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013. There were no unclaimed deposits as at the year end.
- (vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for Drugs and Pharmaceuticals products. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount involved (₹ in million)	Amount unpaid (₹ in million)
Income-tax Act, 1961	Income tax	Commissioner of Income-tax (Appeals)	2006-2012	771.8	-
Central Excise Act, 1944	Excise duty	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)	1996-1997, 2001-2008	32.9	32.7
		Commissioner of Central Excise (Appeals)	2002-2007	0.1	Less than ₹ 0.1 million
	Service tax credit matters	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)	2006-2008	181.0	181.0
Central and various States' Sales Tax Acts and various States' Value Added Tax Acts	Sales tax, Value Added tax	Sales Tax Tribunal	2003-2005, 2006-2008, 2009-2010	17.2	16.9
		Supreme Court	2002-2004	7.0	-
		Commissioner of Sales Tax (Appeals)	2004-2009, 2012-2014, 2015-2016	2.7	0.9
		Joint Commissioner	2001-2002, 2005-2006	0.4	-
		Additional Commissioner	2002-2003, 2012-2013	10.2	10.2
		Deputy Commissioner	2000-2001, 2007-2008, 2011-2012	0.5	0.4
The Customs Act, 1962	Customs duty	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)	2010-2011	0.8	0.8
		Commissioner of Customs (Appeals)	2012-2013	4.7	4.7

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and government. The Company has not taken any loans or borrowings from financial institutions and has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, money raised by way of the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.

- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiary company or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable. The Company does not have a holding or an associate company.
- (xvi) The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place : Mumbai
Dated : May 19, 2016

K.A. Katki
Partner
(Membership No. 038568)

BALANCE SHEET AS AT MARCH 31, 2016

	Note	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	901.2	899.0
Reserves and Surplus	3	115,025.2	89,378.4
		115,926.4	90,277.4
Non-Current Liabilities			
Long-Term Borrowings	4	138.6	191.4
Deferred Tax Liabilities (net)	5	1,823.5	1,892.2
Other Long-Term Liabilities	6	125.4	85.0
Long-Term Provisions	7	1,219.6	1,031.2
		3,307.1	3,199.8
Current Liabilities			
Short-Term Borrowings	8	3,729.6	209.5
Trade Payables			
- Total outstanding dues of Micro Enterprises and Small Enterprises	46	241.8	304.6
- Total outstanding dues of other than Micro Enterprises and Small Enterprises	9	12,439.1	10,115.8
Other Current Liabilities	10	1,335.9	1,014.8
Short-Term Provisions	11	5,189.1	4,955.2
		22,935.5	16,599.9
	TOTAL	142,169.0	110,077.1
ASSETS			
Non-Current Assets			
Fixed Assets	12		
Tangible Assets		23,278.4	20,206.7
Intangible Assets - Acquired		170.9	149.3
Capital Work-in-Progress		6,242.5	4,899.6
		29,691.8	25,255.6
Non-Current Investments	13	37,408.2	17,902.6
Long-Term Loans and Advances	14	2,715.7	2,394.5
Other Non-Current Assets	15	-	3.2
		69,815.7	45,555.9
Current Assets			
Current Investments	16	-	16,539.7
Inventories	17	19,139.6	17,395.1
Trade Receivables	18	45,460.7	25,152.1
Cash and Cash Equivalents	19	292.0	593.0
Short-Term Loans and Advances	20	3,165.9	2,925.0
Other Current Assets	21	4,295.1	1,916.3
		72,353.3	64,521.2
	TOTAL	142,169.0	110,077.1

See accompanying notes forming part of the financial statements

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

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

K.A. Katki
Partner

Dr. Desh Bandhu Gupta
Chairman
DIN: 00209378

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh Gupta
Managing Director
DIN: 01734642

Ramesh Swaminathan
Chief Financial Officer
& Executive Director
DIN: 01833346

R. A. Shah
Director
DIN: 00009851

Dr. K. U. Mada
Director
DIN: 00011395

Dileep C. Choksi
Director
DIN: 00016322

Jean Luc Belingard
Director
DIN: 07325356

R. V. Satam
Company Secretary
ACS - 11973

Place : Mumbai
Dated : May 19, 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

	Note	For the Current Year ended 31.03.2016 ₹ in million	For the Previous Year ended 31.03.2015 ₹ in million
INCOME:			
Revenue from Operations (Gross)	22	113,840.4	98,459.8
Less : Excise Duty		1,039.7	935.1
Revenue from Operations (Net)		112,800.7	97,524.7
Other Income	23	1,856.4	1,806.3
Total Revenue		114,657.1	99,331.0
EXPENSES:			
Cost of Raw and Packing Materials Consumed	24	23,467.4	22,393.2
Purchases of Stock-in-Trade	48(A)	11,067.3	9,425.0
Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade	25	(1,727.2)	(1,708.0)
Employee Benefits Expense	26	11,906.6	10,525.5
Finance Costs	27	147.8	49.0
Depreciation and Amortisation Expense	12	3,056.1	3,367.9
Other Expenses	28	27,683.6	23,156.5
Total Expenses		75,601.6	67,209.1
Profit before Tax		39,055.5	32,121.9
Tax Expense / (Benefit):			
- Current Tax Expense		10,394.0	8,496.0
- Tax Benefit for Prior Years		(116.2)	(40.9)
Net Current Tax Expense		10,277.8	8,455.1
- Deferred Tax (net)		(73.0)	(306.7)
Profit for the year		28,850.7	23,973.5
Earnings per equity share (in ₹)	38		
Basic		64.10	53.41
Diluted		63.72	53.07
Face Value of Equity Share (in ₹)		2.00	2.00
See accompanying notes forming part of the financial statements			

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

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

K.A. Katki
Partner

Dr. Desh Bandhu Gupta
Chairman
DIN: 00209378

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh Gupta
Managing Director
DIN: 01734642

Ramesh Swaminathan
Chief Financial Officer
& Executive Director
DIN: 01833346

R. A. Shah
Director
DIN: 00009851

Dr. K. U. Mada
Director
DIN: 00011395

Dileep C. Choksi
Director
DIN: 00016322

Jean Luc Belingard
Director
DIN: 07325356

Place : Mumbai
Dated : May 19, 2016

R. V. Satam
Company Secretary
ACS - 11973

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	For the Current Year ended 31.03.2016 ₹ in million	For the Previous Year ended 31.03.2015 ₹ in million
A. Cash Flow from Operating Activities		
Profit before Tax	39,055.5	32,121.9
Adjustments for:		
Depreciation and Amortisation Expense	3,056.1	3,367.9
(Profit) / Loss on Sale / Write-off of Fixed Assets (net)	(149.8)	38.6
Net Gain on sale of Current Investments	(37.1)	(4.0)
Finance Costs	147.8	49.0
Interest on Deposits with Banks	(3.0)	(29.2)
Dividend on Current Investments	(437.0)	(649.6)
Dividend on Long-Term Investment from Subsidiary company	(10.0)	(37.1)
Dividend on Long-Term Investment from Others	(0.2)	(0.2)
Provision for Doubtful Trade Receivables (net)	131.1	-
Excess of carrying cost over fair value of current investments	-	2.5
Provision for Doubtful Trade Receivables / Deposits Written Back (net)	-	(157.1)
Bad Trade Receivables / Deposits written off	7.3	22.4
Expenses on Employees Stock Options / Stock Appreciation Rights	365.2	676.8
Exchange gains on sale of Long-Term Investment in subsidiaries	(8.6)	-
Unrealised Exchange loss / (gain) on revaluation (net)	257.8	(182.9)
Operating Profit before Working Capital Changes	42,375.1	35,219.0
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(1,744.5)	(3,672.7)
Trade Receivables	(20,716.3)	3,724.7
Short-Term Loans and Advances	(239.7)	(322.3)
Long-Term Loans and Advances	(150.3)	222.5
Other Current Assets	(2,479.5)	515.3
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	2,260.8	571.0
Other Current Liabilities	79.6	(144.7)
Other Long-Term Liabilities	43.2	(12.9)
Short-Term Provisions	33.7	137.1
Long-Term Provisions	188.4	262.0
Cash Generated from Operations	19,650.5	36,499.0
Net Income tax paid	(10,148.1)	(7,983.8)
Net Cash Flow from Operating Activities	9,502.4	28,515.2
B. Cash Flow from Investing Activities		
Capital expenditure on fixed assets, including capital advances	(7,530.4)	(5,069.8)
Proceeds from sale of fixed assets	315.1	21.2
Purchase of Long-Term Investment in subsidiaries	(19,527.8)	(8,007.6)
Purchase of Long-Term Investment in others	(30.1)	(4.5)
Sale of Long-Term Investment in subsidiaries	60.9	-
Net Gain on sale of Current Investments	37.1	4.0
Bank balances not considered as Cash and Cash Equivalents (net)	(49.7)	597.8
Dividend on Current Investments	437.0	649.6
Dividend on Long-Term Investment from Subsidiary company	47.1	-
Dividend on Long-Term Investment from Others	0.2	0.2
Interest on Deposits with Banks	3.0	29.2
Net Cash Used in Investing Activities	(26,237.6)	(11,779.9)

	For the Current Year ended 31.03.2016 ₹ in million	For the Previous Year ended 31.03.2015 ₹ in million
C. Cash Flow from Financing Activities		
Repayment of Long-Term Borrowings (net)	(53.3)	(50.5)
Proceeds from / (Repayment of) Short-Term Borrowings - Loans from banks (net)	3,563.6	(942.1)
Proceeds from issue of equity shares (ESOPs)	2.2	2.2
Securities Premium Received (ESOPs)	534.2	410.8
Finance Costs	(149.2)	(58.4)
Dividends paid	(3,368.3)	(1,344.5)
Corporate Tax on Dividend	(686.9)	(228.7)
Net Cash Used in Financing Activities	(157.7)	(2,211.2)
Net (decrease) / increase in Cash and Cash Equivalents	(16,892.9)	14,524.1
Cash and Cash Equivalents as at the beginning of the year	17,077.2	2,553.1
Cash and Cash Equivalents as at the end of the year	184.3	17,077.2
Reconciliation of Cash and Cash Equivalents with the Balance Sheet		
Cash and Cash Equivalents as per Balance Sheet (Refer note 19)	292.0	593.0
Less : Bank balances not considered as Cash and Cash Equivalents as defined in AS-3 - "Cash Flow Statements" (Refer note 19)	107.7	58.0
Add : Current Investments considered as part of Cash and Cash Equivalents (Refer note 16)	-	16,542.2
Cash and Cash Equivalents as restated as at the year end	184.3	17,077.2

Notes :

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS-3) "Cash Flow Statements".
- Cash comprises cash on hand and Current Accounts with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants

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

K.A. Katki
Partner

Dr. Desh Bandhu Gupta
Chairman
DIN: 00209378

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh Gupta
Managing Director
DIN: 01734642

Ramesh Swaminathan
Chief Financial Officer
& Executive Director
DIN: 01833346

R. A. Shah
Director
DIN: 00009851

Dr. K. U. Mada
Director
DIN: 00011395

Dileep C. Choksi
Director
DIN: 00016322

Jean Luc Belingard
Director
DIN: 07325356

Place : Mumbai
Dated : May 19, 2016

R. V. Satam
Company Secretary
ACS - 11973

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1A. OVERVIEW:

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

1B. SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of accounting and preparation of Financial Statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the 2013 Act") and the relevant provisions of the 2013 Act / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b) Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP 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 / materialise.

c) Tangible Fixed Assets:

Fixed Assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. The Company has adopted the provisions of paragraph 46A of AS-11 "The Effects of Changes in Foreign Exchange Rates", accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

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.

d) Intangible Assets:

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

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

e) Foreign Currency Transactions / Translations:

- i) Transactions denominated in foreign currency are recorded at exchange rates prevailing at the date of transaction or at rates that closely approximate the rate at the date of the transaction.
- ii) Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the Balance Sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.
- iii) Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss.

The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss except in case of exchange differences arising on net investment in non-integral foreign operations, where such amortisation is taken to "Foreign currency translation reserve" until disposal / recovery of the net investment. The unamortised exchange difference is carried under Reserves and Surplus as "Foreign currency monetary item translation difference account" net of the tax effect thereon, where applicable.

- iv) Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.
- v) In respect of foreign offices, which are integral foreign operations, all revenues and expenses during the year are reported at average rates. Outstanding balances in respect of monetary assets and liabilities are restated at the year end exchange rates. Outstanding balances in respect of non-monetary assets and liabilities are stated at the rates prevailing on the date of the transaction. Net gain / loss on foreign currency translation is recognised in the Statement of Profit and Loss.

f) Hedge Accounting:

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in Accounting Standard 30 (AS-30) "Financial Instruments: Recognition and Measurement". These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in "Cash Flow Hedge Reserve Account" under Reserves and Surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in the "Cash Flow Hedge Reserve Account" are reclassified to the Statement of Profit and Loss in the same period during which the forecasted transaction affects profit and loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in "Cash Flow Hedge Reserve Account" is retained until the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in "Cash Flow Hedge Reserve Account" is immediately transferred to the Statement of Profit and Loss.

g) Derivative Contracts:

The Company enters into derivative contracts in the nature of currency options, forward contracts and currency futures with an intention to hedge its existing assets and liabilities and highly probable forecast transactions in foreign currency. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Currency Transactions / Translations.

Derivative contracts designated as a hedging instrument for highly probable forecast transactions are accounted as per the policy stated for Hedge Accounting.

The gain or loss in respect of currency futures contracts, the pricing period of which has expired or squared off during the year are recognised in the Statement of Profit and Loss. In respect of contracts outstanding as at the year end, losses, if any, are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.

All other derivative contracts are marked-to-market on a portfolio basis and losses, if any, are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.

h) Investments:

Long-term investments are carried individually at cost, less provision for diminution, other than temporary, in the value of such investments.

Current investments are carried individually at lower of cost and fair value.

Cost of investments includes expenses directly incurred on acquisition of such investments.

i) Inventories:

Inventories of all procured materials and Stock-in-Trade 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. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. Work-in-process and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

j) Revenue Recognition:

Revenue from sale of goods is recognised net of returns, product expiry claims and trade discounts, on transfer of significant risks and rewards in respect of ownership to the buyer. Sales include excise duty but exclude sales tax and value added tax. Sales are also netted off for probable non-saleable return of goods from the customers, estimated on the basis of historical data of such returns.

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

Revenue is recognised when it is reasonable to expect that the ultimate collection will be made.

Interest income is accounted on accrual basis. Dividend from investments is recognised as revenue when right to receive is established.

k) Depreciation and Amortisation:

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

Depreciation on tangible fixed assets of the Company has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on independent technical evaluation and management's assessment thereof, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Particulars	Estimated useful life
Leasehold Land	Over the period of lease
Plant and Equipment	10 to 15 years
Office Equipment (Desktop)	4 years
Certain assets provided to employees	3 years

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

Particulars	Estimated useful life
Goodwill – Acquired	5 years
Computer Software	5 to 6 years
Trademark and Licences	4 to 5 years

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

l) Employee Benefits:

Employee benefits include provident fund, superannuation fund, gratuity fund and compensated absences.

i) Defined Contribution Plans:

The Company's contribution to provident fund and superannuation fund for certain eligible employees are considered as defined contribution plans as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. Such contributions are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

ii) Defined Benefit Plans:

For defined benefit plan in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they

occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme.

Provident Fund for certain employees is administered through the "Lupin Limited Employees Provident Fund Trust". Periodic contributions to the Fund are charged to the Statement of Profit and Loss. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and interest rate notified by the Government of India.

iii) **Short-Term Employee Benefits:**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- a. in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- b. in case of non-accumulating compensated absences, when the absences occur.

iv) **Long-Term Employee Benefit:**

The cost of compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur.

m) Taxes on Income:

Tax expense comprises both Current Tax and Deferred Tax. Current tax is the amount of tax payable on taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets for timing differences in respect of unabsorbed depreciation, carry forward of losses and items relating to capital losses are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

n) Operating Leases:

Assets taken on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the lease term in accordance with the respective lease agreement terms.

o) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in

the Notes. Contingent liabilities are disclosed for (1) possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements.

p) Borrowing Costs:

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is 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.

q) Stock based Compensation:

i) Employees Stock Option Plans ("ESOPs"):

The compensation cost of stock options granted to employees is measured by the intrinsic value method, i.e. the difference between the market price of the Company's shares on the date of the grant of options and the exercise price to be paid by the option holders. The compensation cost, if any, is amortised on a straight-line basis over the vesting period of the options.

ii) Stock Appreciation Rights ("SARs"):

The compensation cost of SARs granted to employees is measured by the intrinsic value method, i.e. the excess of the market price of the Company's shares as at the period end and the acquisition price as on the date of grant. The compensation cost is amortised on a straight line basis over the vesting period of the SARs.

r) Government Grants, subsidies and export incentives:

Government grants and subsidies are accounted when there is reasonable assurance that the Company will comply with the conditions attached to them and it is reasonably certain that the ultimate collection will be made. Capital grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets. Revenue grants are recognised in the Statement of Profit and Loss.

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

s) Research and Development:

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

t) Impairment of Assets:

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

- (a) an intangible asset that is not yet available for use; and
- (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

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

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

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

u) Earnings per share:

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

v) Insurance claims:

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

w) Service tax input credit:

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

x) Operating cycle:

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

2. SHARE CAPITAL

a) Share Capital

Particulars	As at 31.03.2016		As at 31.03.2015	
	No. of Shares	₹ in million	No. of Shares	₹ in million
Authorised				
Equity Shares of ₹ 2 each	1,000,000,000	2,000.0	500,000,000	1,000.0
Issued, Subscribed and Paid up				
Equity Shares of ₹ 2 each fully paid	450,582,969	901.2	449,488,335	899.0
Total	450,582,969	901.2	449,488,335	899.0

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

Particulars	As at 31.03.2016		As at 31.03.2015	
	No. of Shares	₹ in million	No. of Shares	₹ in million
Equity Shares outstanding at the beginning of the year	449,488,335	899.0	448,375,804	896.8
Equity Shares issued during the year pursuant to exercise of ESOPs	1,094,634	2.2	1,112,531	2.2
Equity Shares outstanding at the end of the year	450,582,969	901.2	449,488,335	899.0

c) Rights attached to Equity Shares

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

During the year ended March 31, 2016, the amount of dividend per equity share recognised as distributions to equity shareholders is ₹ 7.5 (previous year ₹ 7.5).

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

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

Name of Shareholder	As at 31.03.2016		As at 31.03.2015	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Zyma Laboratories Limited	55,260,490	12.26	54,960,490	12.23
Rahas Investments Pvt. Limited	45,699,510	10.14	45,699,510	10.17
Visiomed Investments Pvt. Limited	43,514,660	9.66	43,514,660	9.68
Lupin Holdings Pvt. Limited	40,401,000	8.97	40,401,000	8.99

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

Particulars	As at	As at
	31.03.2016	31.03.2015
	No. of Shares	No. of Shares
Lupin Employees Stock Option Plan 2003	227,759	343,000
Lupin Employees Stock Option Plan 2005	232,181	445,304
Lupin Employees Stock Option Plan 2011	2,059,547	2,758,708
Lupin Employees Stock Option Plan 2014	3,334,820	3,375,000
Lupin Subsidiary Companies Employees Stock Option Plan 2005	226,927	233,536
Lupin Subsidiary Companies Employees Stock Option Plan 2011	846,902	878,097
Lupin Subsidiary Companies Employees Stock Option Plan 2014	1,125,000	1,125,000

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

Particulars	As at	As at
	31.03.2016	31.03.2015
	Aggregate No. of Shares	Aggregate No. of Shares
Equity Shares:		
Issued under various Stock Option Plans of the Company	4,381,780	4,769,170

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

3. RESERVES AND SURPLUS

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Capital Reserve		
- Investment Subsidies from Central Government		
Opening and Closing Balance as per last Balance Sheet	1.0	1.0
- Investment Subsidies from State Government		
Opening and Closing Balance as per last Balance Sheet	8.2	8.2
- On restructuring of capital of the Company under the Scheme of Amalgamation		
Opening and Closing Balance as per last Balance Sheet	254.7	254.7
	263.9	263.9
Capital Redemption Reserve		
Opening and Closing Balance as per last Balance Sheet	126.5	126.5
	126.5	126.5
Securities Premium Account		
Opening Balance as per last Balance Sheet	6,044.2	5,633.4
Add : Additions during the year*	640.2	410.8
Balance as at the year end	6,684.4	6,044.2
Employees Stock Options Outstanding (Refer note 39)		
- Employees Stock Options Outstanding		
Opening Balance as per last Balance Sheet	453.4	47.7
Add : Options granted during the year	1,061.9	414.1
Less : Exercised during the year	106.0	-
Less : Lapsed during the year	26.5	8.4
Balance as at the year end (A)	1,382.8	453.4
- Deferred Employees Stock Options Cost		
Opening Balance as per last Balance Sheet	360.3	11.3
Add : Options granted during the year	1,061.9	414.1
Less : Amortisation during the year	247.0	56.7
Less : Lapsed during the year	26.5	8.4
Balance as at the year end (B)	1,148.7	360.3
(A-B)	234.1	93.1
Employee Stock Appreciation Rights Outstanding (Refer note 40)		
Opening Balance as per last Balance Sheet	467.0	225.9
Add : Additions during the year	118.2	620.1
Less : Transferred to General Reserve	585.2	379.0
Balance as at the year end	-	467.0
General Reserve		
Opening Balance as per last Balance Sheet	15,894.4	15,515.4
Add : Transferred from Employee Stock Appreciation Rights Outstanding	585.2	379.0
Balance as at the year end	16,479.6	15,894.4
Amalgamation Reserve		
Opening and Closing Balance as per last Balance Sheet	317.9	317.9
	317.9	317.9
Cash Flow Hedge Reserve (Refer note 43)		
Opening Balance as per last Balance Sheet	220.2	127.6
(Less) / Add : Effect of foreign exchange rate variations on hedging instruments outstanding [net of deferred tax of ₹ 4.3 million (previous year ₹ 34.2 million)]	(68.2)	135.2
Add / (Less) : Transferred to the Statement of Profit and Loss	35.9	(42.6)
Balance as at the year end	187.9	220.2
Surplus in the Statement of Profit and Loss		
Opening Balance as per last Balance Sheet	65,951.2	46,646.6
Less : Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (previous year net of deferred tax ₹ 314.6 million) (Refer notes 12 & 51)	-	610.8
Add : Profit for the year	28,850.7	23,973.5
Less : Proposed Final Dividend on Equity Shares [Refer note 2(c)]	3,379.4	3,371.2
Less : Dividend for previous year on Equity Shares issued after year end pursuant to ESOPs allotment	3.0	0.5
Less : Corporate Tax on Dividend **	688.6	686.4
Balance as at the year end	90,730.9	65,951.2
Total	115,025.2	89,378.4

* Represents amount received on allotment of 1,094,634 (previous year 1,112,531) Equity Shares of the face value of ₹ 2 each, pursuant to "Lupin Employees Stock Option Plans" [Refer note 39 (a)].

** Represents Corporate Tax on Proposed Final Dividend ₹ 688.0 million (previous year ₹ 686.3 million) and on dividend paid for previous year on Equity Shares issued after year end pursuant to ESOPs allotment ₹ 0.6 million (previous year ₹ 0.1 million).

4. LONG-TERM BORROWINGS

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
(Refer note 10)		
Term Loans - from other parties		
Unsecured		
Deferred Sales Tax Loan from Government of Maharashtra	25.1	36.5
Term Loans from Council for Scientific and Industrial Research (CSIR)	92.8	123.8
Term Loans from Department of Science and Technology (DST)	20.7	31.1
Total	138.6	191.4

- a) Deferred Sales Tax Loan is interest free and payable in 5 equal annual installments after expiry of initial 10 years moratorium period from each such year of deferral period from 1998-99 to 2009-10.
- b) Term Loans from CSIR carry interest of 3% p.a. and is payable in 4 annual installments of ₹ 30.9 million each alongwith interest.
- c) Term Loans from DST carry interest of 3% p.a. and is payable in 3 annual installments of ₹ 10.4 million each alongwith interest.
- d) The Company has not defaulted on repayment of loans and interest during the year.

5. DEFERRED TAX LIABILITIES (NET)

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Tax effect of items constituting Deferred Tax Liabilities		
On differences between book and tax depreciation	2,562.5	2,475.2
Cash Flow Hedge Reserve	87.0	82.7
	2,649.5	2,557.9
Less : Tax effect of items constituting Deferred Tax Assets		
Provision for Doubtful Trade Receivables	120.5	75.1
VRS Compensation	40.0	44.0
Provision for Employee Benefits	461.9	372.2
Others	203.6	174.4
	826.0	665.7
Total	1,823.5	1,892.2

6. OTHER LONG-TERM LIABILITIES

Trade Payables (Refer note 46)	125.4	82.2
Mark to Market Derivative Liabilities	-	2.8
Total	125.4	85.0

7. LONG-TERM PROVISIONS

Provisions for Employee Benefits (Refer note 11)		
Gratuity [Refer note 41 (ii)(A)]	683.3	574.0
Compensated Absences	536.3	457.2
Total	1,219.6	1,031.2

8. SHORT-TERM BORROWINGS

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Secured		
Loans from Banks	2,205.7	209.5
	2,205.7	209.5
Unsecured		
Loans from Banks	1,523.9	-
	1,523.9	-
Total	3,729.6	209.5

- Secured loans comprise of Cash Credit, Short-Term Loans, Packing Credit, Post Shipment Credit, Bills Discounted and Overseas Import Credit and are secured by hypothecation of inventories and trade receivables, and all other moveable assets, including current assets at godowns, depots, in course of transit or on high seas and a second charge on immovable properties and moveable assets of the Company both present and future. It includes foreign currency loans of ₹ 1,855.1 million (previous year ₹ nil)
- Unsecured loans comprise of Short-Term Loans, Packing Credit, Post Shipment Credit, Bills Discounted and Overseas Import Credit. The entire amount is foreign currency loans.
- Foreign Currency loans carry interest rate at LIBOR plus market driven margins and those in Indian Rupees carry interest rate in the range of 9.70% to 11.70% p.a.
- The Company has not defaulted on repayment of loans and interest during the year.

9. TRADE PAYABLES

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Total outstanding dues of other than Micro Enterprises and Small Enterprises		
Acceptances	555.4	1,363.0
Other than Acceptances (Refer note 46)	11,883.7	8,752.8
Total	12,439.1	10,115.8

10. OTHER CURRENT LIABILITIES

Current Maturities of Long-Term Borrowings (Refer note 4)		
- Deferred Sales Tax Loan from Government of Maharashtra	9.4	9.9
- Term Loans from CSIR	30.9	30.9
- Term Loans from DST	10.4	10.4
Interest Accrued but not due on Borrowings	1.2	2.6
Unpaid Dividend*	32.7	26.8
Statutory Dues Payables (includes Excise Duty, Provident Fund, Withholding Taxes etc.)	573.7	374.5
Payables on Purchase of Fixed Assets (Refer note 46)	543.5	306.0
Trade Deposits received	87.5	160.8
Advances from customers	43.0	74.9
Other Payables	3.6	18.0
(Includes retention money, etc.)		
Total	1,335.9	1,014.8

* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

11. SHORT-TERM PROVISIONS

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Provisions for Employee Benefits (Refer note 7)		
Gratuity [Refer note 41 (ii)(A)]	159.7	207.6
Compensated Absences	227.7	157.2
Other Provisions		
For Sales Returns (Refer note 47)	122.7	111.6
For Taxation (net of Advance Tax)	611.6	421.3
For Proposed Dividend on Equity Shares	3,379.4	3,371.2
For Corporate Tax on Dividend	688.0	686.3
Total	5,189.1	4,955.2

12. FIXED ASSETS

(₹ in million)

Particulars	Gross Block			Accumulated Depreciation and Amortisation			Net Block	
	As at 01.04.2015	Additions	Deductions	As at 31.03.2016	For the year	Deductions	As at 31.03.2016	As at 31.03.2016
A. Tangible Assets								
Freehold Land	468.3	-	-	468.3	-	-	-	468.3
	131.7	336.6	-	468.3	-	-	-	468.3
Leasehold Land	577.4	124.6	152.9	549.1	10.1	9.9	73.3	475.8
	577.1	0.3	-	577.4	9.8	-	73.1	504.3
Buildings	7,716.5	1,526.5	-	9,243.0	278.3	-	2,030.0	7,213.0
	7,450.9	276.4	10.8	7,716.5	286.7	5.6	1,751.7	5,964.8
Plant and Equipment	21,734.8	4,138.6	136.9	25,736.5	2,371.0	116.2	11,720.0	14,016.5
	20,518.3	1,840.6	624.1	21,734.8	2,639.3	573.2	9,465.2	12,269.6
Furniture and Fixtures	803.6	140.2	13.7	930.1	109.1	12.1	435.1	495.0
	691.4	128.4	16.2	803.6	105.6	14.9	338.1	465.5
Vehicles	58.6	29.5	-	88.1	8.6	-	31.8	56.3
	47.6	18.4	7.4	58.6	7.1	7.4	23.2	35.4
Office Equipment	1,234.1	282.3	58.4	1,458.0	227.6	58.4	904.5	553.5
	1,067.1	210.7	43.7	1,234.1	280.1	41.3	735.3	498.8
Total - Tangible Assets (A)	32,593.3	6,241.7	361.9	38,473.1	3,004.7	196.6	15,194.7	23,278.4
	30,484.1	2,811.4	702.2	32,593.3	3,328.6	642.4	12,386.6	20,206.7
B. Intangible Assets - Acquired								
Computer Software	205.2	52.9	-	258.1	31.6	-	160.1	98.0
	174.2	31.0	-	205.2	25.1	-	128.5	76.7
Trademarks and Licences	87.9	20.1	-	108.0	19.8	-	35.1	72.9
	15.8	72.1	-	87.9	14.2	-	15.3	72.6
Total - Intangible Assets (B)	293.1	73.0	-	366.1	51.4	-	195.2	170.9
	190.0	103.1	-	293.1	39.3	-	143.8	149.3
Total (A+B)	32,886.4	6,314.7	361.9	38,839.2	3,056.1	196.6	15,389.9	23,449.3
	30,674.1	2,914.5	702.2	32,886.4	3,367.9	642.4	12,530.4	20,356.0
Capital Work-in-Progress (Refer note 32)								
								6,242.5
								4,899.6
Total								29,691.8
								25,255.6

- Cost of Buildings includes cost of shares in co-operative societies of ₹ 1,000/- (previous year ₹ 1,000/-).
- Additions to Fixed Assets include items of fixed assets aggregating ₹ 855.0 million (previous year ₹ 596.2 million) located at Research and Development Centers of the Company.
- No exchange difference has been adjusted to the cost of fixed assets in terms of paragraph 46A of AS11.
- Previous year figures are given in italics below current year figures in each class of assets.

13. NON-CURRENT INVESTMENTS

			As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Trade Investments - Unquoted				
a) In Subsidiary Companies				
1) In Equity Instruments:	Number	Face Value		
- Lupin Holdings B.V., Netherlands	105,829	Euro	6,720.3	6,720.3
	(105,829)	1,000		
- Lupin Pharmaceuticals, Inc., USA [Refer note 31 (d)(i)]	30	USD	13.8	13.8
	(300,000)	*		
- Lupin Australia Pty Ltd., Australia	800,000	AUD	33.3	33.3
	(800,000)	**		
- Lupin Healthcare Ltd., India (Including 6 shares held by nominees)	2,616,677	₹	81.7	81.7
	(2,616,677)	10		
- Lupin (Europe) Ltd., UK [Refer note 31 (a)]	-	GBP	-	20.0
	(251,000)	1		
- Lupin Middle East FZ-LLC, UAE [Refer note 31 (a)]	-	AED	-	32.3
	(2,000)	1,000		
- Lupin Atlantis Holdings SA, Switzerland	2,486	CHF	2,993.7	2,993.7
	(2,486)	1,000		
2) Capital Contributions:				
- Lupin Holdings B.V., Netherlands [Refer note 31 (a)]			6,385.5	-
- Lupin Atlantis Holdings SA, Switzerland [Refer note 31 (a)]			21,125.1	7,982.8
			37,353.4	17,877.9
b) Others				
1) In Equity Instruments:				
- Biotech Consortium India Ltd., India	50,000	₹	0.5	0.5
	(50,000)	10		
- Enviro Infrastructure Co. Ltd., India	100,000	₹	1.0	1.0
	(100,000)	10		
- Bharuch Enviro Infrastructure Ltd., India [31.03.2016 ₹ 45,850/- (previous year ₹ 45,850/-)]	4,585	₹		
	(4,585)	10		
- Narmada Clean Tech Ltd., India	1,145,190	₹	11.5	11.5
	(1,145,190)	10		
- Tarapur Environment Protection Society, India	72,358	₹	7.2	7.2
	(72,358)	100		
- Sai Wardha Power Ltd., India	3,007,237	₹	30.1	-
	(-)	10		
2) In Preference Shares:				
- Enviro Infrastructure Co. Ltd., India	450,000	₹	4.5	4.5
	(450,000)	10		
[Figures in brackets are for previous year]				
			54.8	24.7
c) In Government Securities				
National Saving Certificates				
[31.03.2016 ₹ 6,000/- (previous year ₹ 6,000/-)				
[Deposited with Government Authority 31.03.2016				
₹ 6,000/- (previous year ₹ 6,000/-)]				
Total			37,408.2	17,902.6

* Current year face value USD 0.001 (previous year USD 1)

** Shares do not have face value

i) All investments in shares are fully paid up

ii) All investments are stated at cost

iii) All the above subsidiaries are directly or indirectly, wholly owned by the Company

iv) Aggregate amount of unquoted investments

37,408.2 17,902.6

14. LONG-TERM LOANS AND ADVANCES

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Unsecured, considered good unless otherwise stated		
Capital Advances	1,091.9	981.6
Loans and Advances to Related Parties [Refer note 49 (C)]	54.7	54.7
Security Deposits	406.3	186.8
Loans to Employees	3.4	7.1
Advance payment of Income Tax (net of Provision)	344.2	283.6
Balances with Government Authorities (Drawback / Customs and Excise duties receivable)	815.2	880.7
Total	2,715.7	2,394.5

15. OTHER NON-CURRENT ASSETS

Unsecured, considered good unless otherwise stated		
Mark to Market Derivative Assets	-	3.2
Total	-	3.2

16. CURRENT INVESTMENTS

		As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Non Trade Investments - Unquoted	Number of Units		
- In Mutual Funds			
- Birla Sun Life Cash Plus Daily Dividend Regular Plan	-	-	1,079.0
	(10,769,445)		
- HDFC Liquid Fund - Dividend Daily Reinvest	-	-	474.5
	(46,530,363)		
- HDFC High Interest Fund-Short Term Plan Fortnightly Dividend	-	-	2,076.9
	(196,263,170)		
- ICICI Prudential Blended Plan B Regular Plan Monthly Dividend Option - I	-	-	1,037.8
	(101,597,773)		
- Axis Short Term Fund Monthly Dividend	-	-	1,025.7
	(100,692,087)		
- Birla Sun Life Short Term Fund Monthly Dividend Regular Plan	-	-	1,027.0
	(86,839,119)		
- Birla Sun Life Treasury Optimizer Plan Monthly Dividend Regular Plan	-	-	510.9
	(4,919,391)		
- Reliance Medium Term Fund Monthly Dividend Plan	-	-	2,046.1
	(191,462,695)		
- Reliance Short Term Fund Monthly Dividend Plan	-	-	511.4
	(46,961,944)		
- ICICI Prudential Banking & PSU Debt Fund Regular Plan Weekly Dividend	-	-	1,510.0
	(148,063,792)		
- ICICI Prudential Ultra Short Term Regular Plan Daily Dividend	-	-	1,002.9
	(98,833,834)		
- Axis Banking Debt Fund-Weekly Dividend	-	-	2,508.6
	(2,495,963)		
- SBI Magnum Insta Cash Fund Liquid Floater Regular Plan Daily Dividend	-	-	1,005.6
	(995,692)		
- Axis Liquid Fund - Daily Dividend	-	-	50.0
	(50,002)		
- Kotak Treasury Advantage Fund Daily Dividend Regular Plan	-	-	503.1
	(49,914,730)		
- Kotak Liquid Scheme Plan A Daily Dividend Regular Plan	-	-	170.2
	(139,208)		
[Figures in brackets are for previous year]			
	Total	-	16,539.7
a) All investments are stated at lower of cost and fair value unless otherwise stated			
b) Aggregate amount of unquoted investments (At cost)		-	16,542.2
c) Excess of carrying cost over fair value of current investments as adjusted above		-	2.5

17. INVENTORIES

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Raw Materials	5,463.4	5,375.9
Packing Materials	733.5	781.1
Work-in-Process	3,955.1	3,672.1
Finished Goods	4,776.7	4,020.3
Stock-in-Trade	2,909.0	2,237.8
Consumable Stores and Spares	998.3	860.4
Goods-in-Transit		
- Raw Materials	235.9	390.3
- Packing Materials	18.3	21.7
- Stock-in-Trade	26.1	9.5
- Consumable Stores and Spares	23.3	26.0
[Refer notes 1B (i), 48 (C) & (D)]	Total	17,395.1
	19,139.6	17,395.1

18. TRADE RECEIVABLES

Unsecured		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
- Considered Good	227.4	154.5
- Considered Doubtful	348.1	217.0
	575.5	371.5
Other Trade Receivables Considered Good	45,233.3	24,997.6
	45,808.8	25,369.1
Less : Provision for Doubtful Trade Receivables	348.1	217.0
	Total	25,152.1
	45,460.7	25,152.1

Trade receivables include debts due from subsidiary companies ₹ 37,341.8 million (previous year ₹ 18,440.4 million) [Refer note 49 (C)]

19. CASH AND CASH EQUIVALENTS

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Cash and Cash Equivalents (as per AS-3 - "Cash Flow Statements")		
Bank Balances		
- In Current Accounts (including money-in-transit)	104.1	258.8
- In EEFC Account	11.3	137.7
Cheques on hand	61.2	132.1
Cash on hand	7.7	6.4
	184.3	535.0
Other Bank Balances (Refer note below)		
Earmarked Balances with Banks		
- Unpaid dividend accounts	32.7	26.8
- Deposits against guarantees and other commitments	32.0	31.2
Bank Deposits maturing more than 3 months but less than 12 months	43.0	-
	107.7	58.0
	Total	593.0
	292.0	593.0

Other Bank Balances - Earmarked Balances with Banks include deposits ₹ 11.9 million (previous year ₹ 11.2 million) which have an original maturity of more than 12 months.

20. SHORT-TERM LOANS AND ADVANCES

	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
Unsecured, considered good unless otherwise stated		
Loans and Advances to Related Parties [Refer note 49 (C)]	84.7	40.5
Security Deposits	113.1	82.3
Prepaid Expenses	307.4	180.5
Balances with Government Authorities (VAT / Cenvat / Service tax credit receivable)	1,921.5	1,751.4
Advance to Vendors	588.1	484.8
Loans to Employees Benefit Trust (Refer note 40)	-	251.3
Other Loans and Advances (includes Loans and Advances to employees, etc.)	151.1	134.2
Total	3,165.9	2,925.0

21. OTHER CURRENT ASSETS

Mark to Market Derivative Assets	275.7	339.3
Export Benefits receivable	3,224.1	1,253.6
Other Current Assets (includes receivable from Government Authorities, Dividend receivable, Interest receivables, etc.)	795.3	323.4
Total	4,295.1	1,916.3

22. REVENUE FROM OPERATIONS (GROSS)

	For the Current Year ended 31.03.2016 ₹ in million	For the Previous Year ended 31.03.2015 ₹ in million
Sale		
Goods [Refer note 48 (B)]	106,540.7	93,284.4
Research Services (Refer note 50)	2,599.1	3,766.1
	109,139.8	97,050.5
Other Operating Revenue		
Export Benefits and Other Incentives	3,495.2	1,272.7
Insurance Claims	51.7	12.7
Compensation and Settlement Income	947.3	-
Miscellaneous Income	206.4	123.9
	4,700.6	1,409.3
Total	113,840.4	98,459.8

23. OTHER INCOME

Interest on Deposits with Banks	3.0	29.2
Other Interest (including interest on income tax refunds)	147.5	52.8
Dividend on Current Investments	437.0	649.6
Dividend on Long-Term Investment from Subsidiary company [Refer note 49 (B)]	10.0	37.1
Dividend on Long-Term Investment from Others	0.2	0.2
Net gain on Sale of Current Investments	37.1	4.0
Net gain on Foreign Currency Transactions	1,020.7	893.1
Provisions no longer required Written Back	-	21.5
Provision for Doubtful Trade Receivables / Deposits Written Back (net)	-	118.8
Profit on Sale of Fixed Assets (net)	149.8	-
Other Non-Operating Income	51.1	-
Total	1,856.4	1,806.3

24. COST OF RAW AND PACKING MATERIALS CONSUMED

Raw Materials Consumed [Refer notes 34 (a)(i) & 48 (E)]	20,298.9	19,616.8
Packing Materials Consumed	3,168.5	2,776.4
Total	23,467.4	22,393.2

25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE

Opening Stock:		
Finished Goods	4,020.3	3,212.4
Stock-in-Trade	2,247.3	1,888.3
Work-in-Process	3,672.1	3,131.0
	9,939.7	8,231.7
Less:		
Closing Stock:		
Finished Goods	4,776.7	4,020.3
Stock-in-Trade	2,935.1	2,247.3
Work-in-Process	3,955.1	3,672.1
	11,666.9	9,939.7
Changes In Inventories:		
Finished Goods	(756.4)	(807.9)
Stock-in-Trade	(687.8)	(359.0)
Work-in-Process	(283.0)	(541.1)
Total	(1,727.2)	(1,708.0)

26. EMPLOYEE BENEFITS EXPENSE

	For the Current Year ended 31.03.2016 ₹ in million	For the Previous Year ended 31.03.2015 ₹ in million
(Refer note 45)		
Salaries and Wages	9,727.8	8,160.7
Contribution to Provident and Other Funds	869.6	831.8
Gratuity Expense [Refer note 41 (ii)(A)]	109.3	142.2
Expense on Employees Stock Options / Stock Appreciation Rights (Refer notes 39 & 40)	365.2	676.8
Staff Welfare Expenses	834.7	714.0
Total	11,906.6	10,525.5

27. FINANCE COSTS

Interest on Borrowings	6.1	13.3
Other Borrowing Costs (includes bank charges, etc.)	77.6	35.7
Interest on Income Tax	64.1	-
Total	147.8	49.0

28. OTHER EXPENSES

Processing Charges	917.0	877.4
Stores and Spares Consumed [Refer note 34 (a)(ii)]	4,076.8	3,300.6
Repairs and Maintenance:		
- Buildings	212.7	216.8
- Plant and Machinery	728.8	619.1
- Others	808.0	744.8
Rent	207.1	192.5
Rates and Taxes	859.6	717.6
[Net of provision of earlier year adjusted ₹ nil (previous year ₹ 5.0 million)]		
Insurance	379.1	334.2
Power and Fuel	3,503.5	3,363.9
Contract Labour Charges	888.5	763.8
Excise Duty (net) (Refer note 52)	199.6	137.2
Selling and Promotion Expenses	4,715.2	4,336.4
Commission, Brokerage and Discount	1,034.0	957.1
[Including cash discount of ₹ 8.0 million (previous year ₹ 8.4 million)]		
Freight and Forwarding	688.2	631.1
Lease Rent and Hire Charges (Refer note 37)	562.3	398.4
Postage and Telephone Expenses	234.0	198.0
Travelling and Conveyance	1,380.4	1,269.2
Legal and Professional Charges	3,521.4	2,089.4
[Net of recoveries of ₹ 81.2 million (previous year ₹ 330.2 million)]		
Donations (Refer note 45)	68.6	170.5
Clinical and Analytical Charges	1,159.5	925.9
Loss on Sale / Write-off of Fixed Assets (net)	-	38.6
Bad Trade Receivables / Deposits written off	7.3	22.4
[Net of provision of earlier years adjusted ₹ 17.3 million (previous year ₹ 33.4 million)]		
Provision for Doubtful Trade Receivables (net)	148.4	-
Excess of carrying cost over fair value of current investments	-	2.5
Corporate Social Responsibility Expenses (Refer note 45)	205.1	-
Directors Sitting Fees	1.2	1.0
Miscellaneous Expenses	1,177.3	848.1
Total	27,683.6	23,156.5

29. Commitments:

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances, ₹ 3766.7 million (previous year ₹ 2399.6 million).
- b) Letters of comfort for support in respect of certain subsidiaries. The Company considers its investments in subsidiaries as strategic and long-term in nature. The Company is committed to operationally, technically and financially support the operations of its subsidiaries.
- c) Other commitments – Non-cancellable operating leases (Refer note 37).

30. Contingent Liabilities:

Particulars	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
a) Income tax demands / matters on account of deductions / disallowances for earlier years, pending in appeals [including ₹ 44.3 million (previous year ₹ 49.7 million) consequent to department preferring appeals against the orders of the Appellate Authorities passed in favour of the Company]. Amount paid there against and included under note 14 "Long-Term Loans and Advances" ₹ 115.1 million (previous year ₹ 55.4 million).	825.2	826.4
b) Customs duty, Excise duty, Service tax and Sales tax demands, for input tax credit disallowances and demand for Entry Tax are in appeals and pending decisions. Amount paid there against and included under note 20 "Short-Term Loan and Advances" ₹ 23.2 million (previous year ₹ 28.5 million) and under note 14 "Long Term Loans and Advances" ₹ nil (previous year ₹ 2.5 million).	292.5	377.0
c) Claims against the Company not acknowledged as debts (excluding interest where the amount is unascertainable) for transfer charges of land, octroi duty, local body tax, employee claims, power, trade marks, pricing, indemnity and stamp duty. Amount paid there against without admitting liability and included under note 20 "Short-Term Loans and Advances" ₹ 12.3 million (previous year ₹ 12.3 million).	718.9	753.7
d) Letter of comfort issued by the Company towards the credit facilities sanctioned by the bankers of subsidiary companies aggregating ₹ 143.3 million (previous year ₹ 139.5 million).	136.1	-
e) Outstanding credit facilities against corporate guarantees given in respect of credit facilities sanctioned by bankers of subsidiary companies aggregating ₹ 125917.9 million (previous year ₹ 1849.9 million).	61984.2	1666.9
f) During the previous year, the Company received a notice from the European Commission for alleged breach of the EU Antitrust Rules, whereby it has sought to levy a fine of Euro 40.0 million (₹ 3015.8 million) on the Company in respect of an agreement entered into by the Company with Laboratories Servior, France, for sale of certain patent applications and IPs for the product Perindopril which the European Commission considered as anti-competitive. The Company, based on facts of the matter and legal advice received does not agree with the said notice / demand and is of the view that it has a strong case to defend itself. Accordingly, the Company has filed an appeal before the European General Court. A bank guarantee (excluding interest) of Euro 40.0 million equivalent to ₹ 3015.8 million (previous year Euro 40.0 million equivalent to ₹ 2687.6 million) has been furnished to the European Commission.		

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

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

The Company is involved in various legal proceedings, including product liability related claims, employment claims and other regulatory matters relating to conduct of its business. The Company carries product liability insurance policy with an amount it believes is sufficient for its needs. In respect of other claims, the Company believes, these claims do not constitute material litigation matters and with its meritorious defences, the ultimate disposition of these matters will not have material adverse effect on its Financial Statements.

31. a) During the year, the Company has made additional Capital Contribution of ₹ 13142.3 million (previous year ₹ 7982.8 million) in Lupin Atlantis Holdings SA, Switzerland (LAHSA), a wholly owned subsidiary.
- During the year, the Company has made Capital Contribution of ₹ 6385.5 million (previous year ₹ nil) in Lupin Holdings B.V., Netherlands (LHBV), a wholly owned subsidiary.
- During the year, the Company has transferred its 100% shareholding in Lupin (Europe) Limited, UK (LEL) for ₹ 20.0 million to LAHSA. Consequently, LEL has become a step-down subsidiary of the Company.
- During the previous year, the Company invested an additional amount of ₹ 24.8 million in Lupin Middle East FZ-LLC, UAE (LME), a wholly owned subsidiary. During the year, the Company has transferred its 100% shareholding in LME for ₹ 32.3 million to LAHSA. Consequently, LME has become a step-down subsidiary of the Company.
- b) During the year, the Company, through its wholly owned subsidiary Lupin Farmaceutica do Brasil LTDA, Brazil purchased 100% stake in Medquimica Industria Farmaceutica S.A., Brazil (MQ) at a total cost of ₹ 2506.4 million.
- c) During the year, the Company, through its wholly owned subsidiary LAHSA acquired / subscribed to the equity stake of the following subsidiaries / jointly controlled entity:
- i) Additional investment in YL Biologics Ltd., Japan, a jointly controlled entity at a total cost of ₹ nil (previous year ₹ 33.0 million for 45% equity stake). Initial investment was ₹ 80.8 million of which ₹ 47.8 million was refunded subsequently in terms of resolution passed at extraordinary shareholders meeting of YL Biologics Ltd. on November 14, 2014 which was accounted as reduction in investment by LAHSA in the previous year.
 - ii) Additional investment in Laboratorios Grin S.A. de C.V., Mexico at a total cost of ₹ nil (previous year ₹ 6149.6 million for 100% equity stake).
 - iii) Additional investment in Lupin Inc., USA at a total cost of ₹ 1762.0 million (previous year ₹ 542.1 million) as additional paid-in capital – securities premium.
 - iv) Additional investment in Lupin GmbH, Switzerland at a total cost of ₹ nil (previous year ₹ 93.5 million) as capital contribution.
 - v) 94.91% equity stake in Lupin Farmaceutica do Brasil LTDA, Brazil (LFB) at a total cost of ₹ 3627.4 million (previous year ₹ nil). Effective January 01, 2016, LFB merged with MQ, its wholly owned subsidiary company. Subsequently, LAHSA made an additional investment of ₹ 274.1 million in MQ resulting into LAHSA equity stake in MQ equal to 94.97%.
 - vi) 99.99% equity stake in Lupin Pharma LLC, Russia at a total cost of ₹ 0.1 million.
- d) During the year, Lupin Inc., USA (LINC), a wholly owned subsidiary of LAHSA, acquired / subscribed to the equity stake of the following subsidiaries:
- i) Additional investment in Lupin Pharmaceuticals, Inc., USA (LPI) at a total cost of ₹ nil (previous year ₹ 538.5 million resulting into LINC holding 97% and the Company holding 3% of LPI's equity stake). During the year, LPI has effected a reverse split of the shares in the ratio of 10000:1 and also changed the par value of the shares from USD 1 per share to USD 0.001 per share. This has resulted in reduction of number of shares held by the Company in LPI without changing the proportionate holding of the existing shareholders.
 - ii) 100% equity stake in Gavis Pharmaceuticals, LLC, USA and its wholly owned subsidiary Edison Therapeutics LLC, USA at a total cost of ₹ 3664.7 million.
 - iii) 100% equity stake in VGS Holdings, Inc., USA at a total cost of ₹ 793.2 million.
 - iv) 100% equity stake in Novel Laboratories, Inc., USA and its wholly owned subsidiary Novel Clinical Research (India) Pvt. Ltd., India at a total cost of ₹ 5327.7 million.
 - v) 100% equity stake in Lupin Research Inc., USA at a total cost of ₹ 67/-.
- e) During the year, the Company, through its wholly owned subsidiary Lupin Holdings B.V., Netherlands (LHBV), acquired / subscribed to the equity stake of the following subsidiaries:
- i) Additional investment in LFB at a total cost of ₹ 174.1 million (previous year ₹ 51.7 million). Effective January 01, 2016, LFB merged with MQ, its wholly owned subsidiary company, resulting into LHBV's equity stake in MQ equal to 5.03%.
 - ii) Additional investment in Generic Health Pty Ltd., Australia at a total cost of ₹ nil (previous year ₹ 144.5 million thereby making it 100% subsidiary of LHBV).
 - iii) Additional investment in Generic Health SDN. BHD., Malaysia at a total cost of ₹ 0.6 million (previous year ₹ 1.4 million).

- iv) 0.01% equity stake in Lupin Pharma LLC, Russia at a total cost of ₹ 107/-.
- v) During the previous year, acquired balance 40% shareholding of Pharma Dynamics (Proprietary) Ltd., South Africa (PD) consequent to exercise of Put Option by the minority shareholders of PD, for a consideration of ₹ 5977.6 million. Accordingly PD became wholly owned subsidiary of LHBV. Upon completion of certain formalities during the current year, the transfer of share certificates in the name of LHBV for the said balance shareholding has been completed.
- f) During the previous year, the Company, through Kyowa Pharmaceutical Industry Co., Limited, Japan, wholly owned subsidiary of LHBV subscribed to additional investment in Kyowa CritiCare Co., Limited, Japan at a total cost of ₹ 835.8 million.
- g) During the year, the Company's wholly owned subsidiary LHBV sold 356 shares (0.18% equity stake) of its subsidiary Kyowa Pharmaceutical Industry Co., Limited, Japan to Medipal Holdings Corporation, Japan for a total consideration of ₹ 59.4 million.

The above acquisitions / subscriptions / disposals are based on the net asset values, the future projected revenues, operating profits, cash flows and independent valuation reports; as applicable, of the investee companies.

- h) The Company considers its investments in subsidiaries as strategic and long-term in nature and accordingly, in view of the management, any decline in the value of such long-term investments in subsidiaries is considered to be temporary in nature and hence no provision for diminution in value of investments is considered necessary.

32. Pre-operative expenses pending capitalisation included in Capital Work-In-Progress (Refer note 12) represent direct attributable expenditure for setting up of plants prior to the date of commencement of commercial production. The same will be capitalised on completion of projects and commencement of commercial operations. The details of pre-operative expenses are:

Particulars	2015-2016 ₹ in million	2014-2015 ₹ in million
Opening balance	241.0	182.2
Incurring during the year:		
Salaries, allowances and contribution to funds	97.1	65.7
Legal and Professional Charges	2.4	6.3
Travelling and Conveyance	17.2	13.0
Others	41.9	16.3
Total	158.6	101.3
Less: Capitalised during the year	168.3	42.5
Closing balance	231.3	241.0

33. Segment Reporting:

The Company has presented data relating to its segments based on its consolidated financial statements, which are presented in the same Annual Report. Accordingly, in terms of paragraph 4 of the Accounting Standard 17 (AS-17) "Segment Reporting", no disclosures related to segments are presented in this standalone financial statements.

34. Additional information pursuant to the provisions of Paragraph 5 (viii) of Part II of Schedule III to the Companies Act, 2013.

- a) Value of Imported and Indigenous consumption:

- i) Consumption of Raw Materials:

	2015-2016		2014-2015	
	%	₹ in million	%	₹ in million
Imported	40.1	8138.8	40.6	7961.5
Indigenous	59.9	12160.1	59.4	11655.3
Total	100.0	20298.9	100.0	19616.8

ii) Consumption of Stores and Spares:

	2015-2016		2014-2015	
	%	₹ in million	%	₹ in million
Imported	0.1	2.8	0.1	1.8
Indigenous	99.9	4074.0	99.9	3298.8
Total	100.0	4076.8	100.0	3300.6

b) CIF Value of Imports:

		2015-2016	2014-2015
		₹ in million	₹ in million
i)	Capital Goods	1082.5	852.4
ii)	Raw Materials	7364.7	8654.0
iii)	Packing Materials	423.5	545.2
iv)	Purchases of Stock-in-Trade	626.5	349.1
v)	Consumable Stores and Spares	702.1	656.6
Total		10199.3	11057.3

c) Expenditure in Foreign currencies (subject to deduction of tax where applicable) on account of:

		2015-2016	2014-2015
		₹ in million	₹ in million
i)	Finance Costs	7.6	10.1
ii)	Travelling and Conveyance	40.7	46.6
iii)	Commission	157.2	196.6
iv)	Selling and Promotion Expenses	2204.7	2025.7
v)	Clinical and Analytical Charges	475.0	594.6
vi)	Legal and Professional Charges	1995.2	1200.7
vii)	Employee Benefits Expense	155.2	127.3
viii)	Rates and Taxes	553.6	468.9
ix)	Others	763.5	435.2
Total		6352.7	5105.7

d) Earnings in Foreign Exchange (subject to deduction of tax where applicable) on account of:

		2015-2016	2014-2015
		₹ in million	₹ in million
i)	FOB value of Exports	67243.9	58481.5
ii)	Sale - Research Services	2596.6	3766.1
iii)	Reimbursement of freight and insurance on Exports	291.5	281.7
iv)	Compensation and Settlement Income	1028.5	-
v)	Dividend Income	10.0	37.1
vi)	Others	234.4	26.9
Total		71404.9	62593.3

35. Remittance in Foreign currency on account of dividend:

The Company has paid dividend in respect of shares held by Non-Resident Shareholders on repatriation basis. This inter-alia includes portfolio investment and direct investment, where the amount is also credited to Non Resident External Account (NRE A/c). The total amount remittable in this respect is given below:

	2015-2016	2014-2015
Amount of dividend remitted (₹ in million)	1255.3	429.3
Number of non-resident shareholders	3170	2177
Number of shares held by them on which dividend was due	167376174	143109531
Year to which the dividend relates	2014- 2015	2013-2014

The Company does not have any information as to the extent to which remittances, if any, in foreign currencies on account of dividends have been made by non-resident shareholders.

36. Auditors' Remuneration:

	2015-2016 ₹ in million	2014-2015 ₹ in million
Payment to Auditors*:		
a) As Auditors	15.0	12.5
b) For audit of subsidiaries**	4.9	4.3
c) In respect of Taxation matters***	8.3	6.8
d) For other services – Certification	2.1	2.2
e) Reimbursement of out-of-pocket expenses	0.7	0.8
Total	31.0	26.6

* Excluding service tax and Swachh Bharat Cess

** Represents fees in respect of audit of subsidiaries for consolidation requirements of the Company in terms of Section 129(3) of the 2013 Act.

*** Includes payment for taxation matters to an affiliated firm covered by a networking arrangement which is registered with the Institute of Chartered Accountants of India.

37. The Company procures equipments, vehicles and office premises under operating lease agreements that are renewable on a periodic basis at the option of both lessor and lessee. The initial tenure of the lease is generally between 12 months to 60 months. The lease rentals recognised in the Statement of Profit and Loss (Refer note 28) for the year are ₹ 478.2 million (previous year ₹ 342.6 million). The future minimum lease payments and payment profile of non-cancellable operating leases are as under:

Particulars	2015-2016 ₹ in million	2014-2015 ₹ in million
Not later than one year	527.8	292.9
Later than one year but not later than five years	1237.3	322.9
Later than five years	26.0	23.5
Total	1791.1	639.3

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

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
Profit attributable to Equity Shareholders (₹ in million)	28850.7	23973.5
Weighted average number of Equity Shares:		
- Basic	450112397	448868014
Add : Effect of dilutive issue of employees stock options (ESOPs) - converted during the year and ESOPs outstanding as at the year end	2664767	2846900
- Diluted	452777164	451714914
Earnings per Share (in ₹)		
- Basic	64.10	53.41
- Diluted	63.72	53.07

39. Employees Stock Option Plans:

- a) The Company implemented "Lupin Employees Stock Option Plan 2003" (ESOP 2003), "Lupin Employees Stock Option Plan 2005" (ESOP 2005), "Lupin Subsidiary Companies Employees Stock Option Plan 2005" (SESOP 2005), "Lupin Employees Stock Option Plan 2011" (ESOP 2011), "Lupin Subsidiary Companies Employees Stock Option Plan 2011" (SESOP 2011), "Lupin Employees Stock Option Plan 2014" (ESOP 2014) and "Lupin Subsidiary Companies Employees Stock Option Plan 2014" (SESOP 2014) in earlier years, as approved by the Shareholders of the Company and the Remuneration / Compensation / Nomination and Remuneration Committee of the Board of Directors. Details of the options granted during the year under the plans are as under:

Lupin Employees Stock Option Plan 2011 (ESOP 2011):

Grant Date	No. of Options	Exercise Price ₹	Vesting Period
November 19, 2015	50000	891.53	19.11.2015 to 19.11.2016
	50000		

Lupin Subsidiary Companies Employees Stock Option Plan 2011 (SESOP 2011):

Grant Date	No. of Options	Exercise Price ₹	Vesting Period
April 02, 2015	19525	2037.50	02.04.2015 to 02.04.2016
	19525	2037.50	02.04.2015 to 02.04.2017
	19525	2037.50	02.04.2015 to 02.04.2018
	19525	2037.50	02.04.2015 to 02.04.2019
	78100		

Lupin Employees Stock Option Plan 2014 (ESOP 2014):

Grant Date	No. of Options	Exercise Price ₹	Vesting Period
August 07, 2015	503	2.00	07.08.2015 to 07.08.2016
	503	2.00	07.08.2015 to 07.08.2017
	503	2.00	07.08.2015 to 07.08.2018
	504	2.00	07.08.2015 to 07.08.2019
	2013		
October 07, 2015	111195	2.00	07.10.2015 to 07.10.2016
	111195	2.00	07.10.2015 to 07.10.2017
	111195	2.00	07.10.2015 to 07.10.2018
	111196	2.00	07.10.2015 to 07.10.2019
	444781		

Grant Date	No. of Options	Exercise Price ₹	Vesting Period
October 13, 2015	3000	2.00	13.10.2015 to 13.10.2016
	3000	2.00	13.10.2015 to 13.10.2017
	3000	2.00	13.10.2015 to 13.10.2018
	3000	2.00	13.10.2015 to 13.10.2019
	12000		
December 08, 2015	8120	2.00	08.12.2015 to 08.12.2016
	8120	2.00	08.12.2015 to 08.12.2017
	8120	2.00	08.12.2015 to 08.12.2018
	8120	2.00	08.12.2015 to 08.12.2019
	32480		
January 07, 2016	577	2.00	07.01.2016 to 07.01.2017
	577	2.00	07.01.2016 to 07.01.2018
	577	2.00	07.01.2016 to 07.01.2019
	577	2.00	07.01.2016 to 07.01.2020
	2308		
February 02, 2016	755	2.00	02.02.2016 to 02.02.2017
	755	2.00	02.02.2016 to 02.02.2018
	755	2.00	02.02.2016 to 02.02.2019
	755	2.00	02.02.2016 to 02.02.2020
	3020		

Lupin Subsidiary Companies Employees Stock Option Plan 2014 (SESOP 2014):

Grant Date	No. of Options	Exercise Price ₹	Vesting Period
April 02, 2015	9463	2037.50	02.04.2015 to 02.04.2016
	9463	2037.50	02.04.2015 to 02.04.2017
	9463	2037.50	02.04.2015 to 02.04.2018
	9461	2037.50	02.04.2015 to 02.04.2019
	37850		

The options are granted at an exercise price, which is in accordance with the relevant SEBI guidelines in force, at the time of such grants. Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of ₹ 2 each. The options have vesting periods as stated above in accordance with the vesting schedule as per the said plans with an exercise period of ten years from the respective grant dates.

The particulars of the options granted and lapsed under the Schemes are as below:

Particulars	Year Ended 31.03.2016 Nos.	Year Ended 31.03.2015 Nos.
Lupin Employees Stock Option Plan 2003 (ESOP 2003):		
Options outstanding as at the beginning of the year	343000	539389
Add: Options granted during the year	-	161000
Less: Options lapsed during the year	5875	14000
Less: Options exercised during the year	109366	343389
Options outstanding as at the year end	227759	343000

During the previous year, the Company terminated the offering of fresh grants under the above plan resulting in termination of 745 options which were not granted upto the date of termination. Options already granted under the said plan would continue to be in force in terms of their grant.

Particulars	Year Ended 31.03.2016 Nos.	Year Ended 31.03.2015 Nos.
Lupin Employees Stock Option Plan 2005 (ESOP 2005):		
Options outstanding as at the beginning of the year	445304	494529
Add: Options granted during the year	-	40500
Less: Options lapsed during the year	5000	6750
Less: Options exercised during the year	208123	82975
Options outstanding as at the year end	232181	445304

During the previous year, the Company terminated the offering of fresh grants under the above plan resulting in termination of 4200 options which were not granted upto the date of termination. Options already granted under the said plan would continue to be in force in terms of their grant.

Lupin Subsidiary Companies Employees Stock Option Plan 2005 (SESOP 2005):		
Options outstanding as at the beginning of the year	233536	364133
Add: Options granted during the year	-	-
Less: Options lapsed during the year	-	220
Less: Options exercised during the year	6609	130377
Options outstanding as at the year end	226927	233536

During the previous year, the Company terminated the offering of fresh grants under the above plan resulting in termination of 7190 options which were not granted upto the date of termination. Options already granted under the said plan would continue to be in force in terms of their grant.

Lupin Employees Stock Option Plan 2011 (ESOP 2011):		
Options outstanding as at the beginning of the year	2708351	2737539
Add: Options granted during the year	50000	669250
Less: Options lapsed during the year	69322	159664
Less: Options exercised during the year	699161	538774
Options outstanding as at the year end	1989868	2708351

Lupin Subsidiary Companies Employees Stock Option Plan 2011 (SESOP 2011):		
Options outstanding as at the beginning of the year	799944	429033
Add: Options granted during the year	78100	449210
Less: Options lapsed during the year	90125	61283
Less: Options exercised during the year	31195	17016
Options outstanding as at the year end	756724	799944

Subsequent to the year end, the Company terminated the offering of fresh grants under the above plan resulting in termination of 90178 options which were not granted upto the date of termination. Options already granted under the said plan would continue to be in force in terms of their grant.

Lupin Employees Stock Option Plan 2014 (ESOP 2014):		
Options outstanding as at the beginning of the year	254239	-
Add: Options granted during the year	496602	260022
Less: Options lapsed during the year	14588	5783
Less: Options exercised during the year	40180	-
Options outstanding as at the year end	696073	254239

Lupin Subsidiary Companies Employees Stock Option Plan 2014 (SESOP 2014):		
Options outstanding as at the beginning of the year	-	-
Add: Options granted during the year	37850	-
Less: Options lapsed during the year	-	-
Less: Options exercised during the year	-	-
Options outstanding as at the year end	37850	-

- b) The Company has followed the intrinsic value based method of accounting for stock options granted after April 1, 2005 based on Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India (ICAI). Had the compensation cost for the Company's stock based compensation plans been determined in the manner consistent with the fair value approach as described in the said Guidance Note, the Company's net income would be lower by ₹ 494.9 million (previous year ₹ 444.7 million) and earnings per share as reported would be as indicated below:

Particulars	Year Ended 31.03.2016 ₹ in million	Year Ended 31.03.2015 ₹ in million
Net profit as reported	28850.7	23973.5
Less : Total stock-based employee compensation expense determined under fair value based method	741.9	501.4
Add : Total stock-based employee compensation expense determined under intrinsic value based method	247.0	56.7
Adjusted net profit	28355.8	23528.8
Basic earnings per share		
- As reported (in ₹)*	64.10	53.41
- Adjusted (in ₹)	63.00	52.42
Diluted earnings per share		
- As reported (in ₹)*	63.72	53.07
- Adjusted (in ₹)	62.63	52.09

* Refer note 38

The fair value of each option granted during the year is estimated on the date of grant based on the following assumptions:

Particulars	Grant Date	Dividend Yield (%)	Expected life (years)	Risk Free interest rate (%)	Volatility (%)
ESOP 2011 Plan	November 19, 2015	0.66	3.00	7.82	23.11
SESOP 2011 Plan	April 02, 2015	0.66	4.50	7.80	33.03
ESOP 2014 Plan	August 07, 2015	0.66	4.50	7.80	33.03
	October 07, 2015	0.66	4.50	7.80	33.03
	October 13, 2015	0.66	4.50	7.80	33.03
	December 08, 2015	0.66	4.50	7.80	33.03
	January 07, 2016	0.66	4.50	7.80	33.03
	February 02, 2016	0.66	4.50	7.80	33.03
SESOP 2014 Plan	April 02, 2015	0.66	4.50	7.80	33.03

40. Stock Appreciation Rights:

During the years 2011-12 and 2012-13, the Company granted Stock Appreciation Rights ("SARs") to certain eligible employees in accordance with Lupin Employees Stock Appreciation Rights Scheme 2011 ("LESARs 2011") approved by the Board of Directors (Board) at their Board Meeting held on September 13, 2011. Under the Scheme, eligible employees are entitled to receive appreciation in value of shares on completion of the vesting period.

The Scheme is administered through the Lupin Employees Benefit Trust (the "Trust") as settled by the Company. The Trust is administered by an independent Trustee. At the end of the vesting period of 3 years, the equity shares will be sold in the market by the Trust and the appreciation on the same (if any) will be distributed to the said employees, subject to vesting conditions.

The Company has been submitting required details with stock exchanges in terms of the circulars issued by SEBI in this regard. During the previous year, SEBI vide its circular no. CIR/CFD/POLICYCELL/3/2014 dated June 27, 2014 had extended the timelines for alignment of the Scheme till the new regulations are notified, continuing the prohibition on acquiring securities from the secondary market.

The new regulation viz: Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('the Regulation') was notified on October 28, 2014, pursuant to which the existing schemes are to be aligned within one year of the effective date of the Regulation. During the year, the Trust has distributed the benefits of SARs to the eligible employees in terms of LESARs 2011 and has not acquired any shares from the secondary market.

As approved by the Board, the Company had, prior to the SEBI circular no. CIR/CFD/DIL/3/2013 dated January 17, 2013 advanced an interest free loan to the Trust during the years 2011-12 and 2012-13 to acquire appropriate number of Equity Shares of the Company from the market on the grant date of SARs and the loan outstanding as at the Balance Sheet date aggregating to ₹ nil (previous year ₹ 251.3 million) is included under "Short-Term Loans and Advances" (Refer note 20).

The particulars of the SARs assigned, lapsed and redeemed under the Scheme are as below:

Particulars	Year Ended 31.03.2016	Year Ended 31.03.2015
Lupin Employees Stock Appreciation Rights Scheme 2011:		
SARs outstanding as at the beginning of the year	408592	843396
Less: SARs lapsed during the year	7103	13873
Less: SARs redeemed during the year	401489	420931
SARs outstanding as at the year end	-	408592

The related compensation cost for outstanding SARs and in case of redeemed SARs upto the date of redemption amounting to ₹ 118.2 million (previous year ₹ 620.1 million) has been recognized as Employee Benefits Expense and the corresponding credit is included under "Reserves and Surplus" as Employee Stock Appreciation Rights Outstanding. In respect of SARs redeemed during the year, the corresponding amount of ₹ 585.2 million (previous year ₹ 379.0 million) has been transferred from Employee Stock Appreciation Rights Outstanding to General Reserve. Had the compensation cost for the Company's stock based compensation plans been determined in the manner consistent with the fair value approach as described in the Guidance Note on Accounting for Employee Share-based Payments issued by ICAI, the Company's net income would be higher by ₹ 24.6 million (previous year ₹ 587.3 million) and earnings per share as reported would be as indicated below:

Particulars	Year Ended 31.03.2016 ₹ in million	Year Ended 31.03.2015 ₹ in million
Net profit as reported	28850.7	23973.5
Less: Total stock-based employee compensation expense determined under fair value based method	93.6	32.8
Add: Total stock-based employee compensation expense determined under intrinsic value based method	118.2	620.1
Adjusted net profit	28875.3	24560.8
Basic earnings per share		
- As reported (in ₹)*	64.10	53.41
- Adjusted (in ₹)	64.15	54.72
Diluted earnings per share		
- As reported (in ₹)*	63.72	53.07
- Adjusted (in ₹)	63.77	54.37

* Refer note 38

41. Post Employment Benefits:

(i) Defined Contribution Plans:

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

The Company recognised ₹ 179.0 million (previous year ₹ 165.5 million) for superannuation contribution and ₹199.9 million (previous year ₹ 147.5 million) for provident fund and pension contributions in the Statement of Profit and Loss.

(ii) Defined Benefit Plan:

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

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

b) On death in service:

As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period.

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

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2016. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

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

Sr. No.	Particulars	Gratuity (Funded)		Gratuity (Unfunded)	
		As on 31.03.2016 ₹ in million	As on 31.03.2015 ₹ in million	As on 31.03.2016 ₹ in million	As on 31.03.2015 ₹ in million
I)	Reconciliation in present value of obligations ('PVO') - defined benefit obligation:				
	Current service cost	111.1	136.2	65.2	92.3
	Past service cost	-	-	-	-
	Interest cost	64.3	57.5	44.6	39.7
	Actuarial loss / (gain)	51.2	75.1	(0.5)	10.2
	Benefits paid	(80.6)	(52.8)	-	-
	PVO at the beginning of the year	868.4	652.4	574.0	431.8
	PVO at the end of the year	1014.4	868.4	683.3	574.0
II)	Change in fair value of plan assets:				
	Expected return on plan assets	61.6	54.2	-	-
	Actuarial gain / (loss)	5.3	2.0	-	-
	Contributions by the employer	207.6	76.5	-	-
	Benefits paid	(80.6)	(52.8)	-	-
	Fair value of plan assets at the beginning of the year	660.8	580.9	-	-
	Fair value of plan assets at the end of the year	854.7	660.8	-	-
III)	Reconciliation of PVO and fair value of plan assets:				
	PVO at the end of the year	1014.4	868.4	683.3	574.0
	Fair Value of plan assets at the end of the year	854.7	660.8	-	-
	Funded status	(159.7)	(207.6)	(683.3)	(574.0)
	Unrecognised actuarial gain / (loss)	-	-	-	-
	Net liability recognised in the Balance Sheet	(159.7)	(207.6)	(683.3)	(574.0)
IV)	Net cost for the year:				
	Current service cost	111.1	136.2	65.2	92.3
	Past service cost	-	-	-	-
	Interest cost	64.3	57.5	44.6	39.7
	Expected return on plan assets	(61.6)	(54.2)	-	-
	Actuarial losses / (gain)	45.9	73.1	(0.5)	10.2
	Total expense recognised in the Statement of Profit and Loss (Refer note 26)	159.7	212.6	109.3	142.2
V)	Category of assets as at the end of the year:				
	Insurer Managed Funds (100%) (Fund is Managed by LIC as per IRDA guidelines, category-wise composition of the plan assets is not available)	854.7	660.8	NA	NA

Sr. No.	Particulars	Gratuity (Funded)		Gratuity (Unfunded)	
		As on 31.03.2016 ₹ in million	As on 31.03.2015 ₹ in million	As on 31.03.2016 ₹ in million	As on 31.03.2015 ₹ in million
VII)	Actual return on the plan assets:	66.9	56.2	NA	NA
VIII)	Assumptions used in accounting for the gratuity plan:				
	Discount rate (%)	7.5	7.8	7.5	7.8
	Salary escalation rate (%)	6.0	6.0	6.0	6.0
	Expected rate of return on plan assets (%)	8.5	9.1 & 9.2	NA	NA
VIII)	Estimate of amount of contribution in immediate next year	159.7	207.6	NA	NA

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.

Gratuity (Funded)	Year Ended				
	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Experience adjustment					
- On plan liabilities	25.4	(15.3)	32.6	6.1	90.5
- On plan assets	5.3	2.0	4.2	0.1	2.3
Present value of benefit obligation	1014.4	868.4	652.4	594.9	462.7
Fair value of plan assets	854.7	660.8	580.9	469.4	417.7
Excess of (obligation over plan assets) / plan assets over obligation	(159.7)	(207.6)	(71.5)	(125.5)	(45.0)

- B) The provident fund plan of the Company, except at two plants, is operated by "Lupin Limited Employees Provident Fund Trust" (the "Trust"). Eligible employees receive benefits from the said Provident Fund. Both the employees and the Company make monthly contributions to the Provident Fund Plans equal to a specified percentage of the covered employee's salary. The minimum interest rate payable by the Trust to the beneficiaries every year is being notified by the Government of India. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

The ASB Guidance on Implementing AS-15, Employee Benefits (revised 2005) issued by Accounting Standards Board (ASB) states that benefit plans involving employer established provident funds, which require interest shortfalls to be recompensed are to be considered as defined benefit plans. As per the Guidance Note from the Actuarial Society of India, the Company has obtained the actuarial valuation of interest rate obligation in respect of Provident Fund as at March 31, 2016 and based on the same, there is no shortfall towards interest rate obligation. The Company has an obligation to service the shortfall on account of interest generated by the fund and on maturity of fund investments and hence the same has been classified as Defined Benefit Plan.

The Company recognised ₹ 281.8 million (previous year ₹ 266.4 million) for provident fund contributions in the Statement of Profit and Loss.

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

Sr. No.	Particulars	Provident Fund (Funded)	
		As on 31.03.2016 ₹ in million	As on 31.03.2015 ₹ in million
I)	Reconciliation in present value of obligations ('PVO') – defined benefit obligation:		
	Current service cost	1178.2	1068.4
	Past service cost	-	-
	Interest cost	-	0.8
	Actuarial loss / (gain)	-	(9.8)
	Benefits paid	(334.2)	(286.2)
	PVO at the beginning of the year	4162.1	3388.9
	PVO at the end of the year	5006.1	4162.1
II)	Change in fair value of plan assets:		
	Expected return on plan assets	383.3	329.7
	Adjustment to opening balance	-	(3.5)
	Actuarial gain / (loss)	-	-
	Contributions by the employer	794.9	742.2
	Benefits paid	(334.2)	(286.2)
	Fair value of plan assets at the beginning of the year	4162.1	3379.9
	Fair value of plan assets at the end of the year	5006.1	4162.1
III)	Reconciliation of PVO and fair value of plan assets:		
	PVO at the end of the year	5006.1	4162.1
	Fair Value of plan assets at the end of the year	5006.1	4162.1
	Funded status	-	-
	Unrecognised actuarial gain / (loss)	-	-
	Net liability recognised in the Balance Sheet	-	-
IV)	Net cost for the year:		
	Current service cost	1178.2	1068.4
	Past service cost	-	-
	Interest cost	-	0.8
	Expected return on plan assets	(383.3)	(329.7)
	Actuarial losses / (gain)	-	(6.3)
	Interest expense pertaining to the Trust	(794.9)	(742.2)
	Net expense recognised in the Statement of Profit and Loss (Refer note 26)	-	(9.0)
V)	Category of assets as at the end of the year:		
	Investment in PSU bonds	23%	21%
	Investment in Government Securities	46%	45%
	Bank Special Deposit	4%	6%
	Equity Oriented Mutual Funds	1%	-
	Investment in other securities	24%	26%
	Bank Savings Deposit	2%	2%
VI)	Actual return on the plan assets:	383.3	329.7
VII)	Assumptions used in accounting for the provident fund plan:		
	Discount rate (%)	7.5	7.8
	Salary escalation rate (%)	6.0	6.0
	Expected rate of return on plan assets (%)	8.9	8.8

42. (i) The Company enters into foreign currency forward and futures contracts which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables. There are no outstanding foreign currency forward and future contracts as at the year end.

(ii) The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

a. Amount receivable in foreign currency on account of the following:

Particulars	Foreign Currency	As on 31.03.2016		As on 31.03.2015	
		₹ in million	Amount in Foreign Currency	₹ in million	Amount in Foreign Currency
Export of goods					
	AUD	245.9	4822488	56.3	1183378
	ACUD	16.5	249000	16.7	267382
	EURO	732.1	9709761	431.2	6416978
	GBP	495.6	5190561	236.1	2552836
	JPY	48.0	81370034	13.8	26408907
	RUB	-	-	₹ 2126	1961
	USD	39725.3	599582295	21456.0	343295972
	CAD	12.8	250195	2.4	49500
	CNY	331.9	32455000	-	-
Other receivables					
	AUD	-	-	5.4	113274
	CAD	-	-	0.6	12121
	EURO	0.9	12012	17.0	253026
	GBP	-	-	48.4	523094
	JPY	29.1	49296650	-	-
	UZS	₹ 23782	1023312	0.1	2251420
	USD	12.4	187761	250.4	4006643
	RUB	2.3	2338023	0.7	611994
	KZT	₹ 16794	86349	1.0	2826041
	RMB	10.4	1020785	5.5	542456
	UAH	₹ 45360	17805	3.4	1248759

b. Amount payable in foreign currency on account of the following:

Particulars	Foreign Currency	As on 31.03.2016		As on 31.03.2015	
		₹ in million	Amount in Foreign Currency	₹ in million	Amount in Foreign Currency
Import of goods and services					
	USD	2537.9	38305337	2749.6	43992914
	GBP	104.7	1096440	79.0	854469
	EURO	79.8	1057884	131.6	1958653
	AUD	13.9	272626	6.7	141185
	JPY	26.7	45205802	12.4	23736269
	CAD	3.7	73026	₹ 10586	216
	CHF	1.0	15100	1.4	21414
	AED	₹ 13021	722	-	-
	CNY	₹ 30462	2978	-	-

Particulars	Foreign Currency	As on 31.03.2016		As on 31.03.2015	
		₹ in million	Amount in Foreign Currency	₹ in million	Amount in Foreign Currency
Secured and Unsecured loans payable	USD	3379.0	51000000	-	-
Other payables					
	USD	681.2	10281306	260.3	4165159
	RUB	3.1	3192962	1.0	903873
	KZT	₹ 2356	12114	0.2	451218
	PHP	1.4	996075	27.1	19403305
	ACUD	3.4	51023	0.8	12354
	UAH	3.2	1259755	2.8	1040844
	EURO	75.8	1005676	65.0	967963
	GBP	-	-	5.7	61500
	JPY	₹ 27706	46972	₹ 24484	46972

43. Details of Derivative Contracts:

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

The category wise break-up of outstanding derivative contracts entered into by the Company is as under:

Particulars	Currency	(Amount in million)		
		As at 31.03.2016	As at 31.03.2015	Cross Currency
Forward Exchange Contracts	USD	209.0	333.0	INR

The changes in the fair value of the derivative contracts during the year ended March 31, 2016 aggregating ₹ 32.3 million (previous year ₹ 92.6 million credited) designated and effective as hedges have been debited to the Cash Flow Hedge Reserve and ₹ 35.9 million (previous year ₹ 42.6 million credited) is debited to the Statement of Profit and Loss, being the ineffective portion thereof.

44. The aggregate amount of revenue expenditure incurred during the year on Research and Development and shown in the respective heads of account is ₹ 11020.3 million (previous year ₹ 8455.9 million).
45. The aggregate amount of cash expenditure incurred during the year on Corporate Social Responsibility (CSR) is ₹ 205.1 million (previous year ₹ 125.8 million shown in the respective heads of account) and is shown separately under note 28 based on Guidance Note on Accounting for Expenditure on CSR Activities issued by the ICAI.

Particulars	2015-2016 ₹ in million	2014-2015 ₹ in million
Donations	181.1	119.8
Employee Benefits Expense	9.8	6.0*
Others – Patient Awareness, etc.	14.2	-
Total	205.1	125.8

* Refer note 26

The amount required to be spent by the Company during the year is ₹ 541.5 million. No amount was spent during the year towards construction/acquisition of any asset relating to CSR expenditure.

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

Particulars	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
i. The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	391.9 (interest ₹ nil)	387.3 (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	-	-

47. As per best estimate of the management, provision has been made towards probable non-saleable return of goods from customers, as per Accounting Standard 29 (AS-29).

Particulars	2015-2016 ₹ in million	2014-2015 ₹ in million
Carrying amount at the beginning of the year	111.6	102.5
Add : Additional Provisions made during the year	821.2	741.5
Less: Amounts used / utilised during the year	810.1	732.4
Carrying amount at the end of the year	122.7	111.6

48. Details of purchases, sale of goods and inventories:

- A) Details of purchases of stock-in-trade:

Classification	Year Ended 31.03.2016 ₹ in million	Year Ended 31.03.2015 ₹ in million
a) Formulations:		
Tablets	4395.6	3687.1
Liquids	898.3	852.8
Capsules	933.0	907.9
Injections		
- Liquids	128.8	109.0
- Vials	4165.6	3378.0
Creams and Powder	207.8	194.5
Inhalers	66.1	2.9
b) Others	272.1	292.8
Total	11067.3	9425.0

Purchases of formulations include samples.

B) Details of sale of goods:

Classification	Year Ended 31.03.2016 ₹ in million	Year Ended 31.03.2015 ₹ in million
a) Formulations:		
Tablets	63918.2	48191.6
Liquids	6935.8	7477.7
Capsules	15007.9	17586.4
Injections		
- Liquids	386.2	321.3
- Vials	6059.5	5299.3
Creams and Powder	655.3	674.7
Inhalers	799.2	624.7
b) Bulk Drugs, Intermediates and Chemicals	12050.7	11566.9
c) Others	727.9	1541.8
Total	106540.7	93284.4

Above excludes items distributed under free schemes and samples and the value is net of trade discounts.

C) Details of inventories (finished goods including stock-in-trade):

Classification	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
a) Formulations:		
Tablets	2576.6	2419.3
Liquids	366.9	287.7
Capsules	888.2	603.6
Injections		
- Liquids	45.8	53.6
- Vials	1199.8	875.0
Creams and Powder	129.9	97.3
Inhalers	113.2	70.4
b) Bulk Drugs, Intermediates and Chemicals	2231.8	1761.6
c) Others	159.6	99.1
Total	7711.8	6267.6

D) Details of work-in-process:

Classification	As at 31.03.2016 ₹ in million	As at 31.03.2015 ₹ in million
a) Formulations	1037.2	655.3
b) Bulk Drugs, Intermediates and Chemicals	2917.9	3016.8
Total	3955.1	3672.1

E) Consumption of raw materials:

Item	Year Ended 31.03.2016 ₹ in million	Year Ended 31.03.2015 ₹ in million
a) DL2 (RECEMIC)	1176.7	1110.3
b) PEN G	2779.5	2576.9
c) Others*	16342.7	15929.6
Total	20298.9	19616.8

* containing various raw materials, none of which individually represents more than 5% of total consumption of raw materials.

49. Related Party Disclosures, as required by Accounting Standard 18 (AS-18) are given below :

A. Relationships -

Category I: Subsidiaries:

- Lupin Pharmaceuticals, Inc., USA
- Kyowa Pharmaceutical Industry Co., Limited, Japan
- Lupin Australia Pty Limited, Australia
- Lupin Holdings B.V., Netherlands
- Pharma Dynamics (Proprietary) Limited, South Africa
- Hormosan Pharma GmbH, Germany
- Multicare Pharmaceuticals Philippines Inc., Philippines
- Lupin Atlantis Holdings SA, Switzerland
- Lupin (Europe) Limited, UK
- Lupin Pharma Canada Limited, Canada
- Lupin Mexico S.A. de C.V., Mexico
- Generic Health Pty Limited, Australia
- Bellwether Pharma Pty Limited, Australia
- Max Pharma Pty Limited, Australia (upto December 17, 2014)
- Lupin Philippines Inc., Philippines
- Lupin Healthcare Limited, India
- Generic Health SDN. BHD., Malaysia
- Kyowa CritiCare Co., Limited, Japan
- Lupin Middle East FZ-LLC, UAE
- Lupin GmbH, Switzerland
- Lupin Inc., USA
- Lupin Farmaceutica do Brasil LTDA, Brazil (upto December 31, 2015)
- Nanomi B.V., Netherlands
- Laboratorios Grin S.A. de C.V., Mexico (from September 30, 2014)
- Medquímica Indústria Farmacêutica LTDA, Brazil (from June 24, 2015)
(formerly Medquímica Indústria Farmacêutica S.A., Brazil)
- Lupin Pharma LLC, Russia (from February 11, 2016)
- Gavis Pharmaceuticals, LLC, USA (from March 8, 2016)
- VGS Holdings, Inc., USA (from March 8, 2016)
- Novel Laboratories, Inc., USA (from March 8, 2016)
- Novel Clinical Research (India) Pvt. Ltd., India (from March 8, 2016)
- Edison Therapeutics LLC, USA (from March 8, 2016)
- Lupin Research Inc., USA (from March 8, 2016)

Category II: Jointly Controlled Entity:

- YL Biologics Ltd., Japan (from April 23, 2014)

Category III: Key Management Personnel (KMP)

- | | |
|------------------------|--|
| Dr. D. B. Gupta | Chairman |
| Dr. Kamal K. Sharma | Vice Chairman |
| Ms.Vinita Gupta | Chief Executive Officer |
| Mr. Nilesh Gupta | Managing Director |
| Mrs. M. D. Gupta | Executive Director |
| Mr. Ramesh Swaminathan | Chief Financial Officer and Executive Director |
| Mr. R.V. Satam | Company Secretary |

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

Mrs. Kavita Sabharwal (Daughter of Chairman)
 Dr. Anuja Gupta (Daughter of Chairman)
 Dr. Richa Gupta (Daughter of Chairman)
 Mrs. Pushpa Khandelwal (Sister of Chairman)
 Mrs. Shefali Nath (Wife of Managing Director)
 Ms. Veda Nilesh Gupta (Daughter of Managing Director)
 Bharat Steel Fabrication and Engineering Works
 D. B. Gupta (HUF)
 Lupin Human Welfare and Research Foundation
 Lupin Foundation
 Lupin International Pvt. Limited
 Lupin Investments Pvt. Limited
 Lupin Holdings Pvt. Limited
 Matashree Gomati Devi Jana Seva Nidhi
 Polynova Industries Limited
 Rahas Investments Pvt. Limited
 Synchem Investments Pvt. Limited
 Visiomed Investments Pvt. Limited
 Zyma Laboratories Limited
 Concept Pharmaceuticals Limited
 Shuban Prints
 TeamLease Services Limited

B. Transactions with the related parties:

					(₹ in million)	
Sr. No.	Transactions	Subsidiaries / Jointly Controlled Entity	Key Management Personnel	Others	Total	
1.	Sale of Goods	55299.7	-	-	55299.7	
		(46154.9)	(-)	(-)	(46154.9)	
2.	Sale - Research Services-IP	432.7	-	-	432.7	
		(1003.2)	(-)	(-)	(1003.2)	
3.	Sale - Research Services-Others:-					
		a) Contract R & D Services	817.3	-	-	817.3
			(664.1)	(-)	(-)	(664.1)
		b) Technology License Fees	58.5	-	-	58.5
		(46.8)	(-)	(-)	(46.8)	
4.	Income from Royalty	-	-	-	-	
		(9.4)	(-)	(-)	(9.4)	
5.	Guarantee Fees Income	37.2	-	-	37.2	
		(3.1)	(-)	(-)	(3.1)	
6.	Services Rendered (Income)	1.6	-	-	1.6	
		(-)	(-)	(-)	(-)	
7.	Rent Expenses	-	-	90.2	90.2	
		(-)	(-)	(84.8)	(84.8)	
8.	Expenses Recovered / Rent Received	111.1	-	2.7	113.8	
		(54.6)	(-)	(2.7)	(57.3)	
9.	Remuneration Paid	-	865.4	-	865.4	
		(-)	(629.2)	(-)	(629.2)	

(₹ in million)

Sr. No.	Transactions	Subsidiaries / Jointly Controlled Entity	Key Management Personnel	Others	Total
10.	Purchases of Goods / Materials	-	-	149.6	149.6
		(-)	(-)	(119.6)	(119.6)
11.	Investments during the year	19527.8	-	-	19527.8
		(8007.6)	(-)	(-)	(8007.6)
12.	Refund of Advance against Investment	-	-	-	-
		(14.6)	(-)	(-)	(14.6)
13.	Donations Paid	-	-	197.4	197.4
		(-)	(-)	(143.8)	(143.8)
14.	Dividend Paid	-	49.4	1527.8	1577.2
		(-)	(19.6)	(611.1)	(630.7)
15.	Business Compensation Expenses	-	-	-	-
		(12.1)	(-)	(-)	(12.1)
16.	Services Received (Expense)	2110.3	-	49.2	2159.5
		(1871.5)	(-)	(-)	(1871.5)
17.	Expenses Reimbursed	640.5	-	-	640.5
		(518.1)	(-)	(-)	(518.1)
18.	Dividend Income	10.0	-	-	10.0
		(37.1)	(-)	(-)	(37.1)
19.	Purchase of Land	59.2	-	-	59.2
		(-)	(-)	(-)	(-)
20.	Sale of Investment in Subsidiaries	52.3	-	-	52.3
		(-)	(-)	(-)	(-)
21.	Corporate guarantees issued by the Company to the bankers of subsidiary companies	125144.4	-	-	125144.4
		(379.9)	(-)	(-)	(379.9)
22.	Withdrawal of corporate guarantees given by the Company to the bankers of subsidiary companies	1154.7	-	-	1154.7
		(513.0)	(-)	(-)	(513.0)

Out of the above items, transactions in excess of 10% of the total related party transactions are as under :

(₹ in million)

Sr. No.	Transactions	Related party relation	For the year ended 31.03.2016	For the year ended 31.03.2015
1.	Sale of Goods			
	Lupin Pharmaceuticals, Inc.	Subsidiary Company	52523.8	44008.6
2.	Sale - Research Services-IP			
	Lupin Atlantis Holdings SA	Subsidiary Company	432.7	1003.2
3.	Sale - Research Services-Others			
	a) Contract R & D Services			
	Lupin Atlantis Holdings SA	Subsidiary Company	672.8	664.1
	Lupin Inc.	Subsidiary Company	144.5	-
	b) Technology License Fees			
	Laboratorios Grin S.A. de C.V.	Subsidiary Company	58.5	46.8
4.	Income from Royalty			
	Generic Health Pty Limited	Subsidiary Company	-	9.4
5.	Guarantee Fees Income			
	Lupin Atlantis Holdings SA	Subsidiary Company	13.3	-
	Lupin Pharmaceuticals, Inc.	Subsidiary Company	9.1	-
	Lupin Inc.	Subsidiary Company	7.4	-
	Kyowa Pharmaceutical Industry Co., Limited	Subsidiary Company	0.9	3.1
6.	Services Rendered (Income)			
	Multicare Pharmaceuticals Philippines Inc.	Subsidiary Company	0.3	-
	Lupin Atlantis Holdings SA	Subsidiary Company	0.2	-
	Laboratorios Grin S.A. de C.V.	Subsidiary Company	0.8	-
	Kyowa CritiCare Co., Ltd.	Subsidiary Company	0.2	-

(₹ in million)				
Sr. No.	Transactions	Related party relation	For the year ended 31.03.2016	For the year ended 31.03.2015
7.	Rent Expenses			
	Lupin Investments Pvt. Limited	Others	70.2	65.9
	Bharat Steel Fabrication and Engineering Works	Others	11.1	10.4
8.	Expenses Recovered / Rent Received			
	Lupin Pharmaceuticals, Inc.	Subsidiary Company	20.7	19.8
	Lupin (Europe) Limited	Subsidiary Company	11.5	7.8
	Lupin GmbH	Subsidiary Company	24.4	6.5
	Lupin Inc.	Subsidiary Company	19.2	-
	Kyowa Pharmaceutical Industry Co., Limited	Subsidiary Company	13.8	12.0
9.	Remuneration Paid			
	Dr. D. B. Gupta	Key Management Personnel	447.8	375.8
	Dr. Kamal K. Sharma	Key Management Personnel	257.4	166.1
	Mr. Nilesh Gupta	Key Management Personnel	75.9	82.3
10.	Purchases of Goods / Materials			
	Concept Pharmaceuticals Limited	Others	104.5	93.9
	Shuban Prints	Others	45.1	25.7
11.	Investments during the year			
	Lupin Atlantis Holdings SA	Subsidiary Company	13142.3	7982.8
	Lupin Holdings B.V.	Subsidiary Company	6385.5	-
12.	Refund of Advance against Investment			
	Lupin Middle East FZ-LLC	Subsidiary Company	-	14.6
13.	Donations Paid			
	Lupin Human Welfare and Research Foundation	Others	181.2	133.8
14.	Dividend Paid			
	Lupin Holdings Pvt. Limited	Others	303.0	121.2
	Rahas Investments Pvt. Limited	Others	342.7	137.1
	Visiomed Investments Pvt. Limited	Others	326.4	130.5
	Zyma Laboratories Limited	Others	412.2	164.9
15.	Business Compensation Expenses			
	Kyowa Pharmaceutical Industry Co., Limited	Subsidiary Company	-	12.1
16.	Services Received (Expenses)			
	Lupin Pharmaceuticals, Inc.	Subsidiary Company	1413.8	1254.2
	Lupin (Europe) Limited	Subsidiary Company	182.4	354.1
	Lupin GmbH	Subsidiary Company	260.0	175.1
17.	Expenses Reimbursed			
	Lupin Pharmaceuticals, Inc.	Subsidiary Company	468.3	407.4
18.	Dividend Income			
	Lupin Pharmaceuticals, Inc.	Subsidiary Company	10.0	37.1
19.	Purchase of Land			
	Lupin Healthcare Limited	Subsidiary Company	59.2	-
20.	Sale of Investment in Subsidiaries			
	Lupin Atlantis Holdings SA	Subsidiary Company	52.3	-
21.	Corporate guarantees issued by the Company to the bankers of subsidiary companies			
	Lupin Atlantis Holdings SA and Lupin Inc.	Subsidiary Companies	117470.1	-
	Hormosan Pharma GmbH	Subsidiary Company	301.6	67.2
	Kyowa CritiCare Co., Ltd.	Subsidiary Company	353.9	312.7

(₹ in million)				
Sr. No.	Transactions	Related party relation	For the year ended 31.03.2016	For the year ended 31.03.2015
22.	Withdrawal of corporate guarantees given by the Company to the bankers of subsidiary companies			
	Kyowa CritiCare Co., Ltd.	Subsidiary Company	312.8	-
	Hormosan Pharma GmbH	Subsidiary Company	268.8	-
	Kyowa Pharmaceutical Industry Co., Limited	Subsidiary Company	513.0	513.0

C. Balances due from/to the related parties:

(₹ in million)					
Sr. No.	Balances	Subsidiaries/ Jointly controlled entity	Key Management Personnel	Others	Total
1.	Investments	37353.4 (17877.9)	- (-)	- (-)	37353.4 (17877.9)
2.	Deposits paid under Leave and Licence arrangement for premises	- (-)	- (-)	54.7 (54.7)	54.7 (54.7)
3.	Trade Receivables	37341.8 (18440.4)	- (-)	- (-)	37341.8 (18440.4)
4.	Trade Payables	1614.8 (625.3)	- (-)	3.9 (3.4)	1618.7 (628.7)
5.	Commission Payable	- (-)	400.5 (326.8)	- (-)	400.5 (326.8)
6.	Expenses Payable	173.7 (59.5)	- (-)	- (-)	173.7 (59.5)
7.	Expenses Receivable	50.7 (40.5)	- (-)	- (-)	50.7 (40.5)
8.	Advance from Customer	14.9 (19.4)	- (-)	- (-)	14.9 (19.4)
9.	Income Receivable	34.0 (38.1)	- (-)	- (-)	34.0 (38.1)
10.	Payable for Purchase of Fixed Asset	59.2 (-)	- (-)	- (-)	59.2 (-)
11.	Deposits received under Leave and Licence arrangement for premises	- (-)	- (-)	0.1 (0.1)	0.1 (0.1)
12.	Letter of Comfort issued by the Company to the bankers of subsidiary companies	143.3 (139.5)	- (-)	- (-)	143.3 (139.5)
13.	Corporate guarantees issued by the Company to the bankers of subsidiary companies	125917.9 (1849.9)	- (-)	- (-)	125917.9 (1849.9)

i) Figures in brackets are for previous year.

ii) Related party relationship is as identified by the Company and relied upon by the Auditors.

50. During the previous year, sale of research services included ₹ 227.7 million in respect of income accrued w.e.f. April 1, 2013 for providing captive research services at cost plus an arm's length mark-up in relation to certain products development under Amendment II dated March 15, 2015 to the Product Development Agreement dated October 8, 2012, as amended, between the Company and Lupin Atlantis Holdings SA (LAHSA). The rights, interest and title to the said products and their use together with all associated intellectual property rights vest with LAHSA.

51. During the previous year, in terms of Schedule II to the Companies Act, 2013 read together with Accounting Standard 6 (AS - 6) "Depreciation Accounting", the management of the Company had, based on independent technical evaluation, reassessed the remaining useful lives of fixed assets to align with those specified in Schedule II and had undertaken the componentization of major items of fixed assets with effect from April 1, 2014. During the current year, the management has confirmed its reassessment of the useful lives of the assets which is in line with such assertions in the previous year. In terms of these evaluations, the revised useful lives of certain assets are as under:

Asset	Revised Useful Life
Plant and Equipment	10 to 15 years
Furniture and Fixtures	10 years
Vehicles	8 years
Office Equipment	3 to 6 years

During the previous year, pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company had fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and had adjusted an amount of ₹ 610.8 million (net of deferred tax of ₹ 314.6 million) against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus.

The depreciation expense in the Statement of Profit and Loss in the previous year was higher by ₹ 1618.2 million consequent to the change in the useful lives of the assets.

52. Excise duty (Refer note 28) includes ₹ 74.2 million (previous year ₹ 32.9 million) being net impact of the excise duty provision on opening and closing stock.
53. No borrowing cost has been capitalised during the year.
54. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Signature to note 1 to 54

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

Dr. Desh Bandhu Gupta

Chairman
DIN: 00209378

Nilesh Gupta
Managing Director
DIN: 01734642

Dr. K. U. Mada
Director
DIN: 00011395

Place : Mumbai
Dated : May 19, 2016

Dr. Kamal K. Sharma

Vice Chairman
DIN: 00209430

Ramesh Swaminathan
Chief Financial Officer
& Executive Director
DIN: 01833346

Dileep C. Choksi
Director
DIN: 00016322

R. V. Satam
Company Secretary
ACS - 11973

Vinita Gupta

Chief Executive Officer
DIN: 00058631

R. A. Shah
Director
DIN: 00009851

Jean Luc Belingard
Director
DIN: 07325356

LUPIN LIMITED
Corporate Office

Laxmi Towers
B' Wing, 5th floor
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
India
Tel.: +91 (22) 6640 2222

Registered Office

Kalpataru Inspire, 3rd Floor
Off Western Express Highway
Santacruz (East)
Mumbai 400 055
India
Tel.: +91 (22) 6640 2323

Email

info@lupin.com

Website

www.lupin.com

 www.lupin.com

 www.linkedin.com/company/lupin

 www.twitter.com/lupinlimited



LUPIN