LUPIN

July 12, 2022

BSE Limited
Department of Corporate Services,
P. J. Towers,
Dalal Street
MUMBAI - 400 001.

National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051.

Dear Sir/Madam,

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

In compliance with Regulation 34(1) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Listing Regulations), we are pleased to enclose the Integrated Report of the Company for the year ended March 31, 2022 along with the Notice dated May 18, 2022, convening the Fortieth Annual General Meeting of the Company on **Wednesday, August 3, 2022, at 4.00 p.m. (IST)** to be held through Video Conferencing/Other Audio-Visual Means.

It may kindly be noted that the Integrated Report contains information prescribed by Regulations 34(2) and (3) of the Listing Regulations.

The above is for your information and dissemination.

Thanking you,

For LUPIN LIMITED

LUPIN LIMITED INDIA MUMBAI

R. V. SATAM
COMPANY SECRETARY
(ACS - 11973)

Encl: a/a

LUPIN LIMITED
Registered Office:
Kalpataru Inspire, 3rd Floor,
Off Western Express Highway,
Santacruz (East), Mumbai - 400 055.
CIN: L24100MH1983PLC029442
Email: investorservices@lupin.com
Website: www.lupin.com

Notice To Members

NOTICE is hereby given that the Fortieth Annual General Meeting of Lupin Limited will be held on Wednesday, August 3, 2022 at 4.00 p.m. (IST), through Video Conferencing (VC)/Other Audio-Visual Means (OAVM). The venue of the meeting shall be deemed to be the Registered Office of the Company, Kalpataru Inspire, 3rd Floor, Off Western Express Highway, Santacruz (East), Mumbai - 400 055.

The following business will be transacted at the meeting: -

ORDINARY BUSINESS

1. To receive, consider and adopt the standalone audited financial statements including Balance Sheet as at March 31, 2022, 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, 2022, 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 of ₹ 4/- per equity share, for the year ended March 31, 2022.

4. To consider the re-appointment of Ms. Vinita Gupta (DIN: 00058631), as a Director of the Company, who retires by rotation and being eligible, offers herself, for re-appointment.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution for ratifying remuneration payable to Mr. S. D. Shenoy, Cost Auditor, for conducting cost audit for the year ending March 31, 2023: -

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any amendments or re-enactments thereof), Mr. S. D. Shenoy (FCMA, Membership No. 8318), practising Cost Accountant, Cost Auditor, appointed by the Board of Directors (based on recommendation of the Audit Committee), to conduct audit of the cost records of the Company, for the year ending March 31, 2023, be paid remuneration of ₹ 700,000/- (Rupees Seven Hundred Thousand only) plus applicable taxes 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. In view of the continuing global COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) vide General Circular No. 2/2022 dated May 5, 2022 read with General Circular Nos. 20/2020 dated May 5, 2020, 2/2021 dated January 13, 2021, 19/2021 dated December 8, 2021 and 21/2021 dated December 14, 2021 (Circulars), has allowed companies to conduct the Annual General Meeting (AGM) through VC/OAVM without the physical presence of Members at a common venue. In compliance with the Circulars, relevant provisions of the Companies Act, 2013 (Act) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the AGM of the Company is being held through VC/OAVM at 4.00 p.m. (IST) on Wednesday, August 3, 2022. Members can attend and participate in the AGM though VC/OAVM.

2. As the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by Members is not available and hence, Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

3. Members can join the AGM through VC/OAVM mode 30 minutes before the scheduled time of commencement of the meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 Members on first come first served basis. This will not include large Shareholders (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of the Audit/Nomination & Remuneration/Stakeholders' Relationship Committees, Auditors, etc., who are allowed to attend the AGM without restriction of first come first served basis.

4. Members attending the AGM through VC/OAVM shall be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.

5. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations, MCA Circular No. 2/2022 dated May 5, 2022 read with Circular Nos. 2/2021

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dated January 13, 2021, 20/2020 dated May 5, 2020, 17/2020 dated April 13, 2020 and 14/2020 dated April 8, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has engaged the services of National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a Member using remote e-Voting system as also voting on the date of the AGM will be provided by NSDL. The process and manner for availing the said facility is explained in this Notice.

6. Institutional Investors/Corporate members intending to authorise their representatives to participate and vote at the AGM are requested to e-mail to investorservices@lupin.com, a scanned copy (PDF/JPEG format) of the Board Resolution/Power of Attorney/Authority Letter authorising their representatives to attend and vote at the AGM, pursuant to Section 113 of the Act.

7. An Explanatory Statement, in compliance with the provisions of Section 102 of the Act and Rules made thereunder, Secretarial Standards on General Meetings (SS-2) and Listing Regulations, wherever applicable, in respect of Special Business to be transacted at the AGM is annexed and forms part of this Notice. The Board of Directors have considered and decided to include Item No. 5 given above as Special Business at the AGM, since it is considered unavoidable.

8. The Record date shall be Friday, July 15, 2022, for determining the entitlement of Members for dividend for the year ended March 31, 2022, if declared.

Members holding shares in dematerialised form who acquire shares after despatch of the Notice and holding shares as of the cut-off date i.e. Tuesday, July 26, 2022, are requested to follow steps mentioned in this Notice under 'Access to NSDL e-Voting system'.

Members holding shares in physical form and non-individual shareholders, who acquire shares after despatch of this Notice and holding shares as of the cut-off date, are requested to obtain the login ID and password by sending request to evoting@nsdl.co.in.

9. Dividend for the year ended March 31, 2022, if declared, at the AGM, shall be paid to those Members, whose names appear: -

a. as beneficial owners at the end of business hours on Friday, July 15, 2022, as per lists furnished by Central Depository Services (I) Limited and National Securities Depository Limited in respect of shares held in electronic form; and

b. on the Register of Members of the Company as on Friday, July 15, 2022, after giving effect to valid transfers in respect of transfer requests lodged with Link Intime India Pvt. Ltd., Registrar and Share Transfer Agent (RTA) or the Company, on or before the close of business hours on Friday, July 15, 2022, in respect of shares held in physical form.

10. Members holding shares in dematerialised form are requested to intimate particulars of bank mandates, nominations, power of attorneys, e-mail addresses, contact numbers, change of addresses, etc. to their Depository Participant (DP). Members holding shares in physical form are requested to intimate these details to the RTA.

In order to enable the Company to remit dividend electronically through National Automated Clearing House (NACH), National Electronic Funds Transfer (NEFT), etc., Members holding shares in physical form are requested to provide/update details of their bank accounts indicating name of the bank, branch, account number, nine-digit MICR code and IFSC code (as appearing on the cheque) along with a scanned copy of cheque/cancelled cheque to rnt.helpdesk@linkintime.co.in. Members holding shares in dematerialised form are requested to provide the said details to their DP.

The Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends distributed by the Company after April 1, 2020, shall be taxable in the hands of the shareholders. The details are explained in this Notice.

11. SEBI 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 DP if not submitted earlier. Members holding shares in physical form are requested to submit their PAN to the RTA if not submitted earlier.

12. Members who have not encashed their dividend warrants for the year ended March 31, 2015, or any subsequent year(s), are requested to lodge their claims with the RTA at the earliest.

13. Dividends remaining unclaimed/unpaid for a period of seven years are required to be transferred to the 'Investor Education and Protection Fund' (IEPF). Accordingly, unpaid dividend up to the year ended March 31, 2014, has already been transferred to IEPF.

14. 'Register of Directors and Key Managerial Personnel and their shareholdings' and 'Register of Contracts or Arrangements in which Directors are interested', maintained under Sections 170 and 189 of the Act, respectively and the Certificate from Auditors of the Company certifying that the stock option plans of the Company are being implemented in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014, will be available electronically for inspection by Members.

All documents referred to in this Notice will also be available for electronic inspection by Members without payment of any fee from the date of circulation of Notice up to the date of AGM, i.e. Wednesday, August 3, 2022.

Members seeking to inspect such documents are requested to send an e-mail to investorservices@lupin.com. Inspection shall be provided at a mutually convenient time.

15. Pursuant to MCA Circular No. 2/2022 dated May 5, 2022 read with Circular Nos. 20/2020 dated May 5, 2020 and 17/2020 dated April 13, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Notice of the AGM along with the Explanatory Statement and Integrated Report for the year ended March 31, 2022, are being sent electronically to those Members whose e-mail addresses are registered with the DP/Company and the same are also available on the websites of the Company (www.lupin.com), RTA (www.linkintime.co.in), NSDL (www.evoting.nsdl.com), BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com).

16. Members holding shares in physical form in single name are advised to avail of nomination facility. As per the provisions of Section 72 of the Act, the facility for making nomination is available for Members in respect of shares held by them. Members who have not yet registered their nomination, are requested to register the same by submitting Form No. SH-13. Nomination forms can be downloaded from the website of the Company (www.lupin.com) or obtained from the RTA (www.linkintime.co.in). Members are requested to submit the said details to their DP in case shares are held in electronic form and to the RTA in case shares are held in physical form.

17. 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.

18. Members are requested to: -

a. Quote DP ID and Client ID/Ledger Folio numbers in all their correspondence;

b. Approach the RTA for consolidation of multiple ledger folios into one; and

c. Get shares transferred in joint names, if they are held in a single name and/or appoint a nominee, to avoid inconvenience,.

19. NRI Members are requested to inform the RTA 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.

20. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their communications to investorservices@lupin.com at least seven days before the date of the meeting. The same will be suitably replied to by the Company.

21. As shares of the Company are traded under compulsory demat, 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 18, 2022

Registered Office:

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
E-mail: investorservices@lupin.com
Website: www.lupin.com

Registrar and Share Transfer Agent:

Link Intime India Pvt. Ltd.
Unit: Lupin Limited
C 101, 247 Park, L.B.S. Marg,
Vikhroli (West),
Mumbai - 400 083
Tel: +91 22 4918 6270
Toll Free No.: 1800 1020 878
E-mail: rnt.helpdesk@linkintime.co.in

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE ACT.

ITEM NO. 4

A brief profile of Ms. Vinita Gupta, 54, Chief Executive Officer, her areas of expertise and names of companies in which she is director are given in the Corporate Governance Report, which forms part of the Integrated Report.

Ms. Vinita Gupta holds 327424 fully paid-up equity shares of ₹ 2/- each in the Company.

Ms. Vinita Gupta and Mrs. Manju D. Gupta and Mr. Nilesh D. Gupta who are related to her 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.

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 Resolution.

ITEM NO. 5

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), practising Cost Accountant, Cost Auditor, to conduct audit of the cost records of the Company for the year ending March 31, 2023.

Mr. 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 ₹ 700,000/- plus applicable taxes and out of pocket expenses payable to the Cost Auditor as approved by the Board of Directors on the recommendation of the Audit Committee, needs to be ratified by Members. Thus, consent of Members is being sought for ratifying the remuneration payable to the Cost Auditor for year ending March 31, 2023.

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 Resolution.

By Order of the Board of Directors

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

Mumbai, May 18, 2022

Registered Office:

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
E-mail: investorservices@lupin.com
Website: www.lupin.com

Registrar and Share Transfer Agent:

Link Intime India Pvt. Ltd.
Unit: Lupin Limited
C 101, 247 Park, L.B.S. Marg,
Vikhroli (West),
Mumbai - 400 083
Tel: +91 22 4918 6270
Toll Free No.: 1800 1020 878
E-mail: rnt.helpdesk@linkintime.co.in

INSTRUCTIONS FOR REMOTE E-VOTING

How do I vote electronically and join virtual meeting using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, on e-Voting facility, post June 9, 2021, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and e-mail in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/physical mode is given below: -

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	• **If you are already a registered user for NSDL IDeAS facility,** please visit the e-Services website of NSDL. Open web browser by typing the URL: https://eservices.nsdl.com either on a Personal Computer or mobile. Once the home page of e-Services is launched, click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section. A new screen will open. Please enter your User ID and Password. • After successful authentication, you will see 'e-Voting services'. Click on 'Access to e-Voting' under 'e-Voting services' and you will see the 'e-Voting page'. Click on Company name or e-Voting service provider i.e., NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or for joining the virtual meeting and voting during the meeting. • **If the User is not registered for IDeAS e-Services**, option to register is available at https://eservices.nsdl.com. Select 'Register Online for IDeAS' portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. • Visit the e-Voting website of NSDL. Open web browser by typing the URL: https://www.evoting.nsdl.com/either on a Personal Computer or mobile. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section. A new screen will open. Please enter your User ID i.e., your sixteen-digit demat account number (held with NSDL), Password/OTP and the Verification Code as shown on the screen. After successful authentication, you will be redirected to the NSDL site wherein you can see e-Voting page. Click on Company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or for joining the virtual meeting and voting during the meeting. • **Shareholders/Members can also download NSDL Mobile App "NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Individual Shareholders holding securities in demat mode with CDSL	• **Existing Users, who have opted for Easi/Easiest,** can login through their User ID and Password. Option will be made available to reach e-Voting page without any further authentication. The URLs for Users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. • After successful login on Easi/Easiest, the User will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. • **If the User is not registered on Easi/Easiest**, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. • Alternatively, Users can directly access e-Voting page by providing Demat Account Number and PAN No. from the link www.cdslindia.com home page. The system will authenticate the User by sending OTP on registered Mobile and Email as recorded in the Demat Account. After successful authentication, User will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) and login through their depository participants	• Users can also login using the login credentials of their Demat Account through their Depository Participant registered with NSDL/CDSL for e-Voting facility. • When you login, you will see e-Voting option. Once you click on the same, you will be redirected to NSDL/CDSL sites after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining the virtual meeting and voting during the meeting.

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

<u>**How to Log-in to NSDL e-Voting website?**</u>

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below: -

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below: -

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

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b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your initial password?

i) If your e-mail ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail ID. Trace the email sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a pdf file. Open the pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.

ii) If your e-mail ID is not registered, please follow steps mentioned below in **process for those shareholders whose e-mail ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password: -

a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Helpdesk for Individual Shareholders holding securities in demat mode: -

In case Shareholders/Members holding securities in demat mode have technical issues related to login through Depository i.e. NSDL/CDSL, they may contact the respective helpdesk given below: -

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free nos.: 1800 1020 990 and 1800 22 44 30.
Individual Shareholders holding securities in demat mode with CDSL	Members facing technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022 - 2305 8738 or 022 - 2305 8542/43.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login as mentioned above, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Power of Attorney/Authority letter etc., with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, by e-mail to investorservices@lupin.com, with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc., by clicking on "Upload Board Resolution/ Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Senior Manager at evoting@nsdl.co.in

Process for those shareholders whose e-mail ids are not registered with the depositories for procuring User ID and Password and registration of e-mail ids for e-voting for the resolutions set out in this notice: -

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to **investorservices@lupin.com.**
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to **investorservices@lupin.com**. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholders/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-Voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and e-mail ID correctly in their demat account in order to access e-Voting facility.

GENERAL INSTRUCTIONS

1. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Tuesday, July 26, 2022.
2. The facility for e-voting shall also be available at the AGM. Members who have already cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote at the AGM. Only those Members who attend the AGM and have not cast their votes through remote e-voting and are otherwise not barred from doing so will be allowed to vote through the e-voting facility available at the AGM.
3. Any person, who acquires shares of the Company and becomes its member after sending Notice of the AGM and holds shares as on the cut-off date for voting i.e. Tuesday, July 26, 2022, may obtain the login ID and password by following the instructions of Remote e-voting.
4. Ms. Neena Bhatia, Practising Company Secretary (FCS No. 9492 CP. No. 2661) has been appointed as the Scrutinizer to scrutinize the remote e-voting and ensure that the voting process at the AGM is conducted in a fair and transparent manner.
5. The Scrutinizer shall after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour/against, if any, to the Chairperson or a person authorized in writing, who shall countersign the same and **declare the result of the voting forthwith**.
6. The Results declared along with the Report of the Scrutinizer shall be placed on the website of the Company www.lupin.com and on the website of our Registrar and Transfer Agent viz. Link Intime India Pvt. Ltd. i.e., https://instavote.linkintime.co.in, NSDL i.e. www.evoting.nsdl.com and shall also be forwarded to BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE).

LUPIN

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE FORTIETH ANNUAL GENERAL MEETING (AGM) THROUGH VC/ OAVM ARE AS UNDER: -

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/ OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, e-mail id, mobile number at agm2022speakers@lupin.com. The same will be replied by the company suitably.

Instructions for Shareholders/Members to Speak during the AGM through NSDL e-Voting system: -

1. Shareholders who would like to speak during the meeting must register their request mentioning their name, demat account number/folio number, e-mail id, mobile number at agm2022speakers@lupin.com, atleast 48 hours prior to the date of AGM i.e. on or before 4.00 p.m. (IST) on Monday, August 1, 2022.

2. Speakers will only be allowed to express their views/ask questions on first come first served basis during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

3. Shareholders who would like to ask questions, shall send the same in advance mentioning their name, demat account number/folio number, e-mail, mobile number at agm2022speakers@lupin.com , atleast 48 hours prior to the date of AGM i.e. on or before 4.00 p.m. (IST) on Monday, August 1, 2022. The same will be replied by the Company suitably.

4. Shareholders will get confirmation on first come first served basis depending upon the provision made by the Company.

5. Shareholders will receive 'speaking serial number' once they mark attendance for the meeting. Shareholders are requested to speak only when Moderator of the meeting will announce the name and serial number for speaking.

6. Please remember 'speaking serial number' and start your conversation with panelist by switching on audio of your device.

7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

LUPIN

INSTRUCTIONS ON TAX DEDUCTIBLE AT SOURCE ON DIVIDEND

In accordance with the provisions of the Income Tax Act, 1961, (Act) as amended by the Finance Act, 2020, effective April 1, 2020, dividend declared and paid by Company shall be taxable in the hands of the shareholders. The Company is required to deduct tax at source (TDS) at the rates applicable to each category of shareholders. The rates of TDS for various categories of shareholders and the required documents are provided below: -

Resident Shareholders: -

1. No tax shall be deducted for resident individual shareholders, if the aggregate amount of dividend to be paid during FY 2022-2023 does not exceed ₹ 5,000/-.
2. Where, Permanent Account Number (PAN) of the recipient of dividend is available with the Company and is valid: -
   - **a.** In accordance with Section 194 of the Act, TDS will be @ 10%, if the amount of dividend payable exceeds ₹ 5,000/-; and
   - **b.** No tax at source shall be deducted on dividend payable in cases where the shareholder provides duly completed and signed Form 15G (applicable to any person other than a Company or a Firm) or Form 15H (applicable to an individual above the age of 60 years), provided that all the eligibility conditions are met. Form 15G and Form 15H are appended herein below **(Annexures I and II)**.
3. Where PAN is either not available or is invalid, TDS will be @ 20%.
4. As per the provisions of Section 206AB of the Act, effective July 1, 2021, where shareholders have not filed their Income Tax returns for FY 2020-21 and the aggregate of TDS and tax collected at source is ₹ 50,000 or more in the said year ('Specified Persons') TDS will be @ 20%. The Central Board of Direct Taxes (CBDT) has prescribed the functionality for determining whether a person fulfills the conditions of being a 'Specified Person' or not. Accordingly, the Company will verify from the above functionality provided by CBDT whether any shareholder of the Company qualifies as a 'Specified Person' prior to applying the relevant TDS rates.
5. Insurance Companies, Mutual Funds registered under Section 10(23D) of the Act, Alternate Investment Funds (AIF) established/incorporated in India, whose income is exempt under Section 10 (23FBA) of the Act and Governments (Central/State) shall provide appended declaration **(Annexure III)**.

Non-Resident Shareholders:

1. Tax is required to be deducted in accordance with the provisions of Section 195 of the Act at applicable rates in force. Accordingly, TDS @ 20% (plus applicable surcharge and health & education cess) shall be deducted on the amount of dividend payable.
2. Pursuant to Section 90(2) of the Act, non-resident shareholders including Foreign Institutional Investors (FIIs) and Foreign Portfolio Investors (FPIs) have an option to be governed by the provisions of Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if such DTAA provisions are more beneficial to them.

   To avail of DTAA benefits, non-resident shareholders shall furnish the following documents not later than **5.00 p.m. (IST) on Friday, July 15, 2022,** to the RTA via link https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html .

   - **a.** Self-attested copy of PAN allotted by the Indian income tax authorities;
   - **b.** Self-attested Tax Residency Certificate (TRC) issued by the tax/competent authority of the country of residency, evidencing and certifying tax residency status in that country during FY2022-23. In case, the TRC is in a language other than English, a duly notarized and apostilled copy thereof, translated in English language would have to be provided;
   - **c.** Duly completed and signed Form 10F appended **(Annexure IV)**; and
   - **d.** Self-declaration by non-resident shareholders appended **(Annexure V)** regarding: -
     - **i)** Eligibility to claim the beneficial DTAA rate, including having regard to the Principal purpose Test (if any), included in the applicable tax treaty with India for the purposes of tax withholding on dividend declared by the Company;
     - **ii)** Shareholder being the beneficial owner of the dividend income to be received on the equity shares;
     - **iii)** No Permanent Establishment/fixed base in India in accordance with the applicable DTAA; and
     - **iv)** Continue to remain a tax resident of the country of residency during FY2022-23.

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness of the documents submitted by the Non-Resident shareholder and in accordance with the provisions of the Act.

In order to enable to determine the appropriate tax rate at which tax has to be deducted at source under the respective provisions of the Act, Members are requested to provide the above-mentioned details and documents as applicable **on or before Friday, July 15, 2022.** Dividend will be paid after deduction of tax at source as determined based on the aforementioned documents provided by shareholders as applicable to them and being found to be satisfactory.

For all Shareholders:

Shareholders holding shares under multiple accounts under different status/category and single PAN, are requested to note that higher of the tax rate as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

Only scanned copies of the aforementioned documents will be accepted by the Company as per the procedure laid down. Duly completed and signed documents are required to be submitted to RTA by uploading them on https://linkintime.co.in/formsreg/submission-of-form-

15g-15h.html on or **before Friday, July 15, 2022,** in order to enable the Company to determine and deduct appropriate TDS/withholding tax.

Those Shareholders, who have already furnished Annexures I to V, as may be applicable, are not required to furnish them again.

On clicking the above link, the user will be prompted to select/share the following information to register their request: -

1. Select the company (Dropdown)

2. Folio/DP - Client ID

3. PAN

4. Financial year (Dropdown)

5. Form selection

6. Document attachment - 1 (PAN)

7. Document attachment - 2 (Applicable Form(s))

8. Document attachment - 3 (Any other supporting document)

Please note that no communication on tax determination/ deduction shall be entertained after Friday, July 15, 2022. Documents received through any other modes viz. email or hand delivery will not be considered to determine/deduct TDS/withholding tax.

Shareholders are requested to note that in case tax on dividend is deducted at a higher rate on account of non-receipt or insufficiency of requisite documents, they can claim refund at the time of filing income tax return. No claim shall lie against the Company for taxes once deducted. The Company will e-mail a soft copy of the TDS certificate to shareholders on their registered e-mail IDs post completion of activities. Shareholders may view the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at https://www.incometax.gov.in.

Shareholders are requested to update their PAN and e-mail address with depositories (for shares held in demat mode) and with the RTA (for shares held in physical mode), if not already done.

In the event the dividend income as on the **Record Date, i.e. Friday, July 15, 2022,** is assessable to tax in the hands of a person other than the registered shareholder (viz., the shares are held by a clearing member, broker etc. on behalf of the actual beneficial owner), such registered shareholder (i.e. the said clearing member, broker etc.) is required to furnish to the Company/RTA on or before Tuesday, July 19, 2022, a declaration containing name, address, residential status, PAN and amount of dividend of the actual beneficial owner to whom TDS credit is to be given and reasons for giving credit to such person. No request in this regard will be considered by the Company after **Tuesday, July 19, 2022.**

Pursuant to General Circular No. 20/2020 dated May 5, 2020, issued by the Ministry of Corporate Affairs, Government of India, dividend will be paid electronically in the bank accounts of Shareholders. The Company will despatch through postal services, demand drafts for dividend payments to those shareholders who have not registered their bank details. Shareholders holding shares in demat form are advised to keep the bank details updated with their depository participants. Shareholders holding shares in physical form and who have not updated their bank accounts details are requested to update the same with Link Intime after following the process available on the link https://linkintime.co.in/emailreg/email_register.html.

Annexure - I

Name of the Company	**Lupin Limited**
DP ID - Client ID/Folio No.	

INCOME TAX RULES, 1962

FORM NO.15G

[See Section 197A(1), 197A(1A) and Rule 29C]

Declaration under Section 197A(1) and Section 197A(1A) to be made by an individual or a person (not being a company or firm) claiming certain incomes without deduction of tax

PART - I

1. Name of Assessee (Declarant)	2. PAN of the Assessee[1]		
3. Status[2]	4. Previous year (P.Y.)[3] (for which declaration is being made): **2022-2023**	5. ResidentialStatus[4]	
6. Flat/Door/Block No.	7. Name of Premises	8. Road/Street/Lane	9. Area/Locality
10. Town/City/District	11. State	12. PIN	13. E-mail
14. Telephone No. (with STD Code) and Mobile No.	15. (a) Whether assessed to tax under the Income-Tax Act, 1961[5]:	Yes	No
	(b) If yes, latest assessment year for which assessed		
16. Estimated income for which this declaration is made	17. Estimated total income of the P.Y. in which income mentioned in column16 to be included[6]		
18. Details of Form No.15G other than this form filed during the previous year, if any[7]			
Total No. of Form No.15G filed	Aggregate amount of income for which Form No.15G filed		

19. Details of income for which the declaration is filed				
Sl. No.	Identification number of relevant investment/accounts, etc.[8]	Nature of income	Section under which tax is deductible	Amount of income
		Dividend Income	194	

Signature of the Declarant[9]

Declaration/Verification[10]

*I/We..do hereby declare that to the best of *my/our knowledge and belief what is stated above is correct, complete and is truly stated.

*I/We declare that the incomes referred to in this Form are not includible in the total income of any other person under sections 60 to 64 of the Income-tax Act, 1961.

*I/We further declare that the tax *on my/our estimated total income including *income/incomes referred to in column 16 *and aggregate amount of *income/incomes referred to in column 18 computed in accordance with the provisions of the Income-tax Act, 1961, for the previous year ending on 31st March 2023 relevant to the assessment year 2023-2024 will be *nil*.

*I/We also declare that *my/our *income/incomes referred to in column 16 and the aggregate amount of *income/incomes referred to in column 18 for the previous year ending on 31st March, 2023 relevant to the assessment year 2023-2024 will not exceed the maximum amount which is not charge-able to income-tax.

Place: ....

Date: ....

Signature of the Declarant[9]

1. Substituted by IT (Fourteenth Amendment) Rules 2015, w.e.f. 1-10-2015. Earlier Form No.15G was inserted by the IT (Fifth Amendment) Rules, 1982, w.e.f. 21-6-1982 and later on amended by the IT (Fifth Amendment) Rules, 1989, w.e.f. 1-4-1988, IT (Fourteenth Amendment) Rules, 1990, w.e.f. 20-11-1990 and IT (Twelfth Amendment) Rules, 2002, w.e.f. 21-6-2002 and substituted by the IT (Eighth Amendment) Rules, 2003, w.e.f. 9-6-2003 and IT (Second Amendment) Rules, 2013, w.e.f. 19-2-2013.

PART - II

[To be filled by the person responsible for paying the income referred to in column 16 of Part I]

1. Name of the person responsible for paying	2. Unique Identification No.[11]	
3. PAN of the person responsible for paying	4. Complete Address	5. TAN of the person responsible for paying
6. E-mail	7. Telephone No. (with STD Code)and Mobile No.	
	8. Amount of income paid[12]	
9. Date on which Declaration is received (DD/MM/YYYY)	10. Date on which the income has been paid/credited (DD/MM/YYYY)	

Signature of the person responsible for paying the income referred to in column 16 of Part I

Place: ....

Date: ....

*Delete whichever is not applicable.

1. As per provisions of section 206AA(2), the declaration under Section 197A(1) or 197A(1A) shall be invalid if the declarant fails to furnish his valid Permanent Account Number (PAN).

2. Declaration can be furnished by an individual under Section 197A(1) and a person (other than a company or a firm) under Section 197A(1A).

3. The financial year to which the income pertains.

4. Please mention the residential status as per the provisions of Section 6 of the Income-tax Act, 1961.

5. Please mention "Yes" if assessed to tax under the provisions of Income-tax Act, 1961, for any of the assessment year out of six assessment years preceding the year in which the declaration is filed.

6. Please mention the amount of estimated total income of the previous year for which the declaration is filed including the amount of income for which this declaration is made.

7. In case any declaration(s) in Form No.15G is filed before filing this declaration during the previous year, mention the total number of such Form No.15G filed along with the aggregate amount of income for which said declaration(s) have been filed.

8. Mention the distinctive number of shares, account number of term deposit, recurring deposit, National Savings Schemes, life insurance policy number, employee code, etc.

9. Indicate the capacity in which the declaration is furnished on behalf of a HUF, AOP, etc.

10. Before signing the declaration/verification, the declarant should satisfy himself that the information furnished in this form is true, correct and complete in all respects. Any person making a false statement in the declaration shall be liable to prosecution under section 277 of the Income-tax Act, 1961 and on conviction be punishable-

(i) In a case where tax sought to be evaded exceeds twenty-five lakh rupees, with rigorous imprisonment which shall not be less than six months but which may extend to seven years and with fine; and

(ii) In any other case, with rigorous imprisonment which shall not be less than three months but which may extend to two years and with fine;

11. The person responsible for paying the income referred to in column 16 of Part I shall allot a unique identification number to all the Form No.15G received by him during a quarter of the financial year and report this reference number along with the particulars prescribed in Rule 31A(4)(vii) of the Income-tax Rules, 1962, in the TDS statement furnished for the same quarter. In case the person has also received Form No.15H during the same quarter, please allot separate series of serial number for Form No.15G and Form No.15H.

12. The person responsible for paying the income referred to in column 16 of Part I shall not accept the declaration where the amount of income of the nature referred to in sub-section (1) or sub-section (1A) of Section 197A or the aggregate of the amounts of such income credited or paid or likely to be credited or paid during the previous year in which such income is to be included exceeds the maximum amount which is not chargeable to tax for deciding the eligibility, he is required to verify income or the aggregate amount of incomes, as the case may be, reported by the declarant in columns 16 and 18.

Annexure - II

Name of the Company	**Lupin Limited**
DP ID - Client ID/Folio No.	

[1]FORM NO. 15H

[See Section 197A(1C) and Rule 29C]

Declaration under Section 197A(1C) to be made by an individual who is of the age of sixty years or more claiming certain incomes without deduction of tax.

P A R T - I

1. Name of Assessee (Declarant)	2. Permanent Account Number or Aadhaar Number of the Assessee[1]	3. Date of Birth[2] (DD/MM/YYYY)	
4. Previous year (P.Y.)[3] (for which declaration is being made) **2022-2023**	5. Flat/Door/Block No.	6. Name of Premises	
7. Road/Street/Lane	8. Area/Locality	9. Town/City/District	10. State
11. PIN	12. E-mail	13. Telephone No. (with STD Code) and Mobile No.	
14 (a) Whether assessed to tax[4]:		Yes	No
(b) If yes, latest assessment year for which assessed			
15. Estimated income for which this declaration is made			
16. Estimated total income of the P.Y. in which income mentioned in column 15 to be included[5]			
17. Details of Form No.15H other than this form filed for the previous year, if any[6]			
Total No. of Form No.15H filed	Aggregate amount of income for which Form No.15H filed		

18. Details of income for which the declaration is filed

Sl. No.	Identification number of relevant investment/account, etc.[7]	Nature of income	Section under which tax is deductible	Amount of income
		Dividend	194	

Signature of the Declarant

1. Substituted by the IT (Fourteenth Amendment) Rules, 2015, w.e.f. 1-10-2015. Earlier Form No. 15H was amended by the IT (Fifth Amendment) Rules, 1982, w.e.f. 21-6-1982, IT (Fifth Amendment) Rules, 1989, w.r.e.f. 1-4-1988, IT (Fourteenth Amendment) Rules, 1990, w.e.f. 20-11-1990, IT (Twelfth Amendment) Rules, 1992, w.e.f. 1-6-1992, IT (Seventh Amendment) Rules, 1995, w.e.f. 1-7-1995, IT (Thirty-second Amendment) Rules, 1999, w.e.f. 19-11-1999, IT (Twelfth Amendment) Rules, 2002, w.e.f. 21-6-2002, IT (Eighth Amendment) Rules, 2003, w.e.f. 9-6-2003, IT (Fourteenth Amendment) Rules, 2003, w.e.f. 1-8-2003 and IT (Second Amendment) Rules, 2013, w.e.f. 19-2-2013.

***Declaration/Verification*[8]**

I .... do hereby declare that I am resident in India within the meaning of Section 6 of the Income-tax Act, 1961. I also hereby declare that to the best of my knowledge and belief what is stated above is correct, complete and is truly stated and that the incomes referred to in this form are not includible in the total income of any other person under Sections 60 to 64 of the Income-tax Act, 1961. I further declare that the tax on my estimated total income including *income/incomes referred to in column 15* and aggregate amount of *income/incomes referred to in column 17 computed in accordance with the provisions of the Income-tax Act, 1961, for the previous year ending on 31st March, 2023 relevant to the assessment year 2023-2024 will be nil.

Place: ....

Date: .... **Signature of the Declarant**

PART II

[To be filled by the person responsible for paying the income referred to in column 15 of Part I]

1. Name of the person responsible for paying	2. Unique Identification No.[9]	
3. Permanent Account Number or Aadhaar Number of the person responsible for paying	4. Complete Address	5. TAN of the person responsible for paying
6. E-mail	7. Telephone No. (with STD Code) and Mobile No.	8. Amount of income paid[10]
9. Date on which Declaration is received (DD/MM/YYYY)	10. Date on which the income has been paid/credited (DD/MM/YYYY)	

Place: ....
Date: ....

Signature of the person responsible for paying the income referred to in column 15 of Part I

*Delete whichever is not applicable.

1. As per provisions of Section 206AA(2), the declaration under Section 197A(1C) shall be invalid if the declarant fails to furnish his valid Permanent Account Number or Aadhaar Number.

2. Declaration can be furnished by a resident individual who is of the age of 60 years or more at any time during the previous year.

3. The financial year to which the income pertains.

4. Please mention "Yes" if assessed to tax under the provisions of Income-tax Act, 1961 for any of the assessment year out of six assessment years preceding the year in which the declaration is filed.

5. Please mention the amount of estimated total income of the previous year for which the declaration is filed including the amount of income for which this declaration is made.

6. In case any declaration(s) in Form No. 15H is filed before filing this declaration during the previous year, mention the total number of such Form No. 15H filed along with the aggregate amount of income for which said declaration(s) have been filed.

7. Mention the distinctive number of shares, account number of term deposit, recurring deposit, National Savings Schemes, life insurance policy number, employee code, etc.

8. Before signing the declaration/verification, the declarant should satisfy himself that the information furnished in this form is true, correct and complete in all respects. Any person making a false statement in the declaration shall be liable to prosecution under Section 277 of the Income-tax Act, 1961 and on conviction be punishable: -

(i) in a case where tax sought to be evaded exceeds twenty-five lakh rupees, with rigorous imprisonment which shall not be less than six months but which may extend to seven years and with fine; and

(ii) in any other case, with rigorous imprisonment which shall not be less than three months but which may extend to two years and with fine.

9. The person responsible for paying the income referred to in column 15 of Part I shall allot a unique identification number to all the Form No. 15H received by him during a quarter of the financial year and report this reference number along with the particulars prescribed in rule 31A(4)(vii) of the Income-tax Rules, 1962, in the TDS statement furnished for the same quarter. In case the person has also received Form No.15G during the same quarter, please allot separate series of serial number for Form No.15H and Form No.15G.

10. The person responsible for paying the income referred to in column 15 of Part I shall not accept the declaration where the amount of income of the nature referred to in section 197A(1C) or the aggregate of the amounts of such income credited or paid or likely to be credited or paid during the previous year in which such income is to be included exceeds the maximum amount which is not chargeable to tax after allowing for deduction(s) under Chapter VI-A, if any, or set off of loss, if any, under the head "income from house property" for which the declarant is eligible. For deciding the eligibility, he is required to verify income or the aggregate amount of incomes, as the case may be, reported by the declarant in columns 15 and 17.

[1]**[Provided** *that such person shall accept the declaration in a case where income of the assessee, who is eligible for rebate of income-tax under section 87A, is higher than the income for which declaration can be accepted as per this note, but his tax liability shall be nil after taking into account the rebate available to him under the said section 87A.]*

1. Inserted by Income-tax (4th Amendment) Rules, 2019, w.e.f. **22-5-2019.**

Annexure - III

Date:

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

Subject: Declaration regarding Category and Beneficial Ownership of equity shares

Ref: PAN - <<Please mention your permanent account number (unique identification number) provided by the IndianTax Authority, if any>>

____

Folio Number/DP ID/Client ID -

With reference to the captioned subject and in relation to the appropriate withholding of taxes on the Dividend payable to me/us by **Lupin Limited** (the Company), I/We hereby declare as under: -

I/We, <<Full name of the member>> _______<<number of shares>>__________, holding equity share(s) of the Company, hereby declare that I am/we are tax resident of India for the period April 2022-March 2023 (Indian Fiscal Year).

We hereby declare that (Select Applicable)

☐ We are **Insurance Company** and are the beneficial owner of the equity share(s) held in the Company; and we are submitting self-attested copy of PAN card.

☐ We are **Mutual Fund** specified in Section 10(23D) of the Income-tax Act, 1961 (Act) and are the beneficial owner of the equity share(s) held in the Company; and we are submitting self- attested copy of PAN card and registration certificate.

☐ We are **Alternative Investment fund (AIF)** established in India and are the beneficial owner of the equity share(s) held in the Company; and our income is exempt under Section 10(23FBA) of the Act and are governed by Securities and Exchange Board of India regulations as Category I or Category II AIF; and we are submitting self-attested copy of the PAN card and registration certificate.

☐ We are <<category of the entity>> and are the beneficial owner of the equity share(s) held in the Company; and are not subject to withholding tax under Section 196 of the Act and we are submitting self-attested copy of the documentary evidence supporting the exemption status along with self-attested copy of PAN card.

☐ We are specified person <<mention category of person mentioned by provision>> in terms of Section 10(23FE) and are the beneficial owner of the equity share(s) held in the Company; and our income is exempt under Section 10(23FBA) of the Act and we are submitting self-attested copy of the documentary evidence supporting the exemption status along with self-attested copy of PAN card.

I/We further indemnify the Company for any consequences arising out of any acts of commission or omission initiated by the Company by relying on my/our above averment.

I/We hereby confirm that the above declaration should be considered to be applicable for all the equity shares held in the Company under PAN/accounts declared in the form.

Thanking you.

Yours faithfully,

For <<Name of the member>>

Authorised Signatory

Annexure - IV

Name of the Company	**Lupin Limited**
DP ID - Client ID/Folio No.	

FORM NO. 10F

[See Sub-rule (1) of Rule 21AB]
Information to be provided under Sub-section (5) of Section 90 or Sub-section (5) of Section 90A of the Income-tax Act, 1961

I .... *son/daughter of Shri .... in the capacity of .... (designation) do provide the following information, relevant to the previous year 2022-2023 *in my case/in the case of .... (Name of the Party) for the purposes of Sub-Section (5) of * Section 90/Section 90A: -

Sl. No.	Nature of information		Details #
(i)	Status (individual, company, firm etc.) of the assessee.	:	
(ii)	Permanent Account Number or Aadhaar Number of the assessee if allotted.	:	
(iii)	Nationality (in the case of an individual) or Country or specified territory of incorporation or registration (in the case of others).	:	
(iv)	Assessee's tax identification number in the country or specified territory of residence and if there is no such number, then, a unique number on the basis of which the person is identified by the Government of the country or the specified territory of which the assessee claims to be a resident.	:	
(v)	Period for which the residential status as mentioned in the certificate referred to in Sub-Section (4) of Section 90 or Sub-Section (4) of Section 90A is applicable.	:	
(vi)	Address of the assessee in the country or territory outside India during the period for which the certificate, mentioned in (v) above, is applicable.	:	

I have obtained a certificate referred to in Sub-section (4) of Section 90 or Sub-section (4) of Section 90A from the Government of.....................................(name of country or specified territory outside India)

Signature: _________________________
Name: ____________________________
Address: __________________________
Permanent Account Number or Aadhaar Number: _________________________

Verification

I .... do hereby declare that to the best of my knowledge and belief what is stated above is correct, complete and is truly stated.

Verified today the .... day of ....

____

Signature of the person providing the information

Place: ....

Notes:
1. *Delete whichever is not applicable.
2. #Write N.A. if the relevant information forms part of the certificate referred to in Sub-section (4) of Section 90 or Sub-section (4) of Section 90A.

Annexure - V

<<Date>>

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

Dear Sir/Madam,

Re.: Self declaration for Indian Financial Year (FY) 2022-23 with respect to availment of Tax treaty benefits in relation to receipt of dividend income from Lupin Limited.

This is to certify that: -

1. I/We,<<Full name of the shareholder>>,having permanent account number (PAN) under the Indian Income Tax Act, 1961 (Act) - <<mention PAN>>, am/are tax resident of <<country name>> and eligible to claim benefits of the India - <<country name>> Double Tax Avoidance Agreement (DTAA), read with the provisions laid down in the Multilateral Instrument (MLI), wherever applicable;

2. The claim of benefits of DTAA by <<Full name of the shareholder>> is not impaired in any way;

3. As per the requirement of the relevant provisions of the above referred DTAA, I/we am/are the beneficial owner(s) of the aforesaid shares as well as the dividend arising from such shareholding;

4. I/We further declare that I/We have the right to use and enjoy the dividend received/receivable from the above shares and such right is not constrained by any contractual and/or legal obligation to pass on such dividend to another person;

5. I/We do not have any Permanent Establishment (PE) or fixed base in India in **FY 2022-23** as construed under relevant Articles of the applicable tax treaty nor do we have any PE or business connection in India as construed under the relevant provisions of the Act. I/We further confirm that I/We do not have any business connection in India as per provisions of the Act. In the event of I/We having a PE in India or Dividend income is attributable/effectively connected to such PE, I/We acknowledge our obligation to inform you forthwith with necessary details;

6. I/We hereby declare that the investments made by me/us in the shares of Lupin Limited are not arranged in a manner which results in obtaining a tax benefit, whether directly or indirectly, as one of its principal purposes. The tax benefit, if any, derived from such investments would be in accordance with the object and purpose of the relevant provisions of the DTAA between India and <<country name>>; and

7. Further, our claim for relief under the DTAA is not restricted by application of Limitation of Benefit clause, if any, thereunder.

This declaration is valid for the period 1 April 2022 to 31 March 2023.

I/We confirm that the above is true to the best of our knowledge and I/We shall be solely responsible for any adverse income-tax consideration that may arise in India on the dividend income to be received from the Company.

Thanking you,

Yours Sincerely,

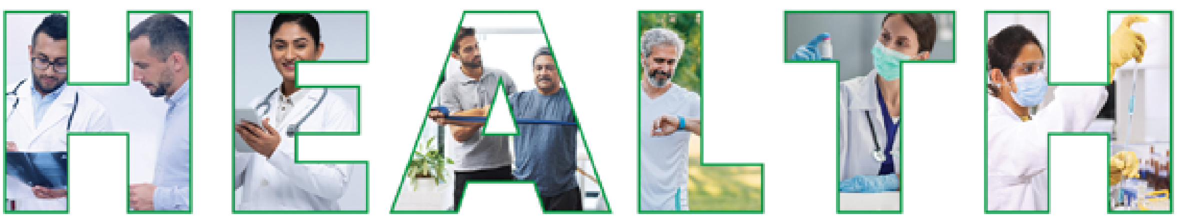
For <Name of the Shareholder>

____

Name: <insert authorised person name>

<Insert designation>

BUILDING BETTER HEALTH



INTEGRATED REPORT
2021-2022

About The Report

At Lupin, we are committed to Building Better Health and improve lives in the communities we serve. This mission in many ways forms the core of our existence. As a leading pharmaceutical company, we are driven by delivering value for all our stakeholders. We adopted and transitioned this philosophy into the Integrated Reporting format in FY21. Continuing on the same lines to communicate value to all our stakeholders, it gives us immense pride to present Lupin's second Integrated Report for FY22.

Our Integrated Report for FY22 provides details on our performance across the six capitals – Financial, Intellectual, Manufacturing, Social & Relationship, Human and Natural Capital. It also reflects how we leverage these capitals to create long term value for all our stakeholders.

Reporting Guidelines

Lupin's Integrated Report FY22 is aligned to the principles and guidelines of the International Integrated Reporting Council's (IIRC) Integrated Reporting <IR> Framework, which was notified by the Securities and Exchange Board of India (SEBI) as a voluntary requirement for the top 500 listed companies in India in February 2017. Wherever essential, we have also relied upon the disclosure requirements of the Sustainability Accounting Standards Board (SASB) guidance for the Biotechnology & Pharmaceuticals sector and the Key Performance Indicators prescribed by the Global Reporting Initiative (GRI) Standards. We believe that aligning with these frameworks for reporting our non-financial performance provides a balanced and holistic view to our shareholders and other stakeholders regarding our ambitions around Environment, Social and Governance (ESG) management, targets and their impact.

Through this report, we present the value we bring to the healthcare industry as well as our role in empowering and uplifting society. Additionally, this report also adheres to the voluntary disclosure requirements of the Business Responsibility and Sustainability Reporting (BRSR) mandate of SEBI in FY22, aligned to the nine principles of the National Guidelines on Responsible Business Conduct (NGRBC), thereby replacing the previous Business Responsibility Report (BRR) format.

The financial and statutory information including the Director's Report, Corporate Governance Report and the Management Discussion are as per the regulatory requirements mandated by the Companies Act, 2013, Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Secretarial Standards and other applicable laws.

Report Boundary and Scope

The Integrated Report for FY22 describes the financial and non-financial performance of Lupin's operations from April 1, 2021 to March 31, 2022. The scope of this report encompasses Lupin, its subsidiaries and operational units across the globe.

Further, this report sheds light on aspects which influence Lupin's ability to create value. The information pertaining to the operational units has been showcased, wherever appropriate, to provide a holistic view of the company's operational excellence and efficiency.

Lupin's Annual Report for FY22 was approved by our Board on **May 18, 2022.**

Our Core Elements to Enhance Value Creation

We understand that all our actions and operations should create the utmost value for our stakeholders. Through the six capitals, this Integrated Report demonstrates our overall performance. It draws upon inputs from the stakeholder engagement and governance framework that regulate the conduct of our business.

Natural Capital	Financial Capital
Intellectual Capital	Manufacturing Capital
Human Capital	Social & Relationship Capital

Approach to Materiality: This report details information on issues that we have identified as material and relevant to our business that have the potential to impact our commitment to deliver and drive value. For this reporting year, we have identified 17 material topics of priority and have categorized them across our six capitals. These material topics have been identified through a formal consultative process with key internal and external stakeholders.

Responsibility Statement: Lupin firmly believes that this Integrated Report is a fair representation of our company's financial, non-financial, sustainability and operational performance for the reporting year FY22. The Board acknowledges that the contents of this report have been assimilated in consultation with various functions of the business and have been developed under the guidance of senior management and functional heads.

Assurance: The consolidated financial statements shared in this report have been independently assured by our auditors B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022). Their assurance statements have been provided on page number 234.

Feedback: It is our responsibility to receive input for improvement and to address concerns and expectations of all our stakeholders. Please share your feedback, suggestions and/or queries by contacting:

Name: Ms. Shweta Munjal
Designation: Vice President & Head - Corporate Communication
Email: shwetamunjal@lupin.com

FY22 At A Glance

200%
Dividend Announced

RANKING

#3 in U.S.
(by Prescription)

#6 in India
Pharma Market

₹164,055 Mn
Total Revenue from Operations

14.20% EBITDA* Margin
normalized for one off event of Glumetza

230+ Mn
Branded and Generics Prescriptions in the U.S.

26 Regulatory Approvals
Received in FY22

1,008 Active Patents

500+
Employee Engagement and Awareness Touchpoints

457 ANDAs
Filed with US FDA Until March 2022

2,800,000
Health Queries Addressed by ANYA chatbot (since go-live)

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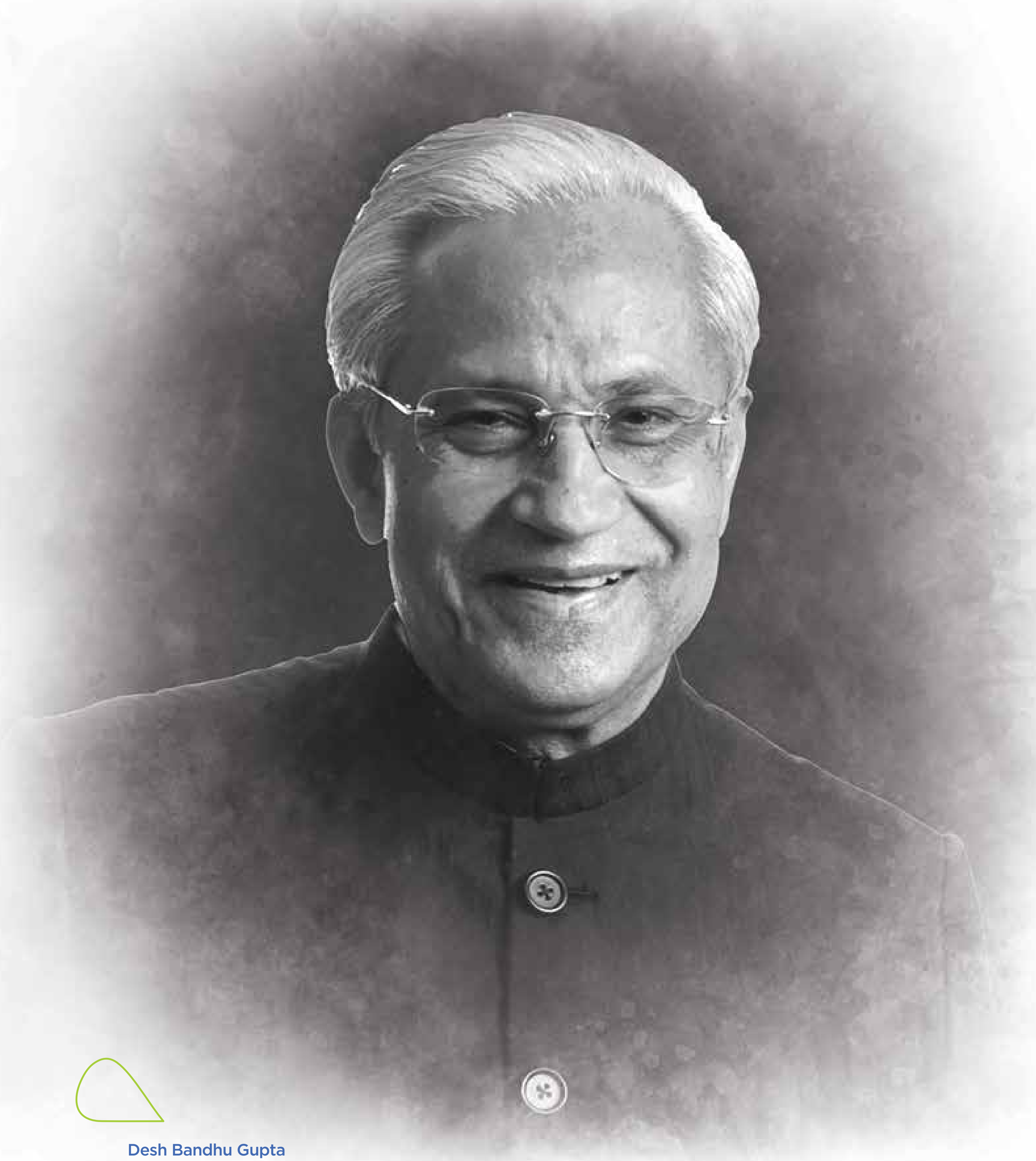


Desh Bandhu Gupta

1938 – 2017
Founder and Former Chairman

There are two lasting bequests

Roots and Wings

We are grateful for the roots our founder, Desh Bandhu Gupta (DBG) gave us, while ensuring that we grew the wings to fly high. DBG's vision and nurturing built a company that operates at scale and a foundation that serves millions.

As we evolve with the changing business landscape, DBG taught us to challenge the status quo and overcome obstacles with creativity and zest, while holding on to our roots.

It is an honor to take DBG's great legacy forward.

Lupin Team

Our Values

Passion for Excellence

We relentlessly pursue excellence through innovation and continuous improvement in all our projects, processes and products.

To set our standards, we benchmark with the best in the world.

Entrepreneurial Spirit

We empower our employees to generate new ideas, explore avenues and offer solutions that add exceptional value.

We encourage them to build ownership in all endeavours by assuming responsibilty with passion and conviction.

Customer Focus

We strive to understand and meet customer needs in a professional and responsive manner.

We focus on building long term partnership for mutual benefit.

Integrity

We conduct ourselves with uncompromising integrity and honesty with the highest standards of ethical behaviour and transparency.

Everything we do must stand public scrutiny.

Teamwork

We align our efforts and energies of our people across all levels and geographies to deliver outstanding results to our stakeholders.

We encourage diverse opinions and yet work together in a coordinated and mutually supportive way.

Respect & Care

We are compassionate and sensitive towards all our stakeholders and treat them the way we would expect to be treated.

We provide equal and fair opportunity for employment, learning and career development.

> Amidst all the wins and challenges that we have seen, we know that we have done our part towards our long-term goal of becoming leaders in the products, therapies and markets in which we operate.

Building Better Health

Chairman's Letter

Dear Shareholders,

I am pleased to present to you Lupin's FY22 Integrated Report.

Each year begins with new aspirations and a positive outlook for the future. As we started FY22, coming out of the first year of the COVID-19 pandemic, amidst all the wins and challenges that we had seen, we knew that we had done our part towards our long-term goal of becoming leaders in the products, therapies and markets in which we operate. In FY22, through new lockdowns, new variants, and multiple other challenges, we as a Company and a team remained resilient and agile – continuing to deliver on our mission and focused on our goals.

On the business front, Lupin's India business has consistently outperformed the Indian pharma market as the business continues to expand its presence in chronic therapies. We have grown our market share in key therapy areas of interest including Respiratory, Diabetes, Cardiology and Gastrointestinal diseases. In addition, this year we launched Lupin Diagnostics – this launch aligns with our commitment to Building Better Health, and places Lupin on the path towards becoming a holistic healthcare player.

Our U.S. business encountered headwinds from rising competition, declining prices and input cost pressures. Despite this, we maintained our ranking as the third-largest company in the U.S. in terms of prescriptions, increasing volumes by 9.71%. We remained focused on the ramp-up of our inhalation business while continuing to work towards achieving market leadership in our key therapy areas.

This year, we invested 8.7% of sales into Research and Development. Our key wins included receiving USD 50 Mn for achieving key NCE milestones on our partnered MEK program, 19 ANDA and 8 DMF filings, as well as the approval of important global institution sale products.

Commitment to Corporate Social Responsibility runs deep in Lupin. While we have focused on improving "Livelihoods" in our villages of focus for over three decades, with the launch of our new "Lives" pillar, our CSR initiatives will be now be equally focused on diseases of national importance, in line with the WHO framework for healthcare delivery. Our emphasis is on high impact programs in the areas of Cardiovascular Disease, Diabetes, COPD and Asthma, all of which are also in line with Lupin's therapeutic expertise.

Within this report, we have placed strong emphasis on the implementation of Environmental Social Governance initiatives. The report summarizes our present position on several important issues for us as an organization and is reflective of our goals and targets going forward. On the Governance front we are committed to the highest ethical and responsibility standards and practices.

One of Dr. Desh Bandhu Gupta's favorite quotes was, "Whatever the human mind can conceive and believe, it can achieve". It is of great pride to me that every Lupinytt has displayed this entrepreneurial spirit and is committed to together taking our great legacy ahead.

Warm regards,

Manju D. Gupta
Chairman

The Power of People, Leadership and Innovation

Vice-Chairman's Letter

Dear Shareholders,

Over the last two years, we have seen the COVID pandemic not only as a hurdle to be overcome but also as an opportunity to build on our adaptability and resilience. Through this, we look forward to an enriching and transformational journey that will lead to long-term growth through leveraging our strong foundation and global reach, evolving our generics business and expanding our product portfolio.

It was gratifying to see several promising developments in the past fiscal such as the satisfactory inspectional classification for our Goa plant by US FDA, the launch of Lupin Diagnostics, the acquisition of the Anglo-French Drugs & Industries Ltd brand portfolio in India as well as the acquisition of Southern Cross Pharma in Australia.

On the manufacturing front, we did well to serve our customers through maintaining continuity of supplies despite multiple COVID-19 waves through the year. Our digital transformation initiative at our manufacturing sites, Accelerated Digital & Analytics Performance Transformation (ADAPT), is enabling us to leverage next-gen technologies such as advanced analytics, artificial intelligence and machine learning to deliver top-notch quality, productivity and cost-efficiencies.

Whilst the business challenges in the U.S. in the form of greater competition continue to erode prices for generic products, we are working on several initiatives to mitigate this impact and lay the foundation for a more resilient future. We have also had success as in now achieving two milestones for our MEK inhibitor (New Molecular Entity) program that we had out-licensed, and good growth in India and other markets, which are reflective of the talent and underlying commitment of our people. In India, especially the chronic side of the business, we continue to grow faster than the market.

Coupled with the focus on high growth markets, I am convinced that the company's evolution as a leading complex generics player will position us very differently.

We are working on several initiatives across the Environmental, Social and Governance (ESG) space and are committed to rapid progress: for instance, through the Environment lens, we aim to reduce our environmental impact by working with our suppliers to lower their environmental footprint. Further, we are committed to making our company a great place to work for our employees, as we are to fair dealings with other stakeholders and communities. On the Governance front, we are reaffirming our commitment to uphold the highest ethical and responsible standards in everything we do, with an effective management framework in place to ensure that we stay on track.

We stand by DBG's vision and his commitment to progress through empowering our people, responsible leadership, and focus on innovation even as we evolve in a transforming world.

Kamal Sharma
Vice-Chairman

> **The company's evolution as a leading complex generics player will position us very differently.**

Reinforcing Our Legacy of Building Better Health

CEO & MD's Letter

Dear Shareholders,

We are delighted to present our Integrated Report for FY22, showcasing our wins, challenges, and the promise of what the future holds in store.

Our founder, Dr. Desh Bandhu Gupta (DBG), laid the foundation for the ethos that has remained the driving force at Lupin. This has ensured resilience and positive momentum despite challenges and roadblocks.

We are currently focused on a three-pronged strategy to achieve our organizational objectives:

- Building on the strong foundation in our core business and consolidating our geographic footprint
- Evolving our generics business to complex generics and maximizing our generics portfolio globally to further the cause of affordable medicines
- Focusing on cost reduction/rationalization initiatives to strengthen our foundation and drive efficiencies for the future

During the year, we have made good progress and achieved good business outcomes in several geographies like India, Australia, the Philippines, Canada, Mexico and Germany; but at the same time, we continued to encounter substantial headwinds in our U.S. and API businesses. On the U.S. front, business conditions continue to be tough with intensifying competition, eroding margins and a rapidly commoditizing oral solid dosage business. We have however started to realize benefits of complex platforms like inhalation in the U.S., which constituted over 25% of our revenues during the year. Likewise, in the aftermath of the pandemic, demand for acute therapy products especially cephalosporins receded considerably, affecting the performance of our API business.

In India, Lupin continues to evolve faster than the market with the business growing 1.2 times the market growth rate. Our Chronic segments (respiratory, cardiology and diabetes) which are nearly 65% of our India business, registered strong double-digit growth and grew faster than the top 3 players in the Indian market. India formulation sales for FY22 were INR 60,042 Mn, up 13.9% as compared to INR 52,712 Mn in FY21; and accounted for 38% of Lupin's global sales.

Even as we expanded our product portfolio into under-represented therapies, we continued to focus on cardiology, diabetes, and respiratory to further consolidate on and grow faster than the market in these therapeutic areas. Following the successful acquisition of the Anglo-French brand portfolio, we are also enhancing our presence in the Nutraceuticals/Vitamins space. In FY22, our India OTC business surpassed the INR 100 crore milestone in revenues, registering a growth of 17%.

Keeping our patient's holistic healthcare needs in mind, we have also expanded into the field of Diagnostics. We believe that this would be synergistic to our existing India business, providing doctors broader solutions for the patients we serve. The Diagnostics arena is very fragmented, and we believe that there is tremendous long-term potential for a trusted, quality play in this field.

Lupin continues to be the 3rd largest pharmaceutical player in both the U.S. generic market and U.S. total market by prescriptions (IQVIA MAT March 2022). Our North America sales for FY22 were INR 57,556 Mn compared to INR 55,520 Mn in FY21; and accounted for 36% of Lupin's global sales. This year, our current U.S. portfolio, largely dominated by oral solids, came under significant pricing pressure. We have in recent times taken several initiatives to optimize costs. These measures are being further enhanced with renewed vigor across the entire value chain to rationalize our overall cost structure and restore the health of our U.S. business. In complex generics that are a crucial part of our future growth, we made significant progress in Inhalation with Albuterol recording 20% generic market share and successful launch of Brovana generic.

With our pipeline evolving to more complex generics across inhalation, injectables and biosimilars, we believe that we are well positioned to drive growth while strengthening our position as a trusted, quality organization serving the cause of affordable medicines.

Our EMEA sales for FY22 were up 6.3% to INR 13,592 Mn as compared with FY21. NaMuscla®, the first licensed medicine to treat symptomatic myotonia in adult non-dystrophic myotonia patients continues to be a growth driver. In addition, we entered into alliances for Fostair Gx and Tiotropium, ensuring that we have complete regional commercial coverage to maximize our inhalation portfolio across Europe. In the U.K., the ramp-up of Luforbec has continued, while we increase our focus on the delivery of the future pipeline to ensure continued success.

In our Growth Markets, the impact of COVID was felt most sharply in Brazil. Philippines recovered sharply after eroding a fair bit in the past year and is poised for greater growth in the future.

In Australia, we completed the acquisition of Southern Cross Pharma; this will materially grow our presence in the Australian market. In Canada, we continue to deliver strong performance, driven by our lead brand Zaxine, as well as our growing internal generics portfolio.

In FY22, we closed an alliance with Foncoo Pharmaceutical Co. in China to commercialize our CNS medications, allowing us to continue our mission of offering affordable and accessible healthcare to the world.

From a pipeline perspective, we continue to evolve our complex generics platforms and build a truly valuable portfolio of products catering to markets across the world. On the Inhalation front we have already seen the benefit of generic Albuterol MDI and the Brovana authorized generic in the U.S., both contributing meaningfully to revenues and the bottom line. We are making steady progressing on our next major U.S. inhalation introduction with Tiotropium DPI, as well as making progress on other pipeline programs. During the year, we made progress on Respimat with the TTP partnership that has given us access to this complex inhalation platform. Pipeline products, such as biosimilar Ranibizumab and Aflibercept are progressing well. Our NCE efforts in oncology are going strong; during the year we received USD 50 Mn milestone from Boehringer Ingelheim under our partnership, we made progress on our NCE oncology pipeline and are well positioned to monetize/partner the pipeline to bring much needed solutions for unmet medical needs.

Inflationary pressures for essential raw materials and intermediates further exacerbated some of the business challenges during the year. We hope to start seeing these pressures recede in FY23.

In FY22, we had three US FDA site re-inspections and we are pleased to say that our Goa facility was upgraded to a satisfactory VAI status. This allows us to introduce new product from this site.

Our people are our biggest strength, and the Lupin team is committed to overcome the current challenges and emerge a stronger, more innovative and efficient organization.

Since 1988, the Lupin foundation has been striving to improve society by improving livelihoods, empowering rural people, creating employment opportunities, improving health and quality of life, and developing basic infrastructure. In FY22, on DBG's birth anniversary, we introduced the Lives pillar as part of our CSR focused on improving health in the communities we serve, and going forward, our activities will concentrate equally on Livelihood and Lives.

We are on the path of executing well on our strategy, anchored by portfolio evolution, differentiation and efficiency. We are committed to deliver long-term, sustainable growth in revenues and profitability. Carrying forward DBG's legacy, we are continuing his mission of universal, affordable, high-quality healthcare, and are committed to the cause of Building Better Health.

> "We are on the path of executing well on our strategy, anchored by portfolio evolution, differentiation and efficiency.

Vinita Gupta
Chief Executive Officer

Nilesh D. Gupta
Managing Director

About Lupin

From modest beginnings in 1968, guided by the vision of our founder, Desh Bandhu Gupta, we have risen to great heights and set numerous milestones through our journey. Headquartered in Mumbai, India, we have a strong presence in the U.S., LATAM, APAC and EMEA regions. Today, our footprint spans 100+ countries with a portfolio of more than 1,000 products.

True to our name, inspired by the resilient Lupin flower – that grows in harsh conditions yet nourishes the soil around – we have remained committed to our mission of making healthcare accessible to all and nurturing the communities in which we serve.

Backed by our robust manufacturing capabilities and R&D prowess, we have carved a name for ourselves globally, in Generics, Complex Generics, APIs, Specialty and the Biotech space.

Today, we are among the industry leaders in numerous therapy areas such as cardiovascular, tuberculosis, diabetes, respiratory, anti-infectives, gastro-intestinal (GI) disorders, Central Nervous System disorders and gynecology, amongst others. Our world-class infrastructure and consistent focus on knowledge accretion and innovation have enabled us to expand our presence in high-growth markets, globally.

We are also committed to the upliftment of our communities. Through the Lupin Human Welfare and Research Foundation, we work on two key pillars – Lives and Livelihood. Through the Foundation, we are currently working in 5,431 villages across nine states in India, positively impacting lives of over 2.5 million people.

> There is only one reason why we exist — to treat diseases, to heal and enrich human life.
>
> Desh Bandhu Gupta

Our Journey

1960's

1968

Lupin commences business

1970's

1972

Lupin Laboratories Pvt. Ltd. is incorporated

1979

First Formulations plant and R&D Center at Aurangabad is commissioned

1980's

1981

Starts the production of Ethambutol

1987

The Cephalexin plant at Mandideep and 7 ADCA plants at Ankleshwar go on stream

1988

Lupin Human Welfare and Research Foundation (LHWRF) is founded by Desh Bandhu Gupta

1989

Receives US FDA approvals for Ankleshwar and Mandideep plants

1991

Initiates production of Injectable Cephalosporins (API and Finished Product) at Mandideep

1992

Establishes a Fermentation plant at Lupin Chemicals Ltd. Tarapur, Maharashtra

1993

IPO of Lupin Laboratories Ltd. and Lupin Chemicals Ltd.

1997

US FDA approval for three plants – Cefaclor at Mandideep, 7 ACCA at Ankleshwar and Rifampicin at Tarapur

1998

Receives U.K. MCA approval for the Injectable Cephalosporin Finished Product Plant at Mandideep

1999

Receives U.K. MCA approval for the Injectable Cephalosporin API plant at Mandideep

1990's

2000

Receives US FDA approval for Injectable Cefotaxime (API and Finished Product) at Mandideep

2001

State-Of-The-Art R&D centre, Lupin Research Park at Pune is commissioned

Commences supply of Cephalosporin Finished Product to its Alliance Partners in the U.S.

Lupin Laboratories Ltd. is amalgamated with Lupin Chemicals Ltd., and retitled as Lupin Ltd.

2002

Exports to Advanced Markets cross INR 1000 Mn

Patent filings cross 100

First five ANDAs filed

New Anti-TB Facility commissioned at Aurangabad

Rablet rated by ORG-Marg as the second best launch of FY03

2003

Receives WHO approval for finished dosage facility at Aurangabad

Successfully implements SAP ERP across the company to unify all business functions and processes

Receives U.S. FDA approval for the Oral Cephalosporin Plant at Mandideep

Lupin Pharmaceuticals Inc. U.S., formed for commercialization activities in the U.S.

2004

Commences U.S. Branded Business with the launch of Suprax®

2005

Receives US FDA approval for New Lovastatin Plant at Tarapur

Receives US FDA approval for Goa Finished Dosage facility

Launches its Generics Business in the U.S. with four Products

Implements maiden Employees Stock Option Plan

2006

Receives MHRA (U.K.) and WHO approval for Goa finished dosage facility

Maiden bonus shares issued in the ratio of 1:1

Maiden Issue of Foreign Currency Convertible Bonds (FCCB) aggregating USD 100 Mn

2007

Acquires Kyowa Pharmaceutical Industry Company Ltd., a leading Generics Company in Japan

Acquires Vadodara based Rubamin Laboratories Ltd.

Starts commercial production at the new Finished Dosage Facility at Jammu

2008

Sets up a Biotech Facility at Pune

Expands its product basket in Japan-Kyowa and receives approvals for ten products from the Ministry of Health & Labour Welfare, Japan

Acquires Hormosan Pharma Gmbh in Germany

Acquires majority stake in Generic Health Pty Ltd., Australia

Acquires majority stake in Pharma Dynamics, South Africa

2009

Acquires the U.S. Rights for Antara®

Acquires majority stake in Multicare Pharmaceuticals Philippines INC.

2000's

2011

Starts Commercial Production at the New Oral Solid Dosage Facility at Pithampur

Acquires I'Rom Pharmaceuticals in Japan

2012

Enters the Nifty 50 Index

2014

Inks Strategic Joint Venture Agreement with Yoshindo Inc. in Japan to launch biosimilars

Acquires Laboratorios Grin S.A. De C.V., Mexico, Specialty Ophthalmic Company and with this enters The Latin American Market

Acquires Nanomi B.V. to enter the Complex Injectables Space

2015

Center of Excellence for Inhalation Research in Coral Springs, Florida is inaugurated

Acquires the Specialty Product Portfolio of Temmler Pharma GmbH & Co. in Germany

Acquires Medquimica Industria Farmaceutica S.A. in Brazil

Completes the acquisition of Pharma Dynamics in South Africa

2016

Commissions a new plant at Tottori, Japan

Bolsters the U.S. Brands Portfolio with Methergine® Oral Tablets

Acquires Branded Product Portfolio from Shionogi & Co. Ltd. in Japan

Completes acquisition of U.S. based GAVIS Pharmaceuticals LLC and Novel Laboratories Inc. (GAVIS)

2017

Acquires Symbiomix Therapeutics, LLC in New Jersey for launch of Solosec®

Forays into the OTC Segment with pan-India launch of Softovac®

Inaugurates a new plant at Sikkim

2018

Commissions Injectables Facility at Nagpur

Files New Drug Application for Etanercept Biosimilar in Japan

Signs deal with Illinois-based AbbVie offering exclusive rights to develop and commercialize Lupin's MALT1 inhibitors (oncology)

2019

Inks partnership with Boehringer Ingelheim to develop and commercialise novel oncology drug

Launches Orphan Drug NaMuscla for treatment of non-dystrophic Myotonia

2010's

2020

Receives European Marketing Authorization for Nepexto, Biosimilar Etanercept

Receives International Sustainability Rating System (ISRS) Certification for four sites

2021

India business crosses INR 5,000 Cr.

2022

Acquires Southern Cross Pharma in Australia

Completes the acquisition of brands from Anglo-French Drugs & Industries Limited and its Associates

2020's

Our Global Footprint

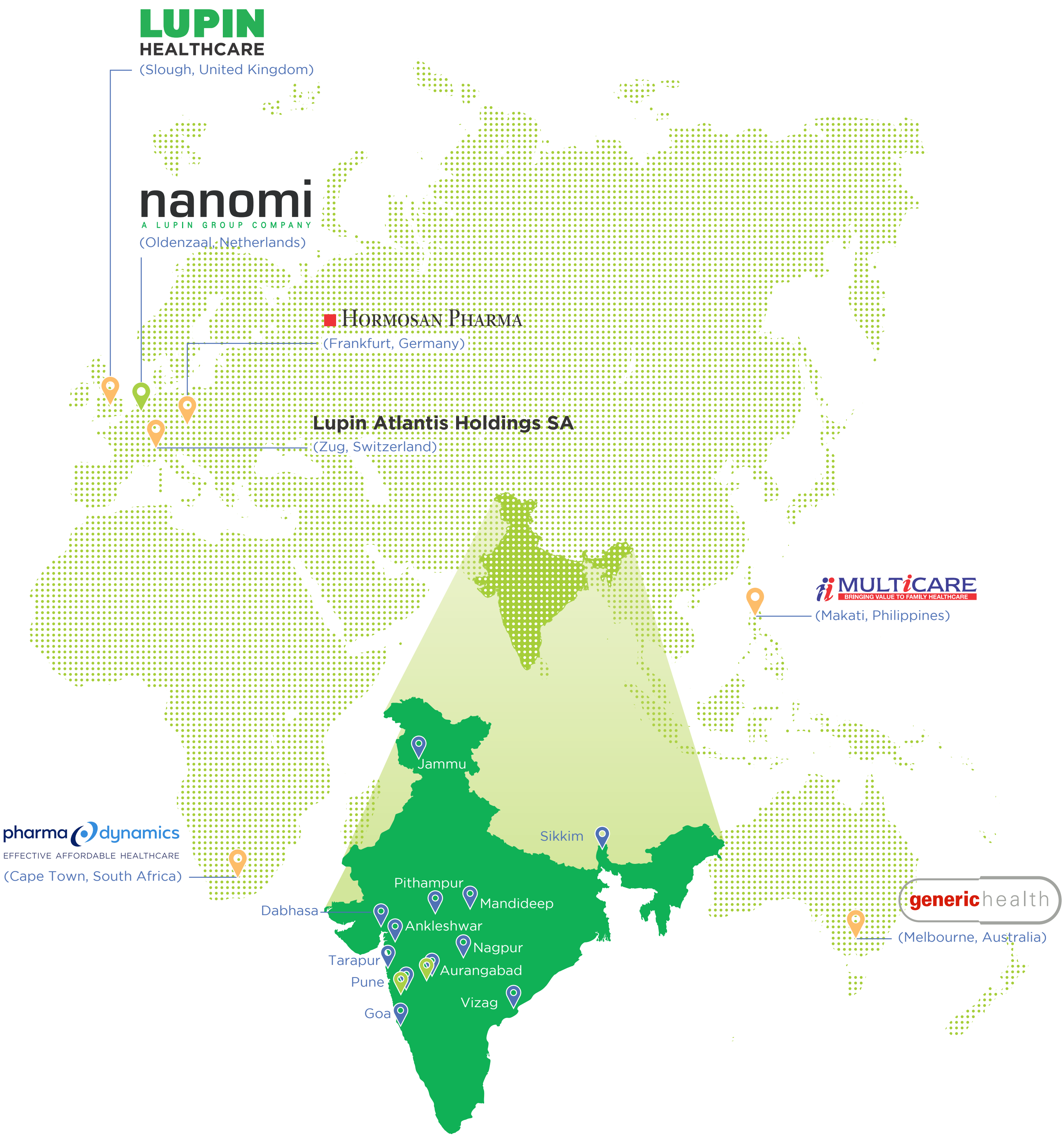
Manufacturing

India: Aurangabad, Ankleshwar, Dabhasa, Goa, Pithampur, Jammu, Mandideep, Nagpur, Pune, Sikkim, Tarapur & Vizag
U.S.: New Jersey; LATAM: Mexico & Brazil

Research

India: Pune & Aurangabad
U.S.: New Jersey & Florida
LATAM: Mexico & Brazil
Europe: Netherlands

- **Manufacturing**
- **Research**
- **Distribution & Marketing**


LUPIN HEALTHCARE
(Slough, United Kingdom)
nanomi
A LUPIN GROUP COMPANY
(Oldenzaal, Netherlands)
HORMOSAN PHARMA
(Frankfurt, Germany)
Lupin Atlantis Holdings SA
(Zug, Switzerland)
MULTICARE
BRINGING VALUE TO FAMILY HEALTHCARE
(Makati, Philippines)
pharma dynamics
EFFECTIVE AFFORDABLE HEALTHCARE
(Cape Town, South Africa)
generichealth
(Melbourne, Australia)
Jammu
Sikkim
Pithampur
Mandideep
Dabhasa
Ankleshwar
Nagpur
Tarapur
Aurangabad
Pune
Vizag
Goa

Materiality Assessment

As we continue our ESG journey to build a more resilient organization, we consider our stakeholders to be the key drivers of our long-term value creation. We are dependent on our stakeholders to carry out our business and achieve our vision of providing positive health outcomes for all – right from the procurement of our raw materials to the distribution of our product and services to our customers and to Health Care Professionals, and managing the end-of-life impact of our products. To embed our commitment in a manner that resonates across the organization, each business function is accountable to communicate and engage with their stakeholders on relevant E, S and G aspects on an ongoing basis. We strongly believe that periodic and transparent communication of our ESG performance and management of ESG issues enables us to maintain a two-way communication channel with our stakeholders, and aligns with our larger societal goals and purpose.

To reinforce the importance of stakeholder feedback for driving our strategies around sustainable growth, in FY22 we conducted a second materiality assessment with internal and external stakeholders to gain insights into their expectations, concerns, interests as well as the risks and opportunities which may impact our business and value chain.

The first step of this process was to analyze the relevant ESG topics for the Biotechnology and Pharmaceutical Industry which enabled us to shortlist a set of sixty topics. After analyzing the macro business landscape and understanding the sector specific trends pertinent to our business and operating locations, forty topics were finalized for consideration. Aligned with the strategic objectives of the company, the topics were categorized under six themes.

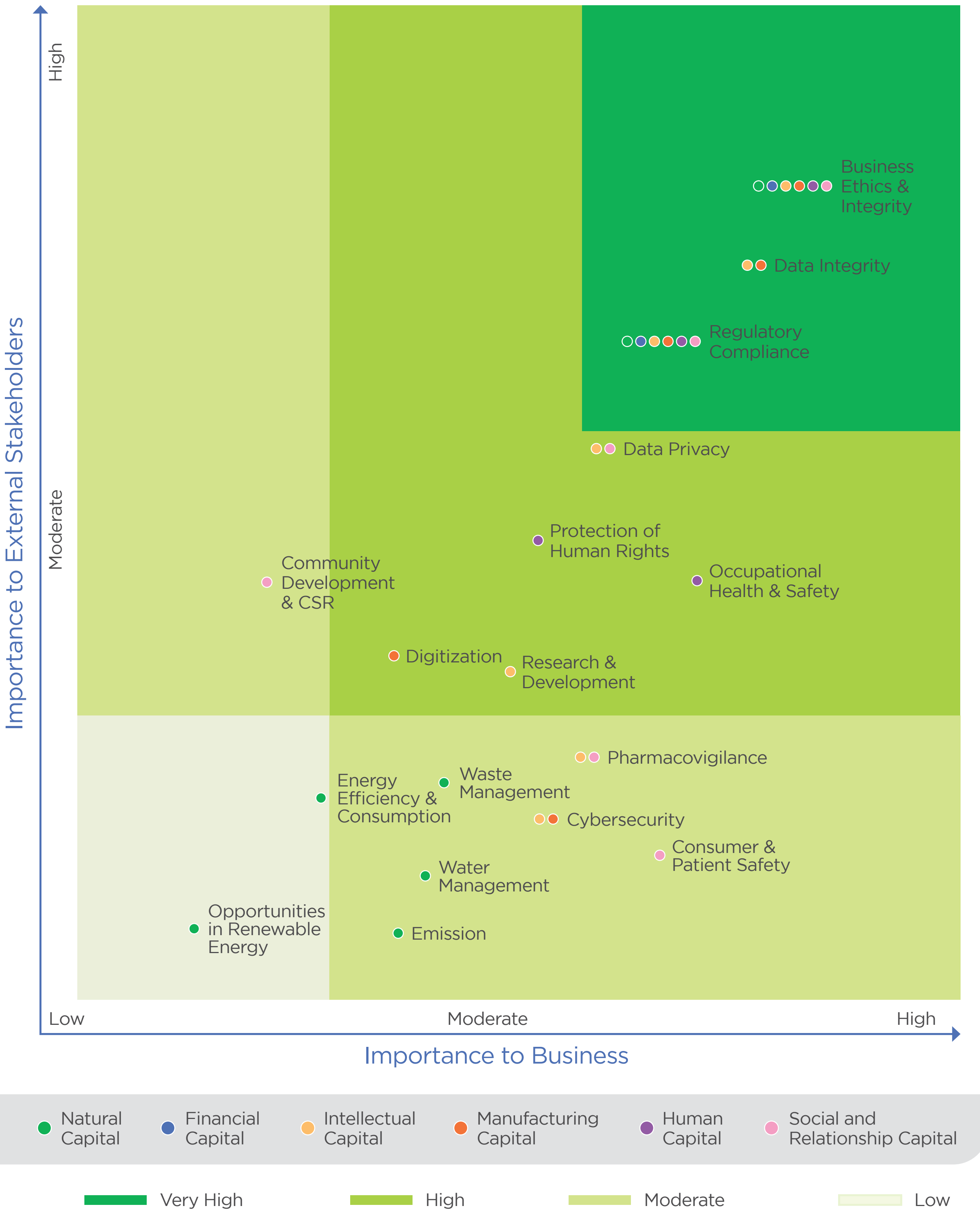
These forty topics were shared with our internal and external stakeholders through a survey for their feedback on the relative priority of these ESG aspects with respect to our business operations globally. The stakeholders included representative samples of our employees, suppliers, business partners, customers, investors and NGOs.

The feedback from these stakeholders was critically reviewed by Senior Management at Lupin and the ESG aspects were assessed based on their potential impact upon our business and strategy over the short to medium-term. We identified **seventeen topics** to be of importance to both stakeholders and the business and these have now been included in our overall strategic decision-making process. These topics along with their relative prioritization by the stakeholders and the business management have been represented graphically here:

Our Six ESG Focus Themes

- Environmental Performance and Climate Change
- Employment Practices
- Supply Chain Management
- Governance
- Community Engagement
- Product and Consumer

Our Materiality Matrix



Natural Capital | Financial Capital | Intellectual Capital | Manufacturing Capital | Human Capital | Social and Relationship Capital

Our initial assessment involved the evaluation of the potential impact of these seventeen topics and our strategy to manage these impacts[1]. This is presented below:

Theme: Governance
Business Ethics and Integrity

Description

This aspect encompasses Lupin's approach to managing risks and opportunities with respect to ethical conduct of business such as fraud, bribery and corruption, facilitation payments and any other relevant component.

It also lays down our expectations for our stakeholders to conduct themselves in a fair and ethical manner.

Linkages to <IR> Capitals

Risk / Opportunity:

Risk Opportunity

Perceived Impact on Value Creation

Failure to adhere to the highest standards of ethical behavior can result in reputational damage.

This could also lead to fines, penalties, and adverse financial repercussions.

Our Management Approach

At Lupin, we firmly believe in the power of 'right' - doing the right things, in the right manner and at the right time.

Furthermore, for our suppliers, customers, and other external stakeholders we have created robust onboarding processes which are guided by our Third-Party Code of Conduct to ensure compliance and mitigate any future risk.

Theme: Governance
Data Integrity

Description

Regulatory agencies and the Pharmaceutical Industry need accurate and reliable data to ensure the safety, efficacy, and quality of products.

Additionally, data integrity is imperative to guarantee trust between the industry, patients, HCPs and regulatory agencies such as the World Health Organization (WHO), the US Food and Drug Administration (FDA), the European Medicines Agency (EMA) and the Medicines and Healthcare products Regulatory Agency (MHRA) in the U.K..

Linkages to <IR> Capitals

Risk / Opportunity:

Risk Opportunity

Perceived Impact on Value Creation

Mismanagement of data could lead to modification, duplication, deletion, and falsification of electronic and other data.

The consequences may manifest in the form of lawsuits leading to reputational damage as well as adverse financial repercussions such as fines and penalties.

Our Management Approach

At Lupin, we believe in ensuring data transparency and integrity. As a result, we have introduced various measures to ensure effective data tracking. These measures include Auto Storage and Retrieval Systems, Implementation of Software 4.0, Product Traceability, Laboratory Information Management System, and Central Data Acquisition System (C-DAS).

[1] *BRSR Section A: General Disclosures, Q.24*

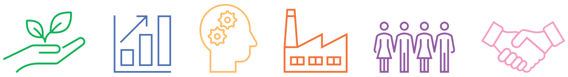
Theme: Governance
Regulatory Compliance

Description

The Pharmaceutical Industry is one of the most heavily regulated industries in the world.

The regulatory landscape is constantly evolving in response to the effects of globalization, emerging markets, new technologies and rising demands of both patients, investors, and regulators.

Linkages to <IR> Capitals



Risk / Opportunity:

Risk Opportunity

Perceived Impact on Value Creation

+ Being compliant with all the applicable regulatory requirements is essential for Lupin to continue business without disruptions and adverse findings.

- As the Pharmaceutical Industry is consistently under scrutiny, non- adherence to the regulatory requirements across geographies could result in serious negative repercussions such as penalties, reputational damage as well as closure of the company.

Our Management Approach

Adherence to the applicable regulatory requirements is a key priority and we ensure that the highest standards of quality are maintained.

Our facilities across the globe observe Good Manufacturing Practice (GMP) standards and have accreditations from leading global regulatory authorities such as US FDA, UK MHRA, WHO and Japanese PMDA.

Theme: Governance
Data Privacy

Description

As a part of the Pharmaceutical Industry, it is mandatory that data with respect to drug components as well as customers remains confidential.

Linkages to <IR> Capitals

Risk / Opportunity:

Risk Opportunity

Perceived Impact on Value Creation

- In the case of any data breach, Lupin could be subjected to lawsuits, resulting in loss of critical business intelligence, reputational damages as well as fines, penalties, and payout of heavy compensation.

Our Management Approach

Lupin has implemented an Information Security compliance process and is certified at ISO 27001:2013 standard of Information Security Management Systems.

Additionally, we have a dedicated team to assess security risks that may arise at any time.

Also, a Zero Trust based architecture has been developed for VPN and Internet Gateway Solution.

Theme: Employment Practices
Occupational Health and Safety

Description

As a responsible corporate citizen, it is Lupin's prerogative to maintain a safe working environment that is free of injuries, accidents, and fatalities.

We consistently evaluate and monitor ourselves on the management of workplace safety and alignment to the applicable standards in the industries and regions in which we operate.

Linkages to <IR> Capitals

Risk / Opportunity:

Risk Opportunity

Perceived Impact on Value Creation

Maintaining a safe working environment results in reduced accidents or injuries by identifying and mitigating hazards.

Additionally, this can lead to improved efficiency and productivity due to fewer employees missing work due to illness or injury.

Our Management Approach

Our facilities are designed in accordance with the highest safety standards and controls.

We undertake trainings and capacity building sessions for all employees to generate awareness and foster individual responsibility towards health and safety practices.

Theme: Employment Practices
Protection of Human Rights

Description

This aspect involves upholding the highest standards of Human Rights and respect for all stakeholders within our operations and in the business value chain.

The success of companies across the globe are consistently being evaluated on their policies and practices to protect human rights across their business operations and in the value chain.

Linkages to <IR> Capitals

Risk / Opportunity:

Risk Opportunity

Perceived Impact on Value Creation

Violation of any form of Human Rights can lead to severe reputational damage as well as financial repercussions and payout of heavy compensation.

It can also lead to stakeholder opposition and a loss of the social license to operate.

Our Management Approach

Lupin India has recently formalized the Human Rights Policy, which outlines our commitment to ensuring a fair and equitable workplace and sets expectations for our value chain partners to adhere to the same standards of Human Rights.

This policy is aligned with the principles of the United Nations, International Labour Organization, OECD Guidelines for Multinational Enterprise, and International Bill of Human Rights and discusses the importance of guaranteeing fundamental human rights.

Theme: Governance
Pharmacovigilance

Description
Pharmacovigilance refers to the process of identifying and responding to drug safety issues. This includes activities undertaken for the detection, assessment, understanding and prevention of adverse effects or any other medicine/ vaccine related concern.

Linkages to <IR> Capitals

Risk / Opportunity:

Risk Opportunity

Perceived Impact on Value Creation
Through undertaking rigorous testing and ensuring that the drugs manufactured are safe for consumption, Lupin can build trust with customers and uphold our reputation in the market.

Additionally, a robust communication channel with our customers ensures that customer complaints are addressed at the earliest and relevant feedback is incorporated and communicated to relevant functions.

Our Management Approach
The safety of all our products is managed and monitored using strong systems and processes by the Pharmacovigilance function.

We have also launched a Global Quality Action Plan to ensure that the highest standards of product safety and quality are adhered to within our operations.

Additionally, our team tracks and addresses customer grievances brought forth by stakeholders such as regulators and customers.

Theme: Product and Consumer
Consumer and Patient Safety

Description
Consumer and patient safety are of utmost priority in the Pharmaceutical Industry.

With evolving trends, companies may face added costs as governments and global agencies have implemented numerous drug supply chain regulations to prevent counterfeit, substandard, or mislabeled drugs from entering the distribution system.

Linkages to <IR> Capitals

Risk / Opportunity:

Risk Opportunity

Perceived Impact on Value Creation
Failure to manage this issue effectively may result in material risks associated with the potential loss of public confidence and financial implications in the form of reduced revenues for Lupin.

Our Management Approach
We have also launched a Global Quality Action Plan to ensure that the highest standards of product safety and quality are adhered to within our operations and that our products are safe for usage by our customers.

Theme: Environmental Performance and Climate Change
Opportunities in Renewable Energy

Description
With the increasing importance of alternative sources of energy, companies are being evaluated on their potential to transition to renewable power.

Linkages to <IR> Capitals

Risk / Opportunity:

Risk Opportunity

Perceived Impact on Value Creation
The transition to renewable energy provides access to a less polluting, climate friendly and reliable source of power, thus, enhancing energy security and augmenting GHG emissions abatement measures. Renewable energy sources typically also provide cost savings in the short to medium term as opposed to conventional grid power.

Our Management Approach
We recognize our duty to abate GHG emissions from our own operations and accelerate the transition to renewable energy.

This year, we have increased the contribution of renewable power by moving to a hybrid renewable power model comprising wind and solar.

Theme: Environmental Performance and Climate Change
Energy Efficiency and Consumption

Description
With the increasing importance of energy efficiency to reduce energy consumption, adopting initiatives for the same can help Lupin to realize cost savings in operations and offset a significant amount of GHG emissions.

Linkages to <IR> Capitals

Risk / Opportunity:

Risk Opportunity

Perceived Impact on Value Creation
The implementation of energy-efficient technologies and those that promote the same have led to a reduction in fuel consumption across our operations, thus decreasing our costs and reducing overall energy consumption

Our Management Approach
Across our facilities, we have implemented various energy efficiency initiatives such as replacement of Old Conventional Luminaries by energy efficient LED lights as well as using Electronically Commuted motors in AHU's.

This has resulted in energy efficiency and power cost savings.

Theme: Supply Chain Management
Digitization

Description
Transitioning to digital tools has enabled Lupin to enhance the efficiency and effectiveness of operational processes, thereby, increasing productivity across operations

Linkages to <IR> Capitals

Risk / Opportunity:

Perceived Impact on Value Creation
Adopting digitization in our processes can result in increased productivity in operations, which provides a competitive advantage to Lupin in the market. This also helps in building leaner processes and automated solutions thereby saving time and effort deployed on repetitive tasks.

Our Management Approach
At Lupin, we believe in investing in automation and digitization to enhance the efficiency and effectiveness of our processes.

We have implemented Project ADAPT which leverages the power of big data, predictive analytics, and digital tools across the value chain. Through this initiative, we are building in-house capabilities and developing the required IT/OT infrastructure to expedite the adoption of digital technologies and sustain the new ways of working.

Theme: Environmental Performance and Climate Change
Waste Management

Description
As a commitment towards environmental stewardship, it is our responsibility to ensure that the waste generated from our facilities is segregated and disposed in the most appropriate manner. We are also committed to finding solutions to scale the adoption of cleaner energy and renewable energy sources to reduce our GHG emissions and align with our target of decarbonizing our operations.

Linkages to <IR> Capitals

Risk / Opportunity:

Perceived Impact on Value Creation
Failure to manage this issue effectively could result in Lupin facing adverse financial consequences such as fines and penalties as well as reputational damage. It can also lead to increased regulatory scrutiny, carbon caps and taxes and other impending regulatory actions on climate change impact management

Our Management Approach
At Lupin, we have embedded the principles of circularity and waste recycling within our operations.

In addition to complying with the mandate of the Central and State Pollution Boards of India, we follow stringent protocols to manage, segregate, dispose and monitor the waste that is generated.

We also ensure that our employees are trained on the same.

Theme: Environmental Performance and Climate Change
GHG Emissions

Description
With the manufacturing of APIs and other chemical ingredients, the carbon footprint of the Pharmaceutical Industry is significant.

At Lupin, we are cognizant of reducing our GHG emissions and undertake initiatives to manage climate-change risks and opportunities.

Linkages to <IR> Capitals

Risk / Opportunity:

Risk Opportunity

Perceived Impact on Value Creation
- With an increase in climate-change related risks, Lupin is vulnerable to disruptions to business.

Our Management Approach
We have taken ambitious targets to reduce our direct and indirect GHG emissions by 15% by 2030.

Theme: Community Engagement
Community Development and CSR

Description
As we operate in multiple geographies across the globe, our interaction with local communities in the areas of our operation is integral to ensuring supply of materials, labor and sharing of regional resources.

We are cognizant of the impact that our operations have on communities and society at large.

Linkages to <IR> Capitals

Risk / Opportunity:

Risk Opportunity

Perceived Impact on Value Creation
+ Building trust with communities and ensuring regular engagement will enable Lupin to function smoothly and mitigate any grievances that may arise.

- Poor company engagement and practices could result in loss of social license to operate.

  Additionally, this could result in disruptions to our operations, labor sourcing and supply chain.

Our Management Approach
Resonating with Lupin's value of 'Respect & Care', we undertake numerous initiatives to empower and uplift the communities we operate in.

Through the Lupin Human Welfare Research Foundation (LHWRF), we focus our work across four pillars – Natural Resource Management, Social Development, Infrastructure Development and Economic Development.

Today, the LHWRF has a presence in 2,285 villages across nine states in India.

Theme: Environmental Performance and Climate Change
Water Management

Description

The Pharmaceutical Industry is water intensive and requires different degrees of water purity for product development.

As a pharmaceutical company operating across regions of varying levels of water stress and community interactions, it is our duty to manage and conserve our water resources as these compete with agricultural and domestic use of water.

Linkages to <IR> Capitals

Risk / Opportunity:

Risk Opportunity

Perceived Impact on Value Creation

Competing for water resources with local communities may lead to a loss of social license to operate and the supply of clean water for our processes.

Management of water discharge and effluents is also important to avoid the pollution of water streams and antibiotic releases can lead to AMR.

Our Management Approach

We manage water risk and scarcity through interventions such as installation of water recycling plants, water efficiency mechanisms, and raising awareness among our stakeholders about the importance of water conservation.

We have conducted a water risk assessment for all our Indian sites and are in the process for formulating strategies for the regions with high water risk to further reduce dependence on water resources by increasing recycling and reuse within our own operations.

As a first step towards AMR stewardship, we have also achieved Zero Liquid Discharge status in almost 50% of our Indian sites, thereby managing the discharges from our operations.

Theme: Product and Consumer
Research and Development

Description

Investment in Research and Development is the foundation of the Pharmaceutical Industry.

Our R&D functions are constantly working to develop biosimilars and novel drug discovery and development to further expand our patient outreach and health outcomes.

In FY22 we have invested 8.7% of our total turnover in R&D.

Linkages to <IR> Capitals

Risk / Opportunity:

Risk Opportunity

Perceived Impact on Value Creation

Adopting new technological innovations can provide Lupin with a competitive advantage and explore new areas for long-term growth.

Our Management Approach

The Lupin Bioresearch Centre (LBC) is located in Pune. The facility has continuously maintained outstanding performance on regulatory compliance. We conduct both in-vitro and in-vivo bioequivalence (BE) studies required by regulatory agencies across the globe.

Our Inhalation Research Centre in Florida, Coral Springs, is a specialized facility which focuses on the research and development of inhalation products for the treatment of chronic obstructive pulmonary diseases (COPD), asthma and other respiratory ailments.

Nanomi, Lupin's subsidiary in Netherlands is a leader in the field of microsphere and nanoparticle research and development of long acting injectables.

Theme: Governance
Cyber Security

Description

Cybersecurity in the pharma industry is a key risk as organizations host sensitive information regarding patients, patented drugs, clinical trials, research projects, and intellectual property.

The rapid pace of technological change coupled with an increase in automation tools and the use of third-party vendors pose major cyber-security challenges to pharma companies.

Linkages to <IR> Capitals

Risk / Opportunity:

Risk Opportunity

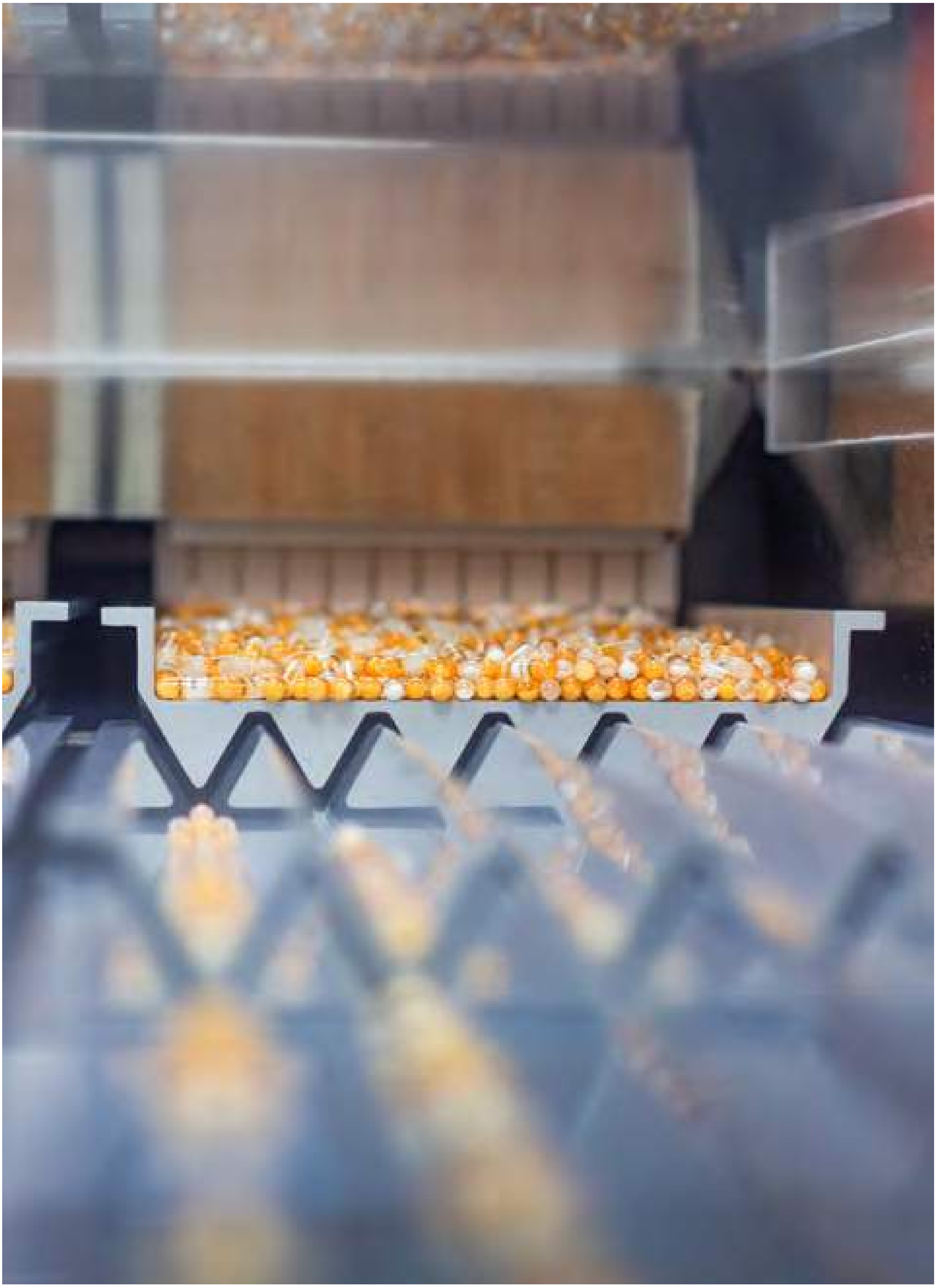
Perceived Impact on Value Creation

The absence of stringent protocols to ensure cyber security, could expose Lupin to cybersecurity threats, thereby leading to lawsuits leading to reputational damage as well as adverse financial repercussions such as fines and penalties.

Our Management Approach

We have developed an effective IT infrastructure which continuously monitors the existing systems, identifies and address security gaps.

We have also implemented solutions such as EDR, ThreatIntel, Zero Trust solutions, different networking solutions, Microsoft O365 package, AntiVirus and Cloud offerings like Azure and IBM/HPE/Dell for the company's servers and laptops.



Our Strategy For Long-Term Value Creation

Strengthen leadership in key markets

We intend to extend our leadership in our key markets, India and the U.S., by expanding our range of product offerings.

In India, we aim to grow substantially ahead of the market via organic and in-organic means, in existing therapeutic areas and select new therapeutic areas. We continue to position ourselves as the partner of choice for innovative pharmaceutical companies. We remain focused on chronic therapies (64.7% of our domestic branded formulation revenues). Our three main chronic therapeutic areas are Cardiovascular, Diabetes and Respiratory, and we see substantial room for growth here. Further, we are expanding our offering in the Gynecology, Dermatology, Urology and Pediatric segments in India. In the U.S., while we continue to be the third largest generic company and a significant supplier of oral solid dosage forms, increasingly our focus is on first-to-market launches and shifting from oral solid dosage forms to complex generics and biosimilars.

For our established and stable businesses in key markets like Australia, Brazil, Canada, Mexico, Philippines and South Africa, our goal is to continue higher than industry growth and enhance profitability through market share gains, new launches and cost optimization.

Expand basket of Complex Generics and Biosimilars for U.S. and other markets

With continued pricing and competitive pressure on oral solids, we believe that it is critical to expand our basket of first-to-market opportunities and increase our offerings on complex dosage forms like injectables, inhalation and biosimilars. We have products under development targeting USD 70 Bn+ of market with 85% of this coming from such complex categories.

Inhalation: We are one of the few companies in the world to have successfully developed a Dry Powder Inhaler as well as a Metered Dose Inhaler, generic for the U.S. We have to date filed four major inhalation products in the U.S. and have several others under development. Increasingly, we see this as a global opportunity taking these and other inhalation products to meaningful markets like the EU and the U.K.

Injectables: We have seven complex injectables under development of which one has been filed and another one is in late clinical phase. We intend to accelerate our pace of filing, approval and launch of injectable products.

Biosimilars: We see biosimilars having a long runway with new launches and incremental penetration in key geographies like the U.S. and the EU. We have biosimilar Etanercept in Japan and Europe markets and see room for growth. We have filed biosimilar Pegfilgrastim in the U.S. and await approval. This is a key focus area and we have several biosimilar products in development.

Cost and network optimization

We aim to improve the efficiency and productivity of our R&D and manufacturing network by focusing on optimizing resources and spend as well as creating more operating leverage. We have been and continue to optimize on capital expenditure and R&D spends whilst at the same time leveraging our portfolio across markets with similar regulatory regimes to gain further efficiencies. In manufacturing, we have invested ahead of the curve in anticipation of increased demand and there is scope to optimize the manufacturing footprint and reduce costs, including idle time costs.

We continue to work on important initiatives to drive procurement efficiencies, develop alternate/new routes of synthesis and other process improvements. Overall, we continue to work on our cost base with emphasis on operating leverage across manpower productivity, sales force excellence, and creation of Centres of Excellence for support services. We have embarked on several digital initiatives across the entire value chain and believe that this approach would yield rich dividends in the years to come.

Continue to prioritize regulatory compliance

Our facilities across the globe observe Good Manufacturing Practice standards and have accreditations from leading global regulatory authorities such as US FDA, U.K. MHRA, WHO and Japanese PMDA. We have a stated goal of being world-class in Quality and Compliance. We continue our efforts to further enhance our standards. While over 90% of our revenues come from sites that are in a satisfactory state of compliance, our Goa facility received satisfactory compliance status from the US FDA in FY22. We intend to carry this positive momentum to bring our other impacted sites into compliance.

Our Value Creation Model

INPUT

Financial Capital

Planned investment in R&D, capex and modernization aids in preserving shareholder value

Manufacturing Capital

Investing in world-class equipment and technologies to achieve operational efficiency and excellence

Intellectual Capital

Leveraging diverse skills and knowledge base to meet our target for growth and development

Human Capital

Making focused efforts to utilize the potential of a diverse workforce and enabling them to achieve and deliver excellence and value

Social & Relationship Capital

Making focused efforts to empower the communities we work in and contribute to their socio-economic development

Natural Capital

Acknowledging and respecting the importance of preserving and protecting the natural environment through strategic efforts to conduct operations in a sustainable manner

BUSINESS

- Improving Health Outcomes
- Quality, Manufacturing & Compliance

- Research
- Marketing & Corporate Development

As a leading transnational pharmaceutical company, we play an important role in contributing to the health and well-being of people. Our sustainable business model creates long-term value for our key stakeholders.

OUTPUT	OUTCOMES	SDGs
• Total Revenue from operations INR 164,055 Mn • Earnings per share INR (33.65) • EBITDA* INR 23,073 Mn *normalized for one-off event of Glumetza	• Regular return on employed capital due to timely and strategic investment decisions	17 PARTNERSHIPS FOR THE GOALS
• Total CAPEX INR 6,872 Mn • Introduction of Screen & Inspection Systems, Storage & Data Tracking Systems, and Cleaning & Washing Systems	• Enhanced Quality • Leveraging the potential of digital automation • Improved operational efficiency	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
• Expenditure of INR 14,024 Mn across 7 R&D Centers • 61 Patents secured • 19 ANDA filings during the FY, including 7 FTFs (3 exclusive FTFs)	• Fostering a strong focus on chronic and segment medicines • Robust IT systems that strongly protect our Intellectual Property	3 GOOD HEALTH AND WELL-BEING 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
• Expenditure on Employee Benefits INR 29,893 Mn • Fostering a work environment that prioritizes excellence, employee growth and well-being	• Certified as Great Place to Work • 924,960 hours of training completed • Achieved retention rate of 82.6%	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
• Total CSR expenditure on Women Empowerment INR 25 Mn • Public Relations engagement that spanned over 27 cities	• Creating and delivering opportunities of growth and development for the communities we operate in • Formalized a Third Party Code of Conduct	1 NO POVERTY 3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES 15 LIFE ON LAND 17 PARTNERSHIPS FOR THE GOALS
• GHG emissions savings of 4,341,896 tCO_2e • Increase in renewable energy utilization by 5.30 MW at 2 sites	• Conducted a baseline assessment on prevailing water risks across all manufacturing sites • Total water recovery in India of 695,008 KL	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION

Through our current actions and initiatives, we have been able to map the tangible outcomes of each capital to 11 unique United Nations Sustainable Development Goals (SDGs), out of a total of 17 SDGs. In the coming years, we will formalize our impact assessment using the impact metrics prescribed by the SDGs.

Commitment to value creation and sustainable growth

CFO's Letter

Dear Shareholders,

It gives me immense pleasure to share our second Integrated Report with you. At Lupin we are committed to the wellbeing of society at large and ensuring that we provide great quality products to our consumers at affordable prices. The last two years have been challenging for the world at large as a result of the pandemic — however, we at Lupin had to also contend with headwinds in some major parts of our business. These tough times have made us more resilient and more determined to overcome the challenges around us and come out much stronger as a company. There is now a lot more vigour and rigour behind initiatives to maximize growth, enhance profitability and reduce costs across the entire value chain – efforts that would make us a lot more efficient, agile and fit for purpose.

Last year, we articulated our initiatives around the six capitals that are embedded in the ESG framework. This year, we would be happy to share with you our progress on each of the pillars in the subsequent chapters. Our materiality assessment framework is in line with our philosophy to make the world a better place to live, and embraces steps to give back to nature, communities at large and most importantly to our various stakeholders. This document reflects the confidence that the organization has a strong value ethos and a governance framework that places emphasis on delivering strong financial performance whilst not losing sight of the larger goals brought out by the ESG framework.

Our Performance in FY22

We went past the INR 16,000 crore mark for the first time in five years thanks to strong business growth across key geographies.

However, both the topline and bottom line in the U.S. were marred by strong headwinds. Intensifying competition, double digit price erosion in our U.S. generics portfolio, inflationary pressures across all our inputs caused tremendous stress for the generics industry in general. The U.S. being a large part of our overall business, the impact on the overall business was quite high.

Amidst all of the negatives in the U.S., there were several remarkable developments — we continue to build a strong inhalation generics business with the ramp-up of Albuterol market share to 22.8% in Q4 FY22 and the launch of the Brovana authorized generic which together supported the U.S. business to register almost 3% growth.

The India business continues to shape our growth story in many ways. We maintained our 6th rank[2] in the India Pharma Market and improved our overall market share. With the re-opening of the economy, our sales force was able to better physically connect with the doctors and the trade. In the meantime, the pandemic had also enabled us to become more digitally savvy to provide a better customer experience.

> **Our materiality assessment framework is in line with our philosophy to make the world a better place to live, and embraces steps to give back to nature, communities at large and most importantly to our various stakeholders.**

[2]*IQVIA Mar '22*

Business in Growth Markets was strong with robust performance across markets, especially in the Philippines and Australia. We acquired Southern Cross Pharma in Australia – a company with a portfolio of ~ 60 registered products. We expect to drive synergies through this acquisition and enhance Lupin's value proposition and market share in the Australian market.

In Europe, we continue to expand the specialty business with NaMuscla®. Launch of branded generic beclomethasone/formoterol – Luforbec® in the U.K. provided further fillip to our efforts to grow our global inhalation franchise. The South African business continues to do well led by growth in Cardiovascular, Central Nervous System and the OTC franchises.

In the aftermath of the pandemic and the concomitant slowdown of acute therapies across the globe, the API business had a very challenging year with very low offtake particularly in the area of Cephalosporin antibiotics. However, we believe that the worst is behind us and that we should be able to come back strong.

We were also subject to further pressures as a result of product recalls, penalties on failures to supply due to supply chain disruptions during the pandemic, a one-time settlement of claims on account of Glumetza, and impairment of our specialty business asset Solosec and certain IP from our Gavis stable in the U.S.. This impacted the overall results that the company posted for the year, but sets us up strongly going forward.

Manufacturing and Quality

Lupin has always been in the forefront of bringing quality products at affordable prices to the consumers. Our manufacturing facilities continue to be the fulcrum around which the entire value chain revolves. Continuous improvisation and optimization on the cost front is an important imperative. Our manufacturing footprint is indeed global, domiciled in 15 manufacturing sites spread across India, United States, Brazil and Mexico. The fact that several of our sites, Mandideep (Unit-2) and Pithampur (Unit-1) have won the Gold Medal in the National Awards for Manufacturing Competitiveness 2021 (NAMC) and received Special Award for Advanced Manufacturing Systems whilst our site at Dabhasa was awarded the Silver Award at India Green Manufacturing Challenge 2021-22, is reflective of our manufacturing prowess and environmentally friendly practices.

The travel restrictions imposed by several governments and the institutions themselves on employees inhibited audits of sites by FDA authorities. This in turn stymied approvals and impacted our ability to launch new products for the U.S. markets. With easing of travel restriction, we saw the resurgence of our sites getting audited during the year. Goa site which was under Official Action Indicated (OAI) for quite some time was upgraded to a satisfactory Voluntary Action Indicated (VAI) classification basis the inspection in FY22 by the US FDA.

We embarked on a digital roadmap, ADAPT, for all manufacturing sites with a view to make our manufacturing operations best-in-class from an efficiency and quality perspective. The program aims to create a culture of sustainable cost optimization through digital monitoring of various parameters along the manufacturing value chain and uses data points and technology to ensure maximisation of throughput, optimisation of resource utilisation and ensuring delivery of "first time right batches".

Supply Chain Management

COVID-19 highlighted more than ever the need to have agile and adaptable supply chain operations. After the initial hiccups, post the pandemic, we have made significant progress in ensuring that the supply chain is geared to take any such challenges in the future. We made significant strides in our supply chain operations for the U.S. through the adoption of an Integrated Business Planning (IBP) process during the year. The IBP framework has brought in transparency of data, clear insights and identification of any existing/emerging gaps, enabling us to take right decisions to ensure that we maximize our ability to service the market and mitigate costs of Failure to Supply.

The inflationary environment was a dampener to our plans to optimize overall procurement costs and shore up margins. We have put ESG at the core of our operations and have initiated an ESG focused risk assessment for all our critical suppliers. This will enable us garner maximum transparency into our supplier's performance on environment, social & governance grounds, and allow us to take pointed action to meet the highest standards of sustainability. We continue to drive our focus on 'Project Inspire' to help us optimize on procurement costs and conversion costs.

Building for the Future

At Lupin, the consumer has always been at the center of our operations.

Safety of our operations and good health of our patients is of utmost importance to us. We believe that digital adoption will revolutionize healthcare through a thoughtful approach to data and design benefitting not just patients but health care providers as well.

In the same vein, we believe that there is an opportunity to fuse service and technology and serve patients interests better through diagnostic services. Whilst not being the dominant theme for our India formulations business, it is an important service offering in India. Given the immense possibilities for healthcare related services in India, we see this as an important growth engine for the future and is in line with our ethos of patient-centric healthcare.

We are hopeful that given our preparation levels, our manufacturing sites in India would find acceptance from the regulators and move to VAI status in FY23. This would bring in its wake long awaited approvals for select ANDAs submitted in the past. Along with the complex generic pipeline submissions, this would position the company very strongly in the near future.

The Road Ahead

As we rebuild the health of the U.S. business and sustain strong growth momentum in other parts, we expect that we would be able to regain growth from the second half of FY23. The launch of Spiriva DPI generic and Pegfilgrastim in the U.S. in the second half of the year would be important developments. To sustain growth momentum over time, we have a suite of products in the complex generics space straddling inhalation, injectables and biosimilars. These products would be the mainstay of the U.S. business over time.

In India, we successfully completed the acquisition of the portfolio of brands from Anglo-French Drugs & Industries Limited in April 2022. The acquisition will strengthen our India Region Formulations (IRF) business by adding a fast-growing portfolio of vitamins, minerals, supplements and neurological products. This coupled with calibrated field force expansion would help us sustain growth rates above that of the industry. New businesses such as Lupin Diagnostics will also gather pace in the quarters to come.

On the API front, we are optimistic about the prospects of a bounce back for the acute therapy products led by the cephalosporins range. Equally, we are also excited by our entry into the large market for Anti-Retrovirals (ARVs) globally.

We will also be focused on strategic inorganic strokes to supplement the organic efforts. We remain confident that the growth from the newer pipeline along with our initiatives across all fronts – cost and footprint rationalization, productivity improvement, digital roadmaps would collectively contribute to robust and sustainable topline and the bottom line growth over the years.

Ramesh Swaminathan
Executive Director,
Global CFO and Head — Corporate Affairs

14.20% EBITDA* Margin

**normalized for one-off event of Glumetza*

22.8% Market Share

for Albuterol in the U.S.

Acquired Southern Cross Pharma

in Australia

Creating Value Through Our Capitals

Financial Performance
(Financial Capital)

Driving Excellence in Operations
(Manufacturing Capital)

Enabling Innovation
(Intellectual Capital)

Reinforcing Trust & Collaboration
(Social & Relationship Capital)

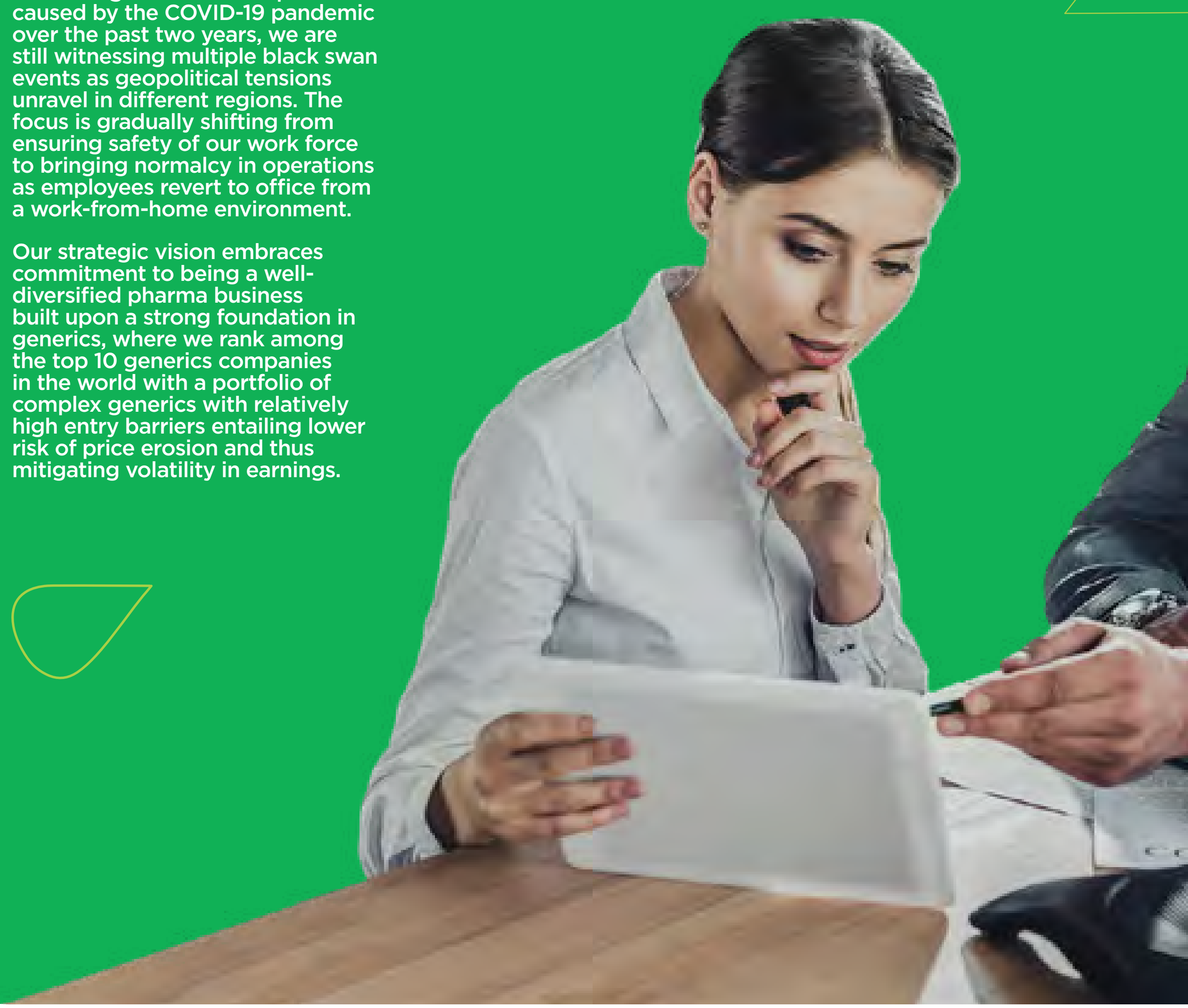
Building High-Performing Teams
(Human Capital)

Protecting Our Environment
(Natural Capital)

Financial Capital

As the world is gradually recovering from the disruptions caused by the COVID-19 pandemic over the past two years, we are still witnessing multiple black swan events as geopolitical tensions unravel in different regions. The focus is gradually shifting from ensuring safety of our work force to bringing normalcy in operations as employees revert to office from a work-from-home environment.

Our strategic vision embraces commitment to being a well-diversified pharma business built upon a strong foundation in generics, where we rank among the top 10 generics companies in the world with a portfolio of complex generics with relatively high entry barriers entailing lower risk of price erosion and thus mitigating volatility in earnings.



INR 164,055 Mn
Total Revenue from Operations

60%
Gross Margins

0.16:1
Net Debt/Equity

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

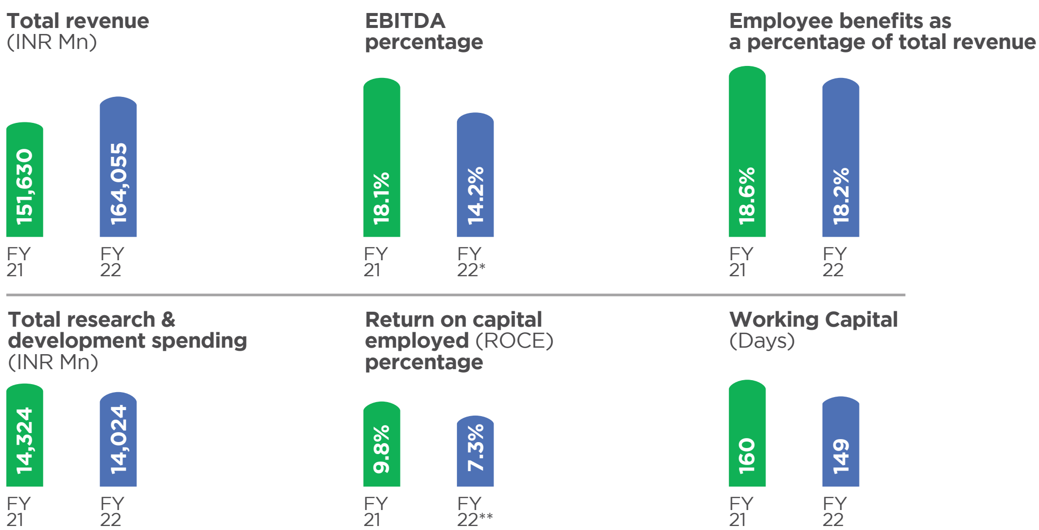
FY22 has been challenging with headwinds in the U.S. on account of accelerated price erosion, inflation in input materials, several one-off incidents such as product recalls, penalties for failure to supply, settlement of claims for Glumetza, and impairment of Solosec. The situation was further exacerbated by the decline in sale of acute therapy products relating to the API business. Amidst the flurry of setbacks, there were however notable achievements across our markets. Albuterol gained a distinctive market share of approximately 23% in the U.S. and is our top product by sales. Our India business registered growth of close to 14% in the past FY, primarily driven by growth in chronic therapy areas. In the Asia Pacific region, our acquisition of Southern Cross Pharma helps us further consolidate our position in the Australian market. Our growth in Europe has been on the back of the launch of Luforbec® (gFostair), and ramp up of NaMuscla® and Nepexto®.

Our capital allocation strategy had gone amiss in parts in the recent past with acquisitions unfortunately proving unsuccessful and spends on R&D not yielding the desired timely results. Our approach today is to be a lot more calibrated towards acquisitions as well as spend on R&D. The R&D spend pattern reflects a marked shift away from simple generics to more complex products straddling across inhalation, injectables and biosimilars. Further, we have drastically reduced the burn on Solosec®, our women's health franchise in the U.S. Whilst we retain our aspirations for building Specialty, the current focus is on bringing EBITDA margins back to a healthy core of over 20% in the near future. A robust optimization plan embracing several initiatives to reduce costs, rationalise portfolio spends, rationalise the footprint and divest areas that cause the burn is underway in order to achieve the same. We believe that there would be favourable outcomes coming in the wake of these programs over the next several quarters and would be clearly discernible from the second half of the current fiscal.

Financial Performance

Our management of financial capital focuses on enhancing shareholder value by maintaining a healthy bottom line, coupled with judicious investments in research and development, cost optimization, capital expenditure and modernization through adoption of new technologies and Information Technology (IT) systems. Whilst this has been the overarching theme for long, there have been setbacks in recent times to vitiate our ratios and metrics. The endeavour currently is to bring all of them back to historical levels whilst not losing sight of our mission of providing high-quality, accessible and affordable healthcare for all.

Our financial performance during FY22 has been illustrated in the graphs below. A detailed account of our financial performance can be found in the standalone and consolidated financial statements, presented subsequently in the Integrated Report.



** normalized for one-off event of Glumetza*

*** normalized for one-off event of Glumetza and Solosec impairment*

Cost Optimization

We believe that cost optimization and prudent capital allocation are key business imperatives. Creating a leaner and more efficient organization remains central to our approach and strategy. Over the past year, we have made significant strides in our cost optimization initiatives encompassing digitization, automation, and process-related improvements. These initiatives have created a strong foundation and our cost optimization momentum will continue with increased rigor in the future.

At Lupin, we realise that becoming a digital-enabled organization is not an option but a necessity. It is crucial for business growth and provides an opportunity to unlock even more potential by enabling us to scale, reach new customers, improve effectiveness of our business operations, and enable agility. In our quest to digitally transform operations at our manufacturing sites, we continue to evolve with Program ADAPT. Through this, we have initiated leveraging new technologies to not only optimize time, efforts and throughput, but also drive a paradigm shift in the way we approach our manufacturing processes and operations.

Enhancements in our Qlik Sense dashboards aim to achieve greater business transparency and enable data-driven decision making. This intervention has allowed us to leverage integrated data and meaningful insights in a user-friendly manner, which enables better decision making. For example, this has led to a 25% reduction in human efforts in our Australia team and has eliminated the need for manual intervention. We intend to extend these Qlik Sense dashboards to our other global locations such as EMEA and APAC and also leverage these Qlik Dashboards in our finance and supply chain modules.

In our operations in India, we have also leveraged Robotic Process Automation (RPA) to automate the process of matching & reconciliation of transactions aligned to GST GLs and GST records as per the Indirect Tax team and identification of matched and unmatched transactions and clearing of matched transactions in SAP. We have been able to reduce the time spent by Lupin employees on this activity by 61%, thereby providing the opportunity to deploy our employees on other meaningful tasks and activities. The other area of deployment of RPA has been to streamline the process related to the preparation of Form 15 CA as per the Indian income Tax Act, 1961. By implementing the RPA based process to automate the preparation and drafting of these forms, we have saved time to the extent of at least 10 days each month, i.e. 120 days a year.

Introduced in FY20, Lupin's Project Inspire has led to incremental cost savings of approximately INR 1,000 Mn in FY22. We have been able to realise cost savings through improvement in procurement efficiency, optimization of batch output and improvement in yield and energy savings.

Some of the notable initiatives undertaken were to reduce energy consumption in fermentation of chilled water in Tarapur, installation of a back pressure turbine at our Ankleshwar plant, replacement of conventional motors with EC motors in AHU and ventilation in Tarapur, installation of LED lights across locations, and so on. We continue to explore process and product level interventions to further reduce our environment footprint and achieve cost savings.

Capital Expenditure

We invested INR 6,872 Mn for CAPEX requirements during the year towards newer capabilities, processes that increase efficiency and improve our environmental and social impact.

We have stepped up our investment towards automation, digitization and environmental management initiatives. Investments made during the year are summarised below[3]:

CAPEX Initiative

Environmental projects – installation of solar rooftops at multiple sites, air and water pollution control equipment and energy saving technologies	Automation projects – all projects which lead to process improvement	Digitization projects – initiatives such as Electronic batch records and Labware LIMS
137.2 *Investment (INR Mn)*	**83.0** *Investment (INR Mn)*	**46.4** *Investment (INR Mn)*

Tax Transparency

Lupin is committed to comply with all applicable laws and regulations, and we are transparent in our reporting to tax authorities all relevant information that is complete and accurate, in a timely manner. As a policy, Lupin does not engage in aggressive and contrived tax planning or tax structuring for the purpose of gaining tax advantages. Lupin's tax policy is to optimize the tax cost and avail tax incentives where available. We have strong governance mechanism to adhere to our tax

[3] *BRSR Principle 2, Question 1*

principles and manage tax risk in line with our tax risk management framework.

Lupin has zero tolerance towards tax evasion, or the facilitation of tax evasion, by itself or by its employees. Lupin maintains open and collaborative relationships with government and tax authorities worldwide. Where appropriate, Lupin seeks advance clearance from tax authorities on the proposed tax treatment of transactions, helping pre-empt future disputes. We are committed to the arm's length standard in transfer pricing and OECD guidelines for international tax matters. Our Chief Financial Officer (CFO) is ultimately responsible for our overall tax position. The day-to-day management of tax is performed by the company's global corporate tax department. Tax impact on critical transactions is also discussed and reviewed by prominent senior legal counsels and reputed firms.

We monitor proposals and changes to tax incentives and regulations in the countries in which we operate to assess their impact on our business, and we actively participate in industry groups interacting with government representatives to support the development of effective tax systems that encourage innovation and growth. We also utilize available tax incentives and opportunities, such as Research and Development tax reliefs, in the spirit in which they were intended.

We have robust internal policies, processes, training, and compliance programmes to ensure we have alignment across our business and meet our tax obligations.

The tax strategy for Lupin Healthcare (U.K.) Limited for FY22 is available at https://www.lupin.com/investors/policies in accordance with the requirements of the Finance Act 2016 Schedule 19, paragraph 16(2) of the United Kingdom.

Manufacturing Capital

Manufacturing Excellence in Action

The manufacturing philosophy we employ at Lupin is highly strategic, yet simple enough to be understood and implemented across our entire organization. We aim to drive continuous improvement and innovation to produce high-quality and affordable medicines, thus enhancing healthcare in over 100 countries that we serve, while ensuring the safety and health of our employees.

We achieve this goal through a global footprint of 15 world-class manufacturing sites. The sites are located in India, the United States, Brazil, and Mexico, and are at the core of our business to support our vision of being an innovation-led, transnational pharmaceutical major.

Our manufacturing sites are supported and bolstered by a truly global, agile and efficient supply chain which makes it possible for us to deliver affordable and superior quality products worldwide.

As the global socio-economic landscape continues to evolve, we are focused on ensuring that the highest standards of quality are sustained. We believe that maintaining and continuously improving the highest standards in manufacturing will ensure efficiency and effectiveness in our business processes.

Goa site receives **Voluntary Action Indicated (VAI)** status from US FDA

4 Manufacturing sites receive **International Sustainability Rating System (ISRS)**, 8th edition certification

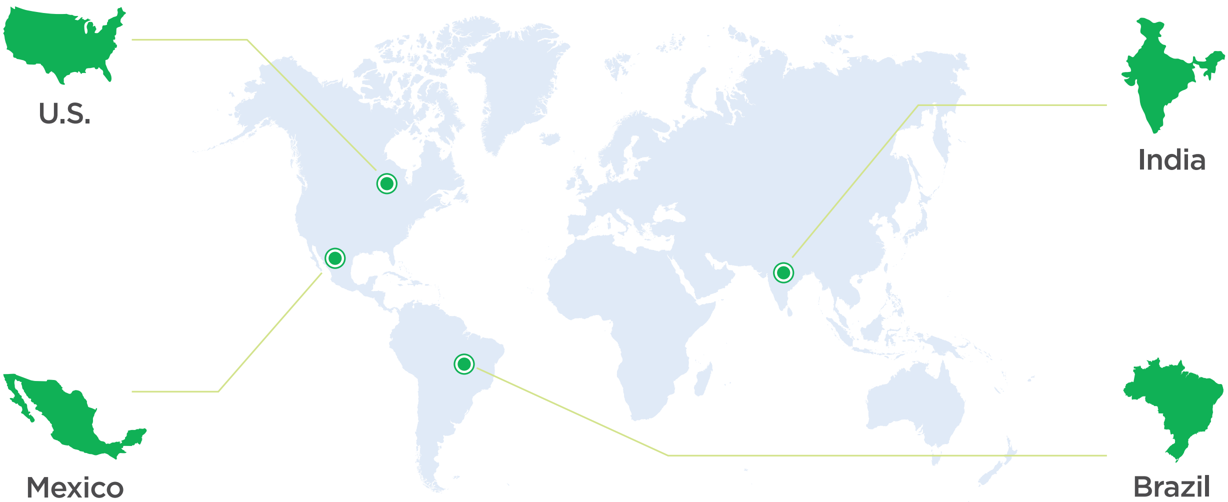
7 Manufacturing sites utilize renewable energy

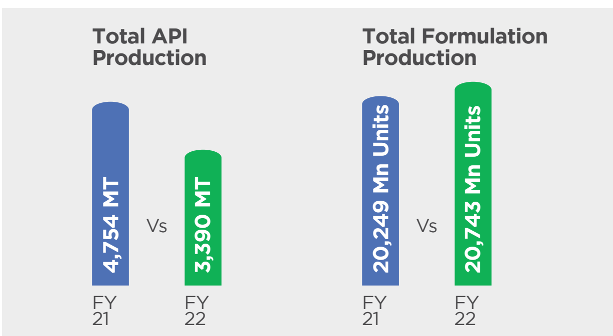
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Manufacturing Locations and Output

15 Manufacturing Locations Across 4 Geographies





Regulatory Compliance

At Lupin, we ensure compliance with all global regulatory requirements set by the respective governments, and any non-compliances are quickly and effectively addressed to ensure that our operations are not affected.

Our facilities are periodically inspected and audited by regulatory authorities as well as our customers and third-party consultants. Additionally, we have established a robust internal auditing mechanism and detailed Standard Operating Procedures (SOPs), which are defined in our Quality System to ensure compliance and regulatory adherence.

In addition to our internal processes, our manufacturing facilities are aligned with the best global practices to ensure the efficient transfer of inputs to our plants and the timely delivery of products to our customers. We maintain compliance with the applicable current Good Manufacturing Practice (cGMP) standards at all our global sites. We have systems in place to ensure regulatory compliance with national and international regulatory authorities. Our facilities are approved by regulatory authorities from the U.S., EU and Japan and by those for several emerging markets as well. Some key highlights about the regulatory agency inspections in the last four years are detailed ahead.

Accreditation and Regulatory Approval

United States Food and Drug Administration (US FDA)

- Lupin sites were inspected by US FDA fourteen times in the last four years
- Goa site was inspected in September 2021 and has received satisfactory Voluntary Action Initiated (VAI) status
- All remaining sites which were inspected have a VAI status

Medicines and Healthcare products Regulatory Agency (MHRA), United Kingdom

- All units at the Pithampur site received a Good Manufacturing Practices (GMP) certificate in January 2020
- The Goa site received a Good Manufacturing Practices (GMP) certificate in March 2018

Therapeutic Goods Administration (TGA), Australia

- The Mandideep unit received a Good Manufacturing Practices (GMP) certificate in April 2021

Our Pillars of Manufacturing Excellence

- **Energy Efficiency:** To achieve true manufacturing excellence, we must be sustainable and ensure energy efficiency measures are implemented across our operations. Therefore, we actively invest in energy-efficient technologies and processes.
- **Automation and Digitization:** We are implementing digital projects related to manufacturing 4.0 across multiple facilities. In addition, we are also implementing initiatives such as product traceability, improved packaging processes, advanced screening systems, and enhanced data tracking systems.
- **Quality:** We conduct regular inspections and audits both internally and through regulatory authorities and third-party consultants to ensure the quality and reliability of our products. Additionally, all our products are manufactured and marketed in compliance with all quality parameters relating to assay, purity, safety, and efficacy.
- **Cost Efficiency:** We are committed to being cost-effective in all our operations, and to accomplish this, we have many cross functional teams which help us focus on competitive productivity with quality, safety and cost optimization.
- **Global Presence:** We strive to leverage our global network and presence to take advantage of advanced logistics and local sourcing.

Leveraging our Global Manufacturing Network

The recent disruptions to global supply chains and manufacturing networks have caused organizations to recalibrate how they do business. As an organization, we are cognizant of these disruptions as well as the accelerated pace at which these changes continue to impact global and regional economies.

However, through our robust global manufacturing network we believe we can absorb all external shocks. The global presence and distribution of our network is one of the core strengths of our organization, and with a manufacturing presence across multiple geographies, we can take advantage of improved logistics, optimization of resources, and local sourcing.

Further, our global manufacturing network also allows regional manufacturing sites to access tools, research, technologies, and raw material that may not be available in their home countries.

"At Lupin we strive to develop effective manufacturing systems that bring together the capabilities of our global manufacturing sites. These systems and synergies between our global sites ensure our products are of the highest standards and meet our customer needs."

Rajendra B. Chunodkar
President,
Manufacturing Operations

A Global Leader in Sustainable Manufacturing

Lupin received the prestigious International Sustainability Rating System (ISRS), 8th edition certification for four of its sites located in Mandideep, Tarapur, Ankleshwar and Dabhasa. Lupin is also the only pharmaceutical company in the world to have attained ISRS Level 7 certification for three of its facilities — Ankleshwar, Mandideep and Tarapur.

This certification is a strong endorsement of the practices that have been adopted with regard to Risk Management, Safety and Sustainability at our manufacturing sites. By 2025, we intend to get all our API sites and at least one formulation site certified by ISRS.

Energy Efficiency Initiatives at Manufacturing Sites

We are committed to improving our operational efficiency and we recognize our responsibility to minimize our environmental footprint. To optimize energy efficiency across our sites, we have implemented a multitude of measures across the board, both in India and around the world.

A variety of energy-efficient measures, such as energy-efficient lighting, efficient pumping technologies, the utilization of renewable energy, and the installation of variable frequency drives (VFDs) and energy-efficient cooling systems are being implemented. Further, we are also exploring opportunities to increase our use of cleaner fuels, including those made from agricultural-waste biomass briquettes and natural gas. Lastly, we are introducing fuel additives to enhance the efficiency of combustion in our boilers.

In order to standardize our sustainability efforts across our entire organization, we have implemented these processes across our manufacturing sites and research center.

Highlights

Replacement of Conventional Lights with LED Lights

- Total **4,404** Lights replaced at Mandideep, Ankleshwar, Vizag and Dabhasa
- Total power consumption reduction of **9.33 Lakhs KWH/annum**

Development of Renewable Hybrid Power (Wind and Solar)

Contribution of renewable power increased by **5.3 MW at Ankleshwar** and **Dabhasa** by switching to Hybrid Power. This is equivalent to **200 Lakhs KWH** addition through Renewable power annually.

Installation of Rooftop Solar

In line with our plan to achieve our sustainability target of renewable power, we have introduced Rooftop Solar at the following sites:

- Ankleshwar: 275 KW
- Dabhasa: 268 KW
- Sikkim: 500 KW

Installation of Electronically Commutated (EC) motors

- EC motors have been introduced to reduce power consumption
- Total consumption reduction due to the EC motor installation at Pithampur and Aurangabad: 5 Lakh units/annum

Power Savings via Automatic Condenser Tube Cleaning System in Chillers

- Mandideep: ~1.6 Lakhs KWH/annum
- Pithampur: ~1.8 Lakhs KWH/annum
- Tarapur: ~0.6 Lakhs KWH/annum
- Ankleshwar: ~1.6 Lakhs KWH/annum

Project Plan for Rooftop Installation by FY23

- Nagpur: 1500 KW
- Ankleshwar: 400 KW

Energy Efficiency Across Our Manufacturing Sites

	Energy Efficient Lighting	Efficient Pumping Technologies	Utilization of Renewable Energy	Installation of VFDs	Energy Efficient Cooling Systems
Ankleshwar	✓	✓	✓		✓
Dabhasa	✓	✓	✓	✓	✓
Mandideep	✓		✓	✓	✓
Tarapur	✓	✓		✓	✓
Visakhapatnam	✓	✓		✓	✓
Aurangabad	✓	✓	✓	✓	✓
Pithampur	✓	✓		✓	✓
Pune (Biotech)	✓		✓	✓	
Goa	✓	✓	✓	✓	✓
Nagpur	✓	✓		✓	✓
Sikkim	✓	✓	✓	✓	✓
Jammu	✓				

Our Continued Commitment to Reinforcing Biotech

Lupin is continuously enhancing and expanding its manufacturing base in order to meet global market demands for diverse and complex products.

Currently, Lupin Biotech has a portfolio of seven molecules that are in various stages of development and commercialization, serving key markets like the United States, the European Union, Japan, India, and other emerging markets. The global nature of our operations and development of Biosimilars makes us one of the key players in this area.

Our portfolio has evolved over the years from being primarily oral solids to including much more complex generics, such as injectables, biosimilars and inhalation products. We have three primary lines of Biosimilars which include 2 X 1000 liters, 3 X 1000 liters, and 4 X 2000 liters (under qualification) Mammalian Manufacturing, 1 X 100 liters Microbial, and PFS and Vial lines with total annual capacity of 1 Mn units (combined) for Drug Product. We have now begun producing Etanercept Biosimilar in the new DS facility in FY22.

We are committed to ensuring that all our sites, including our Biosimilar sites conform to the regulations that have been set in place, with regular audits and compliance checks being conducted. All of our facilities have already been approved by the EU and Japanese regulatory authorities, as well as those from several emerging markets.

Embracing Automation and Unlocking Digital Innovation

We continue to invest in our manufacturing facilities in order to enhance the efficiency and effectiveness of our processes. We have actively invested in automation technologies aimed at screening and inspection, cleaning and washing, and storage and data-tracking systems.

We are conscious about maintaining the progress made over the last one year and remaining ahead of the curve by investing in cutting-edge technologies to create better efficiencies, enhance profitability and remain competitive. Therefore, we continue to invest in automating processes and enhancing our systems to minimize errors and produce the highest quality of products.

Building a Foundation for a Future Ready Shopfloor through Project ADAPT

LUPIN ADAPT
Accelerated Digital & Analytics Performance Transformation

As we prepare for Industry 4.0, we are making strides towards leveraging the power of big data, predictive analytics, and digital tools across the value chain. In doing so, we are paving the way for transformational change. As part of this journey, we have launched the Accelerated Digital & Analytics Performance Transformation (ADAPT) project. The project has been launched at three of our manufacturing sites, namely Goa, Tarapur and Nagpur.

Through the ADAPT program, we are working together towards three specific goals:

- Ensuring we remain ahead of the curve in terms of deployment of Industry 4.0 levers
- Building in-house capabilities to ensure sustainable progress
- Developing the required IT/OT infrastructure to facilitate the adoption and sustainability of new ways of working

Through these three specific goals, we will be able to deploy high-potential Digital and Analytics (DNA) use-cases across departments and build a digital-native organization with at-scale DNA capabilities and effective change management to scale up interventions across the network.

Under project ADAPT, we have identified 24 use cases for implementation on a central Industrial Internet Of Things (IIOT) platform. These 24 use cases are predominantly categorized under the following areas:

Advanced Analytics: This is aimed at using advance analytics modelling to identify and control critical process parameters to improve key business metrics like yield, utility efficiency, and cycle time while also enhancing quality and productivity of overall processes.

Digital Twin: This is aimed at leveraging a central IIOT platform to collect key business insights to create optimized plans in key areas centered around quality control labs, manufacturing operations and packaging lines to increase throughput and productivity.

Central Data Lake-based Use Cases: This is aimed at synchronizing data from all key business functions centrally to track and measure their performance. Other use cases in this domain aim at developing a digital approach in key business functions like investigations and training.

We believe that automation and technology hold special significance for our Industry and provide practically limitless opportunities.

Enhancing Quality

Quality is a way of life at Lupin, one that is characterized by rigorous discipline, unfailing checks, and unwavering commitment to excellence. Our Quality Policy and Quality Management Standards guide our business operations. We have an established Corporate Quality Assurance (CQA) function, which links our research and manufacturing functions. The CQA function ensures a standardized common quality system, ensuring consistency, efficiency, and effectiveness in manufacturing APIs and formulations across all our sites.

By simplifying operations across a broad range of products, organizations, and processes, we mitigate the risk of potential regulatory non-compliance.

As per the company's quality process, products are manufactured and marketed in compliance with all quality parameters relating to identity, purity, safety, and efficacy, including Good Manufacturing Practice (GMP) regulations and Good Laboratory Practice (GLP) regulations. Executive management ensures compliance with the company's Quality Policy, as well as the requirements of customers or the intended market. Lupin has complete control over the design and manufacture of goods to meet these requirements and provides adequate confidence to its customers regarding its products.

Global Quality Action Plan

Enhancing our quality systems is a continuous process. In order to achieve this, we have developed a Global Quality Action Plan, a holistic approach that addresses the entire cycle of a quality process, right from recruiting to driving global standardization across all our manufacturing sites under a single quality system.

With over 2,700 professionals in Quality alone, we are continuously developing and implementing policies that ensure compliance with global regulatory standards. Lupin firmly believes that maintaining regulatory and compliance standards is key to ensuring superior quality, and is a critical differentiating factor.

Quality First

Our 'Quality First' program is based on a set of values that serve as guidelines in creating a culture where we strive to provide the highest quality output. The purpose of this program is to make an orbital change in our procedures, investigation methods, corrective action plans, training effectiveness and product robustness.

We are working on various work streams like SOP effectiveness, Lupin Walk the Talk, People Readiness, Investigation/CAPA/Training Effectiveness and Product Robustness, etc.

Starting from Pithampur Unit-2 in 2019 to now encompassing eight manufacturing sites, the Quality First program is redefining the way we perceive quality at Lupin as well as strengthening the culture of putting "Quality First." As we move forward, we will introduce new initiatives as well as ramp up several other activities that we have undertaken under the Quality First umbrella. "Knowledge Corner" that was started at Pithampur site and "Level Up program" at Mandideep are examples of newly introduced initiatives.

QF LUPIN

World Class Labs Program

Our World Class Labs program is a one-of-a-kind initiative that aims to bring all quality laboratory operations in our organization to a Five Sigma quality level.

Within this program, several process innovations have been identified and implemented, including material kitting, dedicated mobile phase preparation, software upgrades, and the improvement of coluMn performance through the use of monitoring systems, which measure historical performance of each coluMn and detect inconsistencies to minimize errors through OEM learning.

Among our key goals in this initiative is to reduce laboratory incidents by implementing multiple technology solutions. As an example, we implemented 500 barcode readers in 15 labs to eliminate transcription errors. Automating the process of phase preparation through mobile devices is also in progress. The first phase of implementation will take place in our Goa facility and will be completed by 2022. Further, automatic dispensers are being implemented to eliminate dilution errors during analysis. Similarly, a unidirectional lay-out has been designed for most of the formulation and API labs along with double door glasswashers to prevent contamination.

Quality Excellence Awards

The success of our World Class Labs program relies heavily on the expertise of our analysts. The Lupin Quality Excellence Awards program honors high performing employees for achieving quality improvements.

The Quality Excellence Awards provide an opportunity for individuals to share their stories, present their work, and motivate their colleagues. With this award, Lupin has created a platform for everyone to share their success stories and to raise the bar for quality initiatives across the company.

The quality excellence awards are presented annually to the best performing sites and to the best performing employees.

Categories of Awards

- **Excellence in Regulatory Audit Outcomes**
- **Excellence in Customer Satisfaction**
- **Excellence in Investigation Root Cause Identification**
- **Excellence in Manufacturing Human Error Reduction**
- **Excellence in Investigation Outcomes Scores**
- **Excellence in Laboratory Error Reduction**
- **Best Analysts of the Year**

Using technology to reduce defects and improve product quality

Automated systems: Lupin uses automated systems that inspect the quality of its products. Defective products are discarded using precision systems, thereby reducing downtime and rework. This leads to superior quality and prevention of product recalls. Camera and software-based technologies are used in combination to improve manufacturing processes, ensure product quality and to reduce defects.

Electronic Batch Process Records (eBPRs): eBPR is a system that stores batch-wise data related to operations, manufacturing, procurement, supplies and more that would relate to manufacturing activities. The eBPR is used to streamline compliance procedures, improve operational efficiency, and reduce human error in batch manufacturing processes. It monitors manufacturing activity in real time and provides comprehensive analysis and reporting of system processes. This facilitates effective batch processing evaluation and analysis. By streamlining processes and operations, it reduces paper consumption as well as improves data integrity and accuracy. eBPR is currently being implemented at our Nagpur Plant and will be expanded to other locations in phases.

Dashboards and platforms: The Enterprise BI dashboard provides quick and easy access to data for Production, Quality and Investigation. These dashboards provide high-level summaries of important metrics, support decision-making and ultimately allow a more effective use of resources, and increase the quality of the product and effectiveness of operations.

Associations and Networks

Lupin is a member of the Indian Pharmaceutical Association (IPA) which organizes its annual flagship event called the India Pharmaceutical Forum. In order to achieve global quality benchmarks, IPA assists Indian pharmaceutical manufacturers in adopting best practices through industry collaboration. Lupin is involved in several industry-wide quality initiatives. Lupin also provides feedback on guidelines and adopts benchmarks, best practices and training modules to ensure world class quality standards.

Awards and Recognitions

- Ankleshwar Site won the Platinum award in the 15th National Six Sigma Competition by Confederation of Indian Industry (CII) and 3 Gold Awards in QCFI Lean Six Sigma Competition organized by Quality Circle Forum of India (QCFI)
- Goa Site has won the Appreciation Award by CII Goa State level in the 3rd Quality Circle Competition (Large Scale Category)
- Dabhasa site received a Silver Rating in the Indian Green Manufacturing Challenge (IMGC), highlighting consistent progress in improving sustainability factors across the facility
- Lupin was recognized as a winner at the Asia Pacific Bioprocessing Excellence Awards 2022
- Mandideep and Pithampur sites won the Gold Award at National Awards for Manufacturing Competitiveness

Intellectual Capital

Fostering a Culture of Innovation

Lupin strives to reduce disease burden for patients and societies around the world. By focusing on innovation, we are able to deploy cutting-edge technologies to develop new and high-quality generic medicines to improve patient quality of life. In FY22, we invested INR 14,024 Mn in Research and Development. We believe that our investment in R&D will lead to sustained value creation both in terms of topline growth and improving access and affordability of our medicines to patients around the world.

We aim to enrich our portfolio by identifying and developing new and improved products as well as partnering across the value chain to achieve scale and impact.

INR 14,024 Mn
Invested in R&D

61 Patents
Secured in FY22

1,008 Active Patents

We have received the following approvals in FY22

- Emtricitabine and Tenofovir Disoproxil Fumarate Tablets
- Sevelamer Hydrochloride Tablets
- Sevelamer Carbonate for Oral Suspension
- Vigabatrin for Oral Solution USP
- Sildenafil for Oral Suspension (Tentative Approval)
- Dolutegravir, Lamivudine and Tenofovir Disoproxil Fumarate Tablets (PEPFAR Product)
- Brivaracetam Tablets
- Brexpiprazole Tablets
- Azilsartan Medoxomil Tablets
- Bosentan Tablets for Oral Suspension

Filing and Approvals Trend

Type of Filing	2019-20		2020-21		2021-22	
	Filing	Approval	Filing	Approval	Filing	Approval
NDAs	2	0	0	1	1	2
ANDAs - Lupin	19	14	14	19	19	9
ANDAs - LPI	1	0	0	0	0	0
ANDAs - Novel	1	0	1	0	0	0
Total	23	14	15	20	20	11

R&D Infrastructure and Key Developments

With R&D centers in seven locations across the globe, employing over 1,400 personnel, we innovate by leveraging advanced technologies, superior competencies and strategic alliances. We are proud of our state-of-the-art R&D Lupin Research Park (LRP) located in Pune, India, which functions as the hub of our global research activities. This campus houses our generic research unit, encompassing API and finished product research, our Novel Drug Discovery and Development (NDDD) unit and from recently, our biosimilar research unit. Over the years, we have transitioned from an oral solids portfolio to include a wide array of complex generics such as injectables, biosimilars and inhalation products.

Bioclinical Research, Pune

The Lupin Bioresearch Centre (LBC) is located in Pune and commenced its operations in the year 2009. The LBC has been involved in the operations to conduct in-vitro/in-vivo bioequivalence/PK-PD studies on different formulations including but not limited to Oral, Injectables, Inhalations, and Biosimilar formulations.

LBC has been successful through 26 regulatory inspections conducted by both local and international regulatory agencies. US FDA has audited the site 9 times, while other regulatory agencies such as U.K. MHRA, EMA, ASNM(France), and WHO have had audited the site once each. The Indian Regulator, Drug Controller General of India (DCGI) has periodically assessed six times, while the National Accreditation Board for Testing and Calibration Laboratories (NABL) has accredited the pathology lab seven times. On the regulatory front, the facility has consistently demonstrated outstanding performance.

In FY22, we conducted 67 in-vivo pivotal BE studies, 79 in-vivo pilot BE studies and six in-vitro BE studies and have cumulatively established over 344 validated analytical methods to date.

Inhalation Research Centre, Coral Springs

Lupin's Inhalation Research Centre in Coral Springs, Florida, is a specialized facility focused on research and development of inhalation products for the treatment of asthma and chronic obstructive pulmonary diseases (COPD) as well as other respiratory conditions. The expertise of Coral Spring has enabled us to set our vision of becoming a market leader in the inhalation space.

Complex Injectables Platform, Nanomi

Nanomi is Lupin's subsidiary in Netherlands, a leader in microsphere and nanoparticle Research and Development of long-acting injectables. Nanomi's core expertise is its Microsieve technology. We have leveraged this expertise and achieved significant milestones in the last year with respect to clinical trials and scale up activities for our long-acting injectable portfolio.

Initiatives on Green Chemistry

Enzymatic technology for green chemistry are being pursued for select products, including Dalbavancin and Levetiracetam amongst others. We intend to pursue even more products through this platform to create efficient, sustainable processes.

Access to Medicines

Lupin provides high-quality APIs and Finished Product to underserved countries by:

- Ensuring backward integration of its supply chain
- Increasing manufacturing capacities to meet global demands
- Obtaining prequalification from regulatory agencies like the World Health Organization (WHO) by manufacturing drugs in compliance with Good Manufacturing Practices
- Focusing on a comprehensive portfolio in sync with treatment guidelines
- Focusing on competitive pricing, quality that is consistent, in-house scalability, and manufacturing in accordance with compliance with regulations in multiple countries

[4]*https://www.ema.europa.eu/en/documents/orphan-maintenancereport/namuscla-Orphan-maintenance-assessmentreport-initialauthorisationen.pdf*

Tuberculosis

Lupin's Global Institutional Business (GIB) collaborates with global stakeholders in the fight against Tuberculosis (TB). We have been reliable supply partners for first-line agents for treatment of TB for several decades.

We have a strong backward integration to manufacture key first-line agents for treatment of TB consisting of Rifampicin, Ethambutol and Pyrazinamide. In addition to our active pharmaceutical ingredients (APIs), our finished dosage formulations are prequalified by the World Health Organization (WHO). They are supplied to emerging markets in order to ensure both affordability and accessibility.

HIV

We have recently forayed into Antiretroviral (ARV) therapy for providing high quality, affordable generics to emerging countries for the management of HIV infection. We are also working on a range of new generic products for the treatment of pediatric HIV.

Non-dystrophic myotonia (NDM)

NaMuscla

NDM is a collection of rare conditions that affect the muscles. Around one in 100,000 people suffer from these conditions worldwide. Lupin is committed to improving the care of patients with non-dystrophic myotonia (NDM), whose lives are affected by symptoms of myotonia. These efforts extend beyond facilitating access to NaMuscla (the only licensed antimyotonic available in the EU and U.K.).

As with many of the other 7,000 rare diseases, it often takes more than 10 years for people with NDM to receive a correct diagnosis. Consequently, lack of awareness and delayed diagnosis often limit access to people with the disease. Lupin strives for the following:

- Data generation to understand the impact of myotonia symptoms on affected people and their caregivers through Myopath Survey and IMPACT survey (understanding how a patient is affected due to a lack of access to licensed myotonia treatment) and Orphan maintenance assessment report for NaMuscla (mexiletine hydrochloride)[4] to understand the journey of pediatric patients with myotonic disorders from the first symptom(s) to diagnosis, treatment and management.
- Developing print/electronic resources for healthcare professionals (HCPs) to support their patient engagement. This helps improve care once diagnosed through patient information booklets (explaining NDM and myotonia symptoms), HCP-patient discussion guide (supporting HCPs in explaining treatment being prescribed to improve patient compliance and adherence), Phenotype booklet (explaining the different types of NDMs in terms of phenotypes, symptoms, etc.), and Impact Differential Diagnosis (assisting HCPs in understanding the differential diagnosis of the different NDM's to shorten time to diagnosis).

Managing Intellectual Property

We are committed to enhancing our product portfolio by securing intellectual property rights on our innovations. The value of our patent portfolio is testament to this commitment. Lupin settled 15 patent litigations in the United States in FY22. In the European Patent Office, Lupin's Lacosamide patent was found valid in a post-grant opposition proceeding.

1008 Active Patents API, Formulation, NDDD, Biosimilar, Brand (~14% increase from previous FY)

61 Patents secured in FY22 (~69% increase from FY21)

3,950 Trade Marks registered (until March 2022)

19 ANDA filings during the FY22, including 7 FTFs (3 exclusive FTFs)

Filed 185 patent applications including 58 formulation, 20 API, 10 biotech, and 97 NDDD patent applications

Product Recalls and Quality Monitoring

Lupin's Quality SOPs elaborate the procedures for monitoring product quality and initiating recalls, where warranted. These are regularly updated as per the latest FDA guidelines. (https://www.fda.gov/safety/recalls-market-withdrawals-safety-alerts/industry-guidance-recalls). These FDA guidelines describe the reasons which can trigger a recall and the timelines that need to be followed. Lupin takes actions proactively, often in an abundance of caution, to ensure that patient safety is not compromised.

The status of recalled batches is updated and monitored on a weekly basis, and the progress is reported to the regulatory coordinators, as required.

Novel Drug Discovery & Development

Lupin's Novel Drug Discovery and Development efforts continue to yield new and highly differentiated therapeutics in the areas of oncology, immunology, and metabolic diseases, with two promising agents currently undergoing human clinical trials.

Our oncology research focuses on approaches to treat patients based on specific gene mutations or alterations, regardless of cancer type. Lupin Oncology Inc. was incorporated to strengthen our commitment to successfully translate our drug discovery efforts into clinical trials and bring novel oncology products to market. Our strong oncology pipeline includes frontier approaches of exploiting immunology, synthetic lethality, epigenetic changes, and cancer metabolism. We are committed to successfully translating these R&D efforts from bench to bedside. This approach is tumor agnostic and aims to treat patients based on specific gene mutations/alterations regardless of cancer type.

Our partnerships with AbbVie and Boehringer Ingelheim are testament to the quality of our innovation. As part of our partnership with Boehringer Ingelheim, we are developing a clinical stage MEK inhibitor which is a RAS targeted therapy. According to the terms of our agreement, we have received USD 50 Mn by hitting key development milestones.

Biosimilar Research

Biosimilars are niche products that require substantial capital and revenue investment over an extended period of time before they can be brought to market.

Lupin's key markets for biosimilars include the United States, Europe and Japan, along with India and other emerging markets. We are one of the few Indian companies engaged in development of biosimilars, compliant to the most stringent quality standards, that would withstand regulatory scrutiny in developed as well as emerging markets.

We currently have nine molecules in various stages of development and commercialization.

Despite the technical complexity and regulatory/IP challenges, we have achieved notable milestones and made significant progress towards the global development of biosimilars. We received market authorization and successfully commercialized biosimilar Etanercept (Nepexto®) in key EU markets with our marketing partner, Viatris. Etanercept is a complex fusion protein and Lupin is the only Indian company which has successfully made this product in-house. It is manufactured at our biotech site in Pune, which was inspected and approved by the European and Japanese authorities over the last few years. Lupin's Etanercept has also been commercialized in India, following prior approval from DCGI.

We continuously enhance our biosimilars portfolio by identifying and developing new products as well as leveraging our partnerships across the value chain.

Our pipeline includes:

- Pegfilgrastim (Peg GCSF): We have reached a significant milestone with this product after submitting our BLA (Biological License Application) to the US FDA at the end of FY21. We now await US FDA approval for Peg GCSF. We also have a follow-on Peg GCSF On Body-Injector in advanced stages of development.
- In the ophthalmic products category, the Ranibizumab Phase III clinical study in India was successfully completed and therapeutic equivalence to the reference product was proven, in terms of primary and secondary endpoints. The product launch in India is targeted in FY23. In parallel, a global Phase III study is being conducted with sites in India, EU and the U.S.. Lupin's in-house clinical development team has the capability to manage such global trials with diverse ethnic groups.
- Aflibercept, another ophthalmic drug and complex fusion protein is under development and expected to cater to unmet medical needs in age-related macular degeneration. The Phase III clinical trial is expected to be initiated in FY23. Lupin is a strong proponent of government-industry partnerships and has received a prestigious grant from National Biopharma Mission (BIRAC) for development of this product.
- Lupin has a basket of next generation mAbs, such as Denosumab, Pertuzumab, and Certolizumab under development that are expected to be in clinic soon.

Biosimilar Aflibercept: Poised to Enhance Patients' Access and Affordability

With the demand for treating age-related macular degeneration growing exponentially, Alfibercept is a promising biologic to be considered for biosimilar development. This addition will strengthen our biosimilar portfolio and complement the Ranibizumab Biosimilar that we intend to launch earlier.

This drug has proven to benefit patients with AMD and DME, however, the current cost of therapy is very high and unaffordable to the larger population of India. Through our development, we are poised to deliver a cost-effective biosimilar version, thereby enhancing patient access to the medicine and improving their quality of life. This biosimilar is expected to cost the patients more than 40% lesser compared with the current innovator price.

With the support and funding from BIRAC, we have fast-tracked this project and also receive timely guidance on the overall development. Through this project, we are well on the path to delivering a world-class Biosimilar to Indian patients at an affordable price.

Technology

We are driving digital transformation across our organization and integrating new technologies to protect our intellectual capital

The advent of new-age technologies has simplified the research process; however, they have also introduced newer ways in which information can be compromised and intellectual property thefts. To combat product piracy and counterfeiting, we design and implement effective IP strategies.

Information Security Management System

The Information Security Management System (ISMS), KAVACH, ensures effective security controls and safeguards, and promotes awareness regarding data security. KAVACH protects our information through a framework of policies, procedures, and guidelines. The Information Security Management Systems at our Head Office, Pune Research Park, manufacturing facilities at Biotech, Mandideep and Pithampur have been accredited with ISO/IEC 27001:2013 for Information Security. This certification list will be expanded to include our Ankleshwar and Vizag sites.

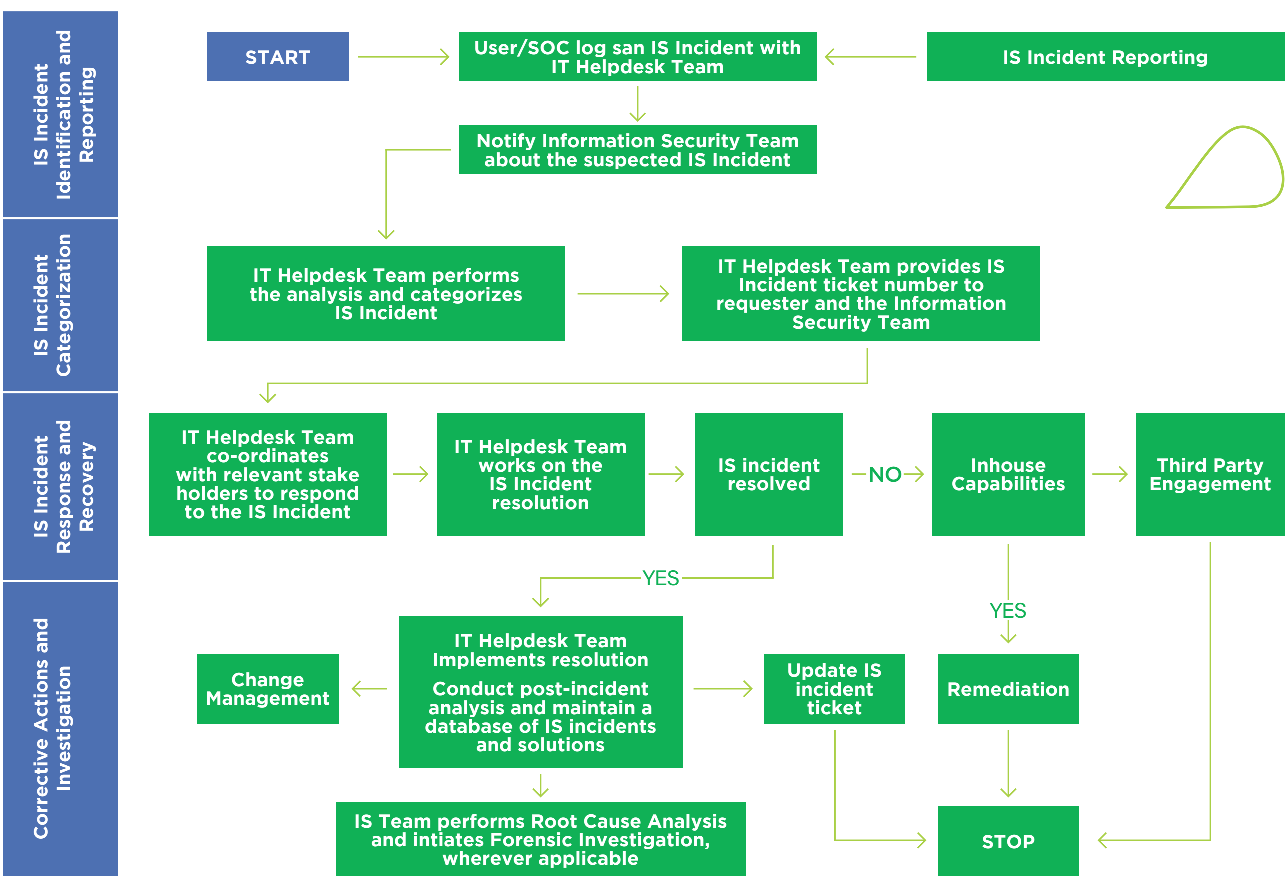
The ISO 27001:2013 standards specifies that IT systems undergo periodic security assessments at least once a year or on need basis to ensure that known vulnerabilities are not exploited by threats. An annual ISO 27001:2013 internal and external audit is conducted and the results are shared with the Steering Committee.

We regularly create, update, and review relevant security policies and procedures as part of ISMS implementation. These policies and procedures are also periodically audited internally and externally. As part of our commitment to information security, we have implemented project "SHIELD" across all our global sites to provide information security assurance.

Security incidents can be reported to kavach@lupin.com and shield@lupin.com

ZERO consumer complaints have been received regarding data privacy and cybersecurity aspects in FY22

Information Security (IS) Incident Management Procedure



Policies

Lupin has established a policy that categorizes data as Confidential, Internal and Public.

We have implemented Privileged Identity Management (PIM), Active Directory (AD) with conditional access, Zero Trust policy for remote access, Mobile Device Management, and more. A comprehensive perimeter architecture is implemented, including Next Generation Firewall (NGFW), Domain Name System (DNS) Security, Web Application Firewall (WAF), Advanced Threat Protection, and Secure Internet and Email Gateway.

Along with our threat intelligence team, we have a Security Incident Event Management (SIEM) and Security Operations Center (SOC) platform for monitoring cybersecurity threats.

Training

The ISMS policies have been published on Lupin's intranet, and we share the guidelines via multiple security sessions and emails. We also conduct regular trainings throughout the year in the following ways:

- Induction sessions have been mandated by HR for all new employees
- Security Awareness training and Acceptable Usage Policy
- A minimum passing score of 80% is required for annual training and assessment

Governance

Lupin has defined a Security Organization Structure led by the Steering Committee. The Committee is headed by a Certified Information Security Manager (CISM) and consists of the CIO, CISO, CSO and a representative from HR.

Together with the CIO, the CISO apprises senior management on the security position of Lupin periodically through various forums, such as the Steering Committee, the Risk Committee, and the Audit Committee.

Others

Cybersecurity incidents and breaches of information technology security are covered by our insurance policy. This may include fraudulent acts by employees, cyber extortion costs, business interruption losses, civil fines and penalties, privacy notification and forensic investigation costs, crisis management costs, disclosure liability/media liability, network disruption caused by computer attacks, and data loss liability.

Digital innovation

Lupin uses Information Technology to improve its performance across internal functions, as follows:

Finance Synergies:

- Integrating systems such as Open Text solution enables multiple departments to centrally manage an invoice's life cycle. With this, users can approve, check the status, and clarify any issues relating to invoices and payments
- Concur tool for employee travel, stay and reimbursements has been implemented with direct posting to SAP
- Migration to SAP S4HANA simplifies the financial transaction process and enhances the performance of the system

Procurement Synergies:

The new Blockchain application "Schrocken" enables multiple Lupin internal and external vendor teams to transact in one platform for CMO operations. As a result, this platform connects directly to their respective ERP systems and updates them, reducing the need to re-enter the transactions in the respective ERP systems.

Learning and Development Initiatives for R&D Personnel

At Lupin, we believe in investing in our employees' growth and development. We are implementing several learning and development initiatives across our R&D centers, which are outlined below:

INFLUENCE

Lupin Leadership Competencies with the Lupin Values at their core are the foundation of all that we do at Lupin. The Influence Program is a competency-based immersion program designed to build the behavioral competencies required to perform optimally. Each of the byte sized modules corresponds to a competency or a set of competencies that are critical to the success of a role (e.g., Individual Contributor or People Manager).

Gurukul

With Gurukul, R&D professionals are able to stay up to date on the latest scientific developments. In this program, an individual is nominated every fortnight to present on a topic relevant to the functional or futuristic competency needs of the department. As a result, every employee, regardless of grade or experience, has the opportunity to present to the entire team, thus developing both public speaking skills and competencies that are essential for a future-ready organization. In FY22, a total of 162 knowledge sharing sessions were conducted.

IGNITE

IGNITE is a Management Development program. Lupin's IGNITERs are critical to the growth engine of the company - its people, processes, and business. In the IGNITE program, senior managers are trained in essential skills to help them engage in meaningful pursuits with their teams in order to accelerate professional and personal success.

IDP | Individual Development Plan

IDP focuses on the individual development of employees. IDP is the result of a collaborative discussion between the employee and the reporting manager. This program focuses on the development of skills and competencies that our employees should enhance in order to be able to perform optimally and to achieve overall professional development.

iMpact

The iMpact program is a mentoring program, specially designed for women employees at Lupin. As a two-pronged initiative, iMpact focuses on developing the leadership skills of senior leaders who will mentor their peers, as well as providing a platform for female mentees to participate in development conversations and seek support and guidance.

Academic and Research Partnership — ASCENT

Lupin is a knowledge and science driven company, so obtaining a PhD (doctoral degree) is one of the highest qualifications which our employees aspire to. As part of the ASCENT program, we aim to enable and support this aspiration for our scientists in R&D. ASCENT is facilitated in partnership with the Manipal Academy of Higher Education and Symbiosis – both of which are premier universities in the fields of Scientific and Management studies. During the PhD program, Lupin provides complete monetary and professional support to selected personnel. The company facilitates timely coordination and review with appropriate guides (internal and external), submission of the thesis, and offers guidance from experts throughout the duration of the PhD. The minimum program duration is four years.

Enabling Digital Agility

Lupin has been at the forefront of implementing information technology platforms and software across the entire value function and functional areas. In keeping with this spirit, we embarked on a well-concerted and holistic Digital Transformation journey in 2021 embracing various parts of Industry 4.0.

We created a team of data engineers and data scientists to drive this transformation by leveraging the power of data and digital technologies. In addition to shouldering the responsibility for existing projects around business intelligence and Robotic Process Automation, this team initiated projects to establish the foundation and architecture for a truly "Digital Lupin," backed by technologies such as data lake and Internet of Things (IOT).

A few key programs underway as part of our Digital Transformation journey include:

Business Intelligence

Business Intelligence (BI) is critical for every organization. New age BI platforms bring together data integration, data analytics, and data literacy to close the gap between data and action. At Lupin, business intelligence is derived from a combination of applications, processes and infrastructure that provide data access and analytics to improve decision-making and performance. We have created multiple dashboards in different geographies including India, Australia, Philippines, Somerset, Mexico, U.S., Brazil, South Africa, and Germany that are used by multiple business functions including finance, HR, manufacturing, and quality. Currently, we are using more than 40 dashboards and 30 reports through the BI platform.

Robotic Process Automation (RPA)

In every line of business, including pharmaceuticals, time and efficiency are among the most critical parameters. Companies are increasingly leveraging automation to drive higher efficiencies. At Lupin, we have extensively deployed RPA across various functions and processes. By leveraging RPA, we save valuable man-hours by increasing efficiency and reducing the turnaround time of erstwhile manual processes. Through RPA, we have successfully automated more than 60 processes and will expand

it to more processes in the future. Lupin has been recognized by the industry for its work in the field of robotic process automation and we have won the prestigious Technology Senate Award 2021 for our SPRint (Spearheading Processes with Robotics Process Intelligence) program.

Data Lake

Aligned with the goal of enhancing our ability to make data-driven decisions, we are in the process of deploying Data Lake solutions. The ultimate objective of this initiative is:

- To maintain a single source for data across Lupin
- Deploy an intelligent BI platform for effective and faster generation of insights
- Enable ease of integrating applications and tools with data warehouses
- Unify reports into ready reckoners for quick reference

In the first leg (Sprint 1), our goal is to set up the data platform (Data Lake + Data Warehouse) for manufacturing operations and integrate data sets related to the manufacturing processes and quality functions of our sites in India. Following a pilot analytics implementation at our Goa and Tarapur sites, this will be rolled out to other sites. In the second leg, the plan is to integrate data sets related to Sales and Marketing operations.

ADAPT

Through the initiation and implementation of ADAPT (Accelerated Digital & Analytics Performance Transformation), Lupin has realized significant progress in its vision of digital transformation and data and technology enablement. Under this initiative, the overall manufacturing IT architecture has been enhanced to build an analytics and engagement layer over and beyond the existing enterprise data layers.

Currently, the program is underway at our Tarapur, Goa and Nagpur manufacturing units, with other sites in the pipeline. The ADAPT program focuses on various use-cases for yield improvement, golden batch identification, utility consumption optimization and micro-stoppage analysis, among others. Next-gen technologies including advanced analytics, machine learning, augmented reality, optimization engines and Industrial Internet of Things form the bedrock for these use cases.

Lupinnovate

An important dimension for driving the success of digital transformation initiatives revolves around people and change management. To enable the buy-in of Lupinytts in this transformation journey, we led a data science-based Ideathon + Hackathon. This initiative was named Lupinnovate and through this, all Lupinytts were invited to submit their ideas on how data can be leveraged to improve business outcomes.

Through Lupinnovate, we were able to foster capabilities, solicit ideas, and promote a culture of innovation. The winning ideas were evaluated based on the intricacy of the work, their feasibility and practicality in implementation, and the impact they would have on the function.

Social & Relationship Capital

Lupin is committed to ensuring that its core value of “Respect and Care” is upheld in its relationship with stakeholders and that this is reflected in its operations.

The Lupin Human Welfare & Research Foundation (LHWRF), an independent entity of Lupin Limited, was established with the objective of providing a sustainable, replicable, and continually evolving model of holistic rural development in India.

We understand that each community may have its own unique requirements, creating a differentiation that would be helpful in bringing about a change at the grass-root level. Therefore, our implementation model begins with a needs-based assessment across the villages we work in. Participatory rural appraisal exercises such as baseline surveys, social mapping, focus group discussions, meetings with village leaders, and transect walks ascertain the genuine requirements of the villages.

INR 339.9 Mn
CSR Spend in FY22

2.5 Mn Lives Touched by LHWRF

9,683 Suppliers
engaged with in 2022

21.2 Bn Impressions
created by Public Relations activities

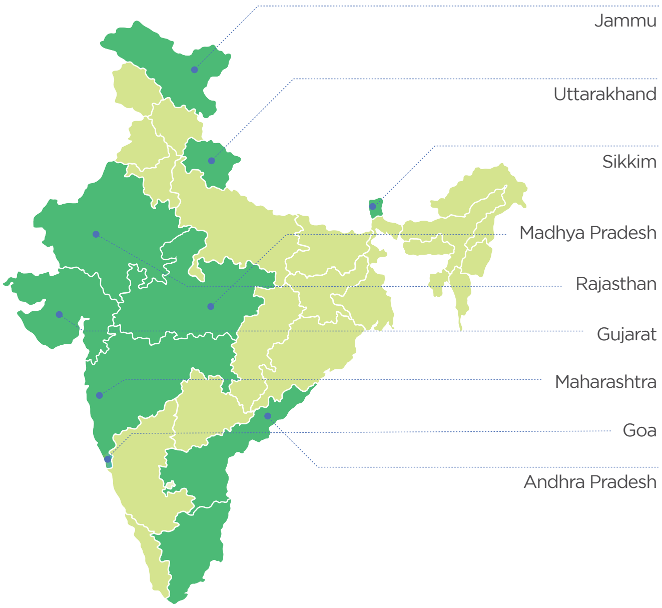
5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Today, LHWRF has a presence in 2,285 villages—located in 71 blocks of 21 districts across nine states in India. It operates through 20 centers and has introduced an efficient system that focuses on uplifting and empowering marginalized sections of society. Through these centers, we are proud to state that we touched the lives of over 2.5 Mn people.

Nine states with LHWRF presence



LHWRF believes that the implementation of development programs needs to be socially cemented through synergizing community-based organizations and local institutions. In the areas of our interventions, we have promoted this collaboration for future growth and sustainability through:

- Lupin Gram Vikas Panchayat (LGVPs)
- Farmer Producers Companies (FPCs) or Off-Farm Producer Organizations (OFPOs)
- Self-help groups (SHGs) and SHG federations
- Other groups such as water user groups, Village Watershed Committees (VWCs), or Joint Liability Groups (JLGs) as per project norms of partner organizations such as NABARD.

The communities we work with are treated as equal partners in development and are engaged in the implementation of the projects from the very beginning. The work is monitored by the community and upon its completion, the Panchayat takes responsibility for the same. To redress grievances that may arise, we have developed rules and procedures at village institution levels for timely resolutions.[5]

NIL Identified incidents of violation involving the rights of indigenous people

LHWRF's work has been centered around contextualized social development models which focus on four key pillars that enable us to create developmental strategies and put communities and their needs at the heart of all our programs.

[5]*BRSR: Principle 8, Essential Indicator (Q3)*

With these pillars forming a strong foundation, the impact created through our initiatives in FY22 has been summarized below:

Core Areas	Expenditure in INR (Mn)	Number of Beneficiaries	Outcome
Agricultural Development Program	15.84	18,111	• Increased gross and net income through better yield • Input cost reduction due to greater adoption of organic farming and other improved farming practices and methods • Enhanced adaptive capacity of the farmers in the wake of climate change and market fluctuations • Creation of demonstrative models of sustainable agricultural practices
Animal Husbandry	4.56	6,211	• Increased income for small, marginal and landless farmers • Increased milk, egg and meat yield • Greater availability of nutritious fodder in the area through all seasons • Reduction in migration with round-the-year income and occupation
Education	5.35	15,749	• Reduced dropout rate and improved enrolment • Increased school attendance • Enhanced learning levels through visual and interactive teaching aids • Facilitated enabling environment for girl education
Health	52.67	4,97,583	• Increased access to healthcare services • Improved health and nutrition of mothers and children • Improved personal hygiene • Reduction in waterborne diseases • Improved infrastructure of public healthcare institutions in rural areas • Covid preventive and relief measures
Rural Infrastructure Development	10.48	42,311	• Improved access to water • Improved housing • Improved sanitation facilities
Livelihood Promotion through Skill Development	117.44	19,569	• Increased wage and self-employment among women, landless and youth through widened livelihood options • Incremental increase in income levels • Increased number of entrepreneurs through skill, credit and market support • Conservation of traditional art and craft and improved income levels among artisans • Reduction in distress migration from rural to urban areas
National Resource Management	3.49	13,778	• Improved cropping pattern and increased cropping intensity with greater water availability • Enhanced groundwater levels through recharge • Reduction in distress migration with water availability for agriculture and livestock in summer and winter • Enhanced water use efficiency • Increased area under cultivation due to water availability • Increased vegetation and consequent carbon sequestration with greater green cover
Women Empowerment	25.02	11,830	• Formation and strengthening of SHGs and SHG federations • Increased income of SHG members through income generation activities • Greater inclusion of women and leadership opportunities in social and political spaces • Enhanced status and decision-making authority of women within the family and the community • Increased awareness of gender issues in the villages

The amount spent on CSR for FY22 was

INR 339.9 Mn

Provision of Tailoring Skills to Empower Tribal Women

23-year-old Bhagyashree Vasant Tambada comes from a desolate tribal hamlet called Malpada of Dhanivri village in the Palghar district. With five siblings and an annual income of INR 40, 000, she was seeking an opportunity through which she could support her family. At this juncture, she came to know about the tailoring training course run by LHWRF.

Process/Intervention

The sewing machine training was started in villages by LHWRF under the NABSKILL program supported by NABARD in collaboration with Gram panchayats. After completing the course, Bhagyashree was placed at the Garment Production Center at Dhanivri which has a tie-up with the Anita Dongre Fashion House.

Impact

Due to her sharp skills, hard work and dedication, Bhagyashree has risen to the rank of supervisor in the unit. Now, she earns approximately INR 13,000 a month. With this, she can now help her family financially and her sisters can continue their education. Additionally, during the pandemic when virtual schooling was taking place, Bhagyshree purchased and gifted a smartphone to her two sisters who are undergoing college education.

"Training I received enabled me to get a job. Though my education halted at the tenth grade, I am glad that my earnings help my sisters to continue their higher education."

Types on Contribution[6]

INR 323.2 Mn	INR 3.9 Mn	INR 12.8 Mn
Cash	In-kind giving: product or service donations, projects/ partnerships or similar	Management overheads

[6]*DJSI: 3.6.3*

Dhule Pattern of Water Resource Development

In the wake of recurring drought, the Dhule pattern of water resource development—which combines water harvesting, river basin development and efficient water use—stands out. Lack of availability and access to drinking water at the doorstep makes living in rural areas difficult and laborious, with agriculture and livestock also suffering as water in most of the rainfed areas gets exhausted by mid-winter.

Addressing this water scarcity in both summer and winter required a solution at a scale where the whole river basin was treated for rejuvenation. Further, the program ensured efficient use of the conserved water. The major drive that shaped the Dhule pattern was river rejuvenation by deepening and treating the entire basin. About 162.50 km of the river basin area was excavated at 152 sites and treated by building 81 new, and repairing 142 defunct check dams. The program regenerated seven rivers, viz. Jamkheli, Lendur, Sur, Madari, Kan, Waghi, Pan and other local streams from three blocks of Dhule district.

Impact:

- The river rejuvenation programme in four blocks across seven rivers led to water storage capacity of 5,426.37 TCM, through which 15,787 acres of the area were brought under irrigation.
- A total of 162.50 km of riverbed has been treated with 223 check dams constructed and/or repaired.
- 11,857 families economically upgraded through Water Resource Management.
- 881 poor tribal families now have irrigation facilities to cultivate their farms throughout the year.
- About 1,762 acres of rain-fed land transformed into irrigated land.
- The availability of water through the Group Well Irrigation System has given a sustainable source of income to these families, because of which they were able to come out of the poverty trap.
- Seasonal migration stopped among the families that benefited from Group well irrigation system.

  - Area under vegetable cultivation increased from 102 to 1,759 hectares

  - Production grew from 850 MT to 44,052 MT in the same region

- Average annual income per acre from vegetable farming is Rs 110,238

Nutritional Security

LHWRF believes that vegetable crop production is not only a better income generation activity but is also useful in ensuring nutritional security in the area. With the increase in the availability of nutritious vegetables in the farmer's households, higher consumption within the household lead to additional health benefits.

Innovative cluster approach to achieve high impact and greater replication

- LHWRF linked more than 2,376 farmers to vegetable cultivation programs in the cluster of villages in the district.
- Through this innovative approach, the Foundation developed crop-specific villages in the project area.
- Approximately 1950 farmers were linked with mixed vegetable crops, mainly potato cultivation, outside these vegetable cluster villages in the Bharatpur district.

1,762
Acres

162.50 km
of riverbed has been treated with 223 check dam construction

11,857
families economically upgraded

881
poor tribal families have irrigation facilities

Way Forward

Since inception, we have truly believed that communities are an integral part of the nation's economic and social progress, and well-designed initiatives can have a positive and long-lasting impact. It is imperative for us to adapt to the changing environment and cater to the relevant needs of our communities while embedding the same in our core business strategy. In FY22, we introduced the 'Lives and Livelihood' strategy[7] to further strengthen our commitment to improved economic opportunities and healthcare services. The goal of this approach is to contribute equally towards health and towards sustainable livelihood solutions.

[7]*DJSI: 3.6.3*

The Lives program focuses on service delivery for cardiovascular and respiratory diseases and partners with healthcare practitioners on capacity building and training.

The Lives program will be rolled out in FY23.

Lupin bagged the prestigious **India Pharma Award** for Excellence in Corporate Social Responsibility (CSR) for the second consecutive year. This year (2022), we won the award for the Horticultural Cluster project of Bharatpur.

Lupin also won the ‘Excellence in CSR’ Award in the prestigious **9th Annual Manufacturing Today** Conference and Awards.

Enhancing Patient Experience

Lupin's branded generics offer cost savings to consumers:

- Typically, **35%** healthcare expenditure savings versus originator price in South Africa
- **30-50%** expenditure savings versus originator price in the U.K.

Lupin continues to enhance customer engagement, create disease awareness, and drive therapy adherence by undertaking digital and technology-based patient support programs. Some of the notable initiatives are:

Joint Airways Initiative: Lupin's Joint Airways Initiative (JAI) is India's first digital educator that educates patients on correct inhalation techniques and offers a wide range of value-added pulmonary services that enable patients to breathe easier.

Humrahi: An initiative with the intent of enhancing quality of life for diabetic patients on insulin, Humrahi has a physical presence in 20 Indian cities and virtual presence across the country. Through the Humrahi Patient Education Program which offers insulin pen education, insulin storage tips, diet counselling and exercise suggestions, we have touched the lives of 4,000 healthcare practitioners and 150,000 patients

Anya: Powered by AI and Machine Learning, 'Anya', is India's first, medically verified chatbot which answers queries related to Diabetes, Tuberculosis, Respiratory Ailments, Hypertension and Heart Failure in five regional languages. 'Anya' is available to our patients on WhatsApp (+91 7045 770 770) in addition to Facebook messenger (@askanyabot) and the web portal (www.askanya.in).

Heart Rate – The Missing Link

As per the World Health Organization (WHO), India accounts for one-fifth of the total number of deaths from stroke and ischemic heart diseases. To create awareness and bring attention to this critical concern, we published a book titled 'Heart Rate – A Missing Link?" which witnessed the contribution of 114 eminent cardiologists. To further reinforce the importance of cardiovascular diseases, we also created a 'Guinness World Record' for the largest book sentence, having 4,921 copies of the book to display the title.

#SayYesToLife

With the objective of raising awareness about mental health, Lupin partnered with Shaan, the famous Indian playback singer, for the re-launch of his iconic song, 'Tanha Dil Tanha Safar'. The official video of this song focuses on an individual suffering from Clinical Depression and portrays his journey through acknowledgement, acceptance and finally, the admittance of his current situation. Further, the video highlights the importance on destigmatizing the need for professional help.

Through difficult times, where words fail, music takes over as the most powerful means of expression and whilst this song track focuses on a serious issue, it still has magic and soulfulness that can help people through a difficult time.

The audio and video of the song is available on Youtube: https://www.youtube.com/watch?v=8x_ocX9i6CQ

Shakti

"Good health is very important to me because my flexibility, form, and professional life depend on it. Along with a physical fitness regimen, one should also embed preventive screening tests for working towards optimal health. It is a myth that coronary heart disease is a man's disease or that only older women are at risk. I'm happy to partner with Lupin in their efforts to spread awareness and promote good heart health among women." - Mary Kom

Early detection and management of cardiovascular risk factors are paramount for improving women's cardiovascular health and reducing premature mortality. Coronary heart diseases are the leading cause of death for women in India and yet awareness levels on the issue remain abysmally low.

In FY22, Lupin Limited signed on six-time world boxing champion, Mary Kom as the brand ambassador for the 'Shakti' campaign, which is aimed at increasing awareness on heart diseases among women.

Engaging with our Suppliers

In a world of uncertainty, Lupin is committed to ensuring business continuity and maintaining service standards. In response to the rapid geographical growth, the Global Sourcing and Contract Manufacturing (GSCM) team has created centers of excellence which cater to the various elements of the supply chain such as procurement processes, outsourced formulations and contract manufacturing.

At Lupin, our top priorities[8] with respect to supply chain management are cost, supply continuity and material rejection.

₹ COST

Price benchmarking is done on a regular basis to identify market opportunities

For all high spend materials, we periodically benchmark our purchase price against market price to identify cost savings opportunities.

SUPPLY CONTINUITY

Monthly supplier delivery performance is measured.

OTIF data is prepared category wise and plant wise and discussed during Strategy and Operations meetings.

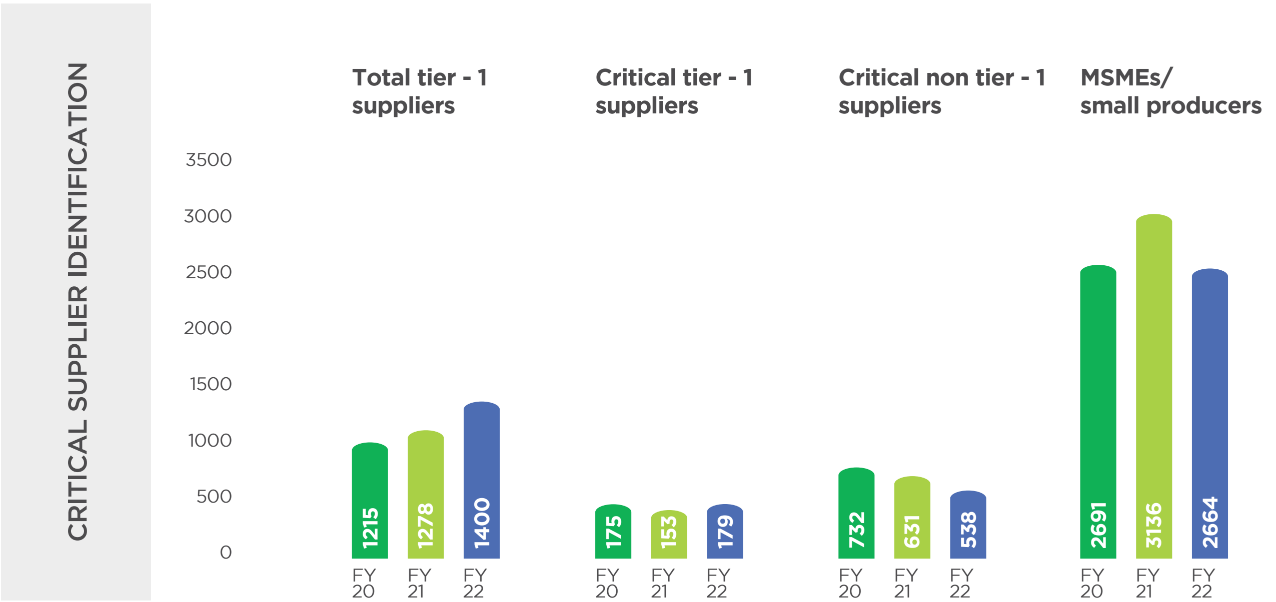
MATERIAL REJECTION

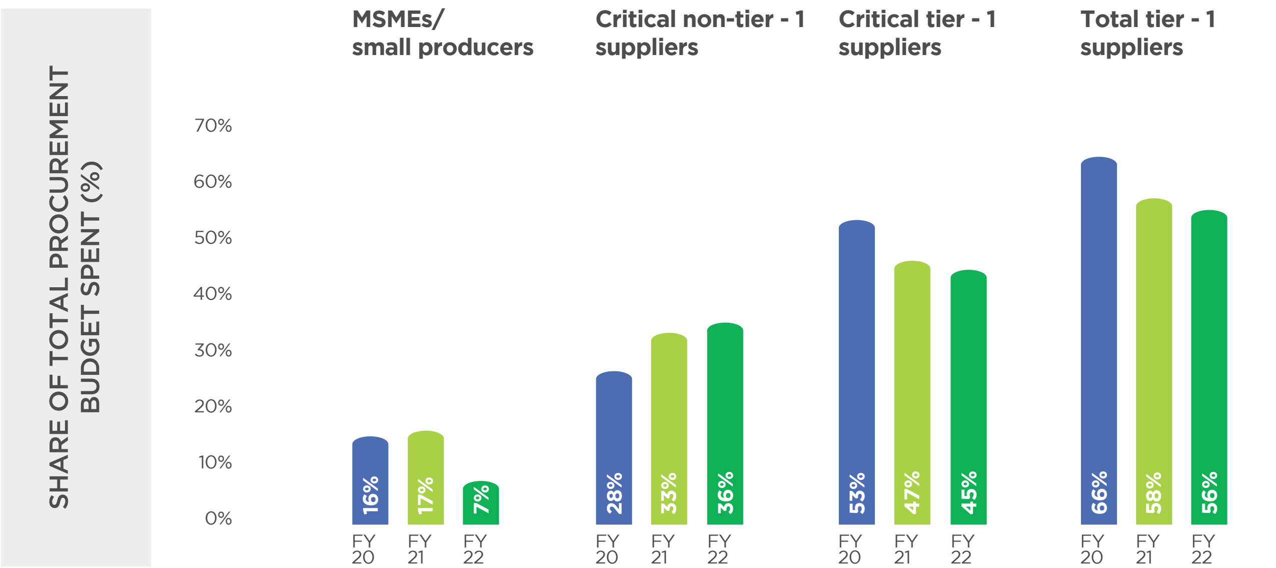
The rejection of materials has a direct impact on the evaluation of the supplier performance

While we may be a global business, we work with domestic manufacturers to reduce import dependency and support the local economy. We have engaged with 1,300 active raw material manufacturers, of which 700 are Indian manufacturers, contributing to approximately 70% of our sourcing. However, for certain materials such as Penicillin G, vitamins as well as packaging components for inhalers, we import the same due to absence of a domestic supply base. In addition to India, we have formulation manufacturing facilities in the U.S., Brazil and Mexico where regional procurement teams are present.

[8] *DJSI: 1.6.5*

In FY22, we engaged with 9,683 suppliers while in FY21 and FY20, we had associations with 9,395 and 8,600 suppliers respectively. Furthermore, 100% of our procurement budget for the three years was spent on the suppliers.[9]





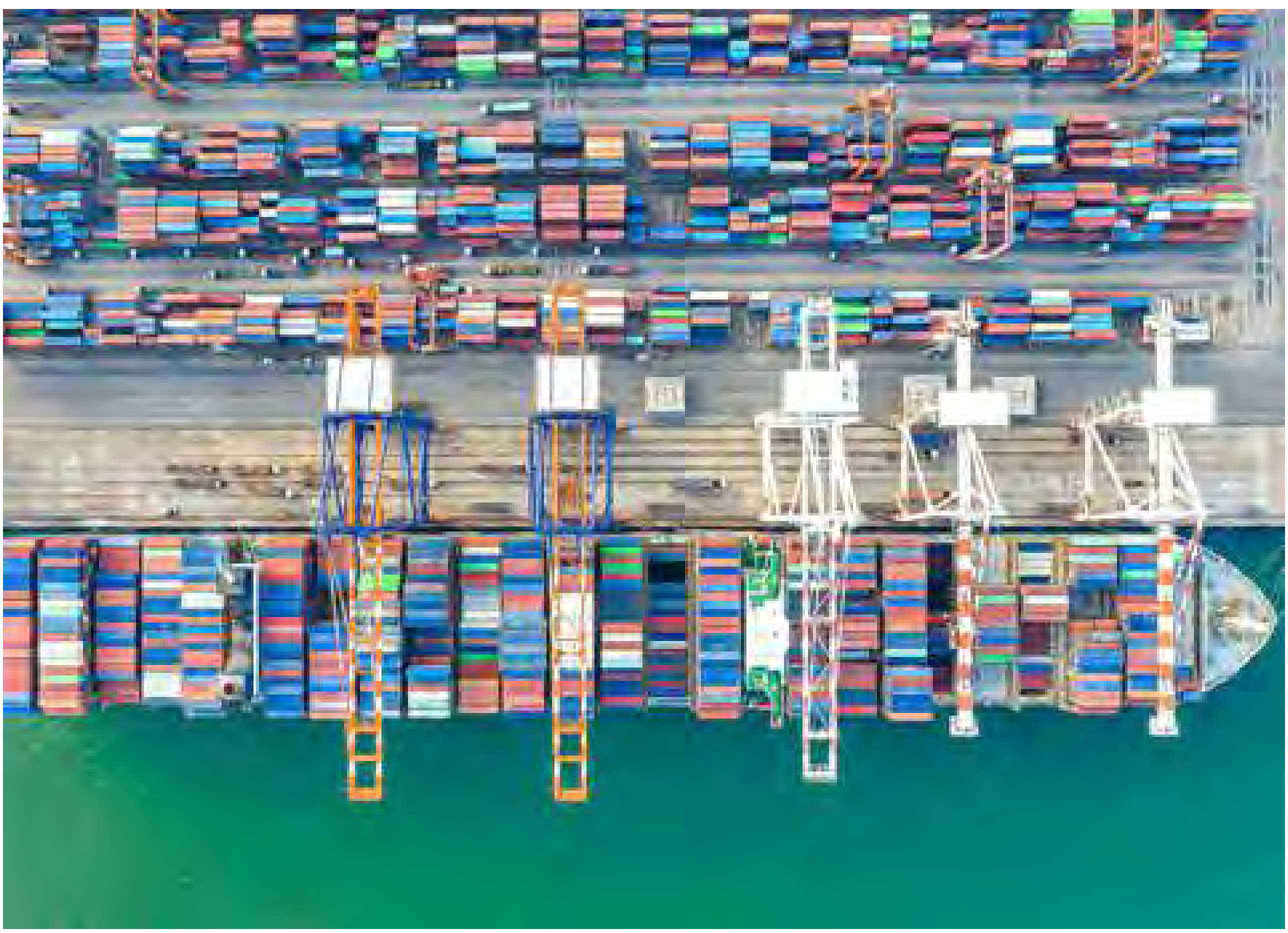
[9]BRSR: Principle 8, Essential Indicator (Q4)

At Lupin, the quality of our products is of utmost importance and suppliers are only onboarded after a series of stringent checks to warrant that they are aligned with the expectations of the company. Once the suppliers are associated with Lupin, they are classified into categories — Strategic, Critical, Leverage and Routine — to improve our relationship with them and minimize the supply risk. We also ensure that periodic evaluations are undertaken for each of the categories:

Strategic and Critical suppliers are evaluated on a quarterly basis

Leverage suppliers are evaluated on a half-yearly basis

Routine suppliers are evaluated on a yearly basis



Identification of Critical Suppliers

High volume suppliers or similar

a. Spend value for each purchase category

Critical component suppliers or similar

a. Imported materials
b. Materials utilised for top selling products

Non-substitutable suppliers or similar

a. Materials where substitution involves significant time and investment

Supplier Code of Conduct

In FY21, we established a target of implementing a Supplier Code of Conduct (CoC) for all our suppliers and vendors by 2022. This year, we are proud to state that we achieved this by developing our own Third-Party Code of Conduct which is applicable to the following stakeholders:

Supplier	Vendors	Distributors	Wholesalers
Agents	Technology Partners	Contract Manufacturing Organizations (CMOs)	Contract Research Organizations (CROs)

The CoC covers aspects such as labor rights, anti-bribery and corruption, health and safety, environment, ethics, data privacy, confidentiality and information protection.

For more details, please refer to our website: https://www.lupin.com/wp-content/uploads/2022/05/third-party-coc.pdf

Risk Management of Relationships

We understand that the supply chain is complex and hence we have built a two-tier mechanism for all our purchase materials which enables us to gauge our supplier's dependency on foreign vendors.

To strengthen our process, we have collaborated with Bureau Van Dijk, to develop a risk assessment that evaluates the Environment Health and Safety (EHS) standards of our suppliers. Further, due to the to the nature of operations, Strategic and Critical suppliers are also assessed on the following parameters:

- Financials
- Industry Specific Parameters
- Business and Operations
- Management

Based on the outcome of these assessments, these suppliers are categorized into 'high', 'medium' and 'low' risk. For the medium and low risk suppliers, we hold discussions to understand their current scenario and provide required guidance in terms of new business opportunities, improving their supply chain network or technical support with help of our R&D team.

As a precautionary measure, we also gauge alternate suppliers for those who are considered as high risk.

Engaging with our Customers

Customer relationship management plays an imperative role and is undertaken through various functions across locations. Our products are promoted, sold, and distributed in global markets through the support of experienced sales and marketing teams. In India, our market primarily consists of health practitioners while in U.S., Europe and the Growth Markets, our products are sold directly to the customers including governments, pharmacy chains, leading wholesalers and hospital purchasing organizations.

At Lupin, we firmly believe that our customers play an integral role in the growth of the company. It is important to connect with them and understand their needs while showcasing our story and vision and commit ourselves to creating innovate products to improve the health of individuals. We engage with our customers through various modes of physical and virtual communication such as videocalls, phone calls and social media platforms. In the U.S., there is a regular occurrence of townhalls and Trade Shows which enable the company to explain new approaches and strategies.

In Mexico, we have collaborated with 'Medscape', the most consulted medical platform for developing a marketing digital strategy to enhance customer service in the region. Additionally, we participate in the ophthalmic congresses such as the National Ophthalmic Congress, the annual meeting of the International Course of Glaucoma, Cornea and Retina Annual Meeting as well as the annual meeting of the Plastic Surgeons.

To address customer grievances in the global locations we operate in, we have developed a robust grievance redressal mechanism which ensures timely resolution of complaints. In the U.S., all product-specific patient complaints are handled through the IQVIA Medical Affairs hotline. Additionally, there is also a customer service support team with a specific phone number and email address for managing complaints on shortages, overages, damages during transit, etc. Similarly, for the EMEA region, we have a 'Medical Information' hotline to record customer complaints. We are proud to state that through the course of the year, the number of complaints decreased and the completion rate for grievance resolution was 100%. In Mexico, we have formalized a Complaint Management System, which specifies the guidelines to be followed for the reception, investigation, and closure of complaint with respect to the quality of a product. Any complaint received is recorded in the system and classified as per the Rapid Alert System (RAS) in less than 24 hours after its notification. The complaints are classified as Critical, Major, Minor or Adverse Reaction according to the impact it has on the quality, safety, or efficacy of the drug.[10]

Closure of Complaints

Critical	Major	Minor
15 business days	30 business days	45 business days

[10]*BRSR: Principle 9, Essential Indicator (Q1)*

COVID Support

In 2021, we conducted numerous activities to provide assistance to individuals and organizations under our COVID-19 support programs. In the months of April through June, we organized initiatives to provide oxygen gas plants, oxygen concentrator machines, hospital supplies, PPE kits, ventilators, office supplies, and more, amounting close to INR 3.9 Mn. For employees, we organized a Vaccine Champion and Hospital Task Force. Vaccines were available through this program across India. In addition, any COVID affected employee or family member was provided critical medical and admission support whenever in need for hospitalization. Year 2021 was truly devastating for India as COVID impacted 1.42 Crore lives. Over 5,000 of our employees, including 2,500 within IRF, suffered from COVID. The COVID-sensitive leave policy, work from home policy and extended medical and insurance coverage allowed us to reduce the impact of the crisis in multiple ways.

Public Relations

In FY22, our public relations activities were conducted across 27 cities with a cumulative print coverage of 1,440 and online coverage of over 28,000 in relevant media houses. This helped with an overall reach of 21.2 Bn impressions through press release, interviews, authored articles and speaking engagements. Our social media reach for these PR-driven initiatives was 402 Mn. In addition, in FY22, we rolled out over 20 unique campaigns with a cumulative reach of almost 40 Mn with 1.7 Mn in engagement across our channels of Facebook, Twitter, LinkedIn and Instagram. Through our campaigns under various themes, we have managed to grow our followers by 30% on LinkedIn, 21% on Twitter, 5.8% on Facebook and 42% on Instagram.

30% ▲
on LinkedIn

42% ▲
on Instagram

21% ▲
on Twitter

5.8% ▲
on Facebook

Maximizing Shareholder Value

The protection of investor interests and concerns is of primary importance to Lupin. Our ability to create value and meet our commitments is dependent on the trust and support of our investor community. Our investors are regularly engaged through circulars, earnings calls, presentations, meetings and conferences.

The FY21 Integrated Report was shared via email with shareholders. Last year, most of our communications with our shareholders were paperless, helping us to reduce our environmental impact while meeting regulatory requirements.

Human Capital

Lupin is built on the foundation of our core values and our commitment to the Code of Business Conduct and Ethics. We strive to provide a safe, challenging, and rewarding workplace for our employees.

Building High Performance Teams

At Lupin, our employees are our most valuable asset — central to the success and growth of our business operations and organizational reputation. Providing support and care for our employees is part of our DNA, and we strive to create an environment conducive to their development. Our systems, policies, technology and business functioning are aligned with industry best practices. As a result, we are able to provide a fair, professional, and diverse work environment to our employees.
The kind of an enabling environment we have created is a great platform for our employees to gain exceptional experiences. This approach to employee management strengthens and nurtures our human capital while at the same time allowing us to retain highly skilled and talented professionals, creating value for all our stakeholders.

21,381 global workforce
of permanent employees and workers

650,698 hours
of health and safety training

INR 59,236,300
was spent was on training for FY22 across eight geographies

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Key Highlights

Our Human Resources (HR) team is a key partner in our goal to remain a fit-for-purpose organization. The team is continually striving to ensure that our business operations are aligned with our following six core values:

Integrity

Our conduct is centered around uncompromising integrity and honesty. We insist on the highest ethical standards and transparency from our employees in all our interactions.

Teamwork

We strive to align the efforts and energies of employees across all levels and across all offices to deliver outstanding results to our stakeholders.

Entrepreneurial Spirit

We encourage our employees to take ownership in their endeavors by taking responsibility with passion and conviction.

Respect and Care

Our goal is to show compassion and sensitivity towards all our stakeholders and to treat them the way as we would expect to be treated ourselves.

Customer Focus

We try to understand and meet customer needs in a professional and responsive manner.

Passion for Excellence

We pursue excellence through innovation and continuous evolution of all our projects, processes and products.

Lupin is committed to providing an exceptional employee experience coupled with a positive work environment. To achieve this goal, strategies and targets are defined and implemented in the following overarching areas:

- Talent Management
- Resource Development
- Promotion of Diversity
- Employee Wellbeing
- Equal Opportunities and Protection of Human Rights

Our Talent Landscape

As a knowledge-based company, we are committed to the continuous development of our people. We strive to ensure diversity in gender and age for our workforce so as to enhance collaboration and dialogue within the business.

Our endeavor is to recognize and instill confidence in our global workforce of 21,381* permanent employees and workers. Of this, the largest share of our permanent workforce is in India, i.e., 19,453.**

Employment

Lupin has employees in 11 countries[11] across the world and a globally diverse workforce (both in terms of gender and age) that enables the company to challenge convention and explore new opportunities. Our diverse workforce ensures a comprehensive understanding of the geographical realities, as well as respond to the evolving needs of the industry. In FY22, Lupin's diversity ratio was close to 50% across its nine global locations. Lupin India is lagging in terms of the diversity ratio, but the company is determined to gain ground. In accordance with our Global Diversity Strategy, India has committed to include 15% of women employees across all business units by 2027[12].

*This is inclusive of permanent employees and permanent
**This is inclusive of permanent employees and permanent workers

[11]The 11 global Lupin offices include the United States of America, United Kingdom, Netherlands, Mexico, Philippines, Germany, Brazil, Australia and New Zealand, Switzerland, South Africa and India

[12]Lupin Global Diversity Strategy, FY27

The table below shows the composition of our workforce across age, gender, and employee/management levels:

Workforce							
Headcount (Excluding U.S. and India)	**<30 years**		**30-50 years**		**>50 years**		**Total**
Category	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**	
Employees (Permanent)	44	68	294	403	86	73	968
Employees (Other than permanent such as interns, trainees/ apprentices, part time employees, etc)	14	24	4	35	2	29	108
Workers (Permanent)	50	42	146	133	17	18	406
Workers (Other than permanent)	11	22	9	22	1	2	67

India							
Category	**<30 years**		**30-50 years**		**>50 years**		**Total**
	Male	**Female**	**Male**	**Female**	**Male**	**Female**	
Employees (Permanent)	6,530	471	10,221	543	518	42	18,325
Employees (Other than permanent such as interns, trainees / apprentices, part time employees, etc)	0	0	0	0	0	0	6432
Workers (Permanent)	147	1	659	2	310	9	1128

U.S.			
Category	**Male**	**Female**	**Total**
Employees (Permanent)	339	157	496
Employees (Other than permanent such as interns, trainees/ apprentices, part time employees, etc)	1	1	2
Workers (Permanent)	44	14	58

Talent Retention

Technology has been the driving force behind our efforts to develop and nurture our human capital. The deployment of state-of-the-art and universal platforms such as SAP-SuccessFactors and HR Central has enabled better management of employee data, allowing our HR team to deliver most relevant solutions for employees across different functional areas and geographies.

Overall, our people-centered approach plays a key role in ensuring the retention of our talent. In adopting this approach, coupled with the principle of awards and recognition of our employees, we carry out systematic employee retention. Our people are prepared and can adapt to disruptive changes which enables them to reach their full potential.

This further reflects the employee turnover rate that is well below the sector's attrition rate. Globally, the pharmaceutical industry has an attrition rate between 10 to 12%. Moreover, the industry experiences an employee turnover of 30 to 40% at the field level and 8 to 10% at the managerial level.[13] This is in direct contrast to the employee turnover[14] rate experienced by Lupin across its global presence—on an average, the turnover rate has been reported as 17.4%. In addition, while the fast-growing knowledge-based sector experiences an annual attrition rate of 30 to 35% in India, Lupin's attrition rate was 17.7% in FY22. In FY20 and FY21, 3339 and 2867 employees respectively left the organization[15].

Learn & Earn Program

At Lupin, we are strongly committed to creating a workforce that is adequately skilled and comprises of the best talent available. Aligned with this is our desire to create positive impact for the communities we work in. For this, we have implemented Learn & Earn, a bachelors degree program designed by Lupin to provide educational and career opportunities to financially underprivileged talented and ambitious individuals from rural areas around our largest manufacturing hubs. Individuals who enroll in this program are provided with job assurance at Lupin. The program offers enrolled individuals access to bachelors degrees from reputed universities in the manufacturing and technology sectors. Participants are provided with on-the-job training, a customized induction and orientation program, and gain 3 years of professional work experience. Participants are also supported with subsidized accommodation, transport and canteen facilities and group personal accident insurance and individual Mediclaim. In terms of impact, since inception, approximately 650 learners have been onboarded and have completed their graduation. The first all India Learner Graduation ceremony was held in Goa in 2014.

Success Story

Tapasya, a girl from a rural area of Maharashtra, joined the program in 2018 at our Goa site. Her growth and learning through the program were greatly enhanced. She was made the Subject Matter Expert (SME) in the Quality Control lab in her third year, and was responsible for ensuring effective training of new joiners during their On-Job training process. She has been identified as SME for several instruments includng Karl Fisher, HPLC, Physical Testing, Basic lab skills, Dissolution by UV and Spectrofluorometer instruments. Tapasya has always been a meritorious student and has been one of the course toppers at the site. She also has accolades in hosting events of Learners like the Annual day, Women's Day and volunteering in managing engagement activities for Quality Labs. She is now a Junior Officer on the rolls of the company.

[13]https://www.business-standard.com/article/companies/high-attrition-plagues-indian-pharma-sector-106082101035_1.html#:~:text=Globally%2C%20the%20rate%20of%20attrition,cent%20at%20the%20managerial%20level.
[14]BRSR Section A (20) and SASB HC-BP-330a.2. The Turnover rate has been calculated basis permanent employees and permanent workers.
[15]BRSR Section A (20)

Managing Talent

Fostering an environment that encourages the growth and development of our people is critical to the success of our business. Our employees are encouraged to harness their potential and gain success throughout their career lifecycle. We have established a performance management system that evaluates employee achievements on a periodic basis, in an objective and structured manner. Our people are provided with opportunities to discuss their performance and professional and personal aspirations with their managers across all functions and levels. Rigorous follow-up is maintained on such conversations through Performance Conversations Documents to track progress against set aspirations. Through our robust performance review system, for FY22, 100% male and female employees in India have received regular review, further contributing to their development.[16] Across our geographies of operation[17], for FY22, 83.6% male and 6.8% female employees have undergone performance and career development reviews. In FY21, 100% of our eligible employees received regular performance and career development reviews.[18]

Along with performance review, we also provide our people with learning and upskilling opportunities to enable them to undertake leadership roles effectively. Based on the Lupin Leadership Competencies and Values Framework, curated training programs are offered to employees in leadership roles. The purpose of these trainings is to enhance the employee's leadership skills, familiarize them with their new roles and ensure that synergies remain collaborative across teams. In India, we also offer the Leader Plus program for grass root leaders to develop and strengthen their supervisory skills. For FY22, 130 employees participated in this program.

Developing Talent

We strive to foster a life-long learning approach for the organization and our employees. The aim is to facilitate high-performing teams, facilitate agile and adaptive ways of working, upskill and reskill current employees as per requirements, and engage and prepare all employees for disruptive transformation.

The life-long learning approach compounded with our values has resulted in precise investments for our employees. For FY22, the total number of training hours undertaken by our employees across the 8 global offices stood at 924,960 hours. The average training hours per employee was 142.6. The training material imparted to employees was topic wise, including technical, non-technical, ethical standards, bribery and corruption, prevention of sexual harassment and skill upgradation. A total of INR 59,236,300 was spent was on training for FY22 across eight geographies[20], while the average amount spent per full time employee amounted to INR 2,770 across nine geographies of operation.[21]

*For FY22, the total number of training hours undertaken by our employees across the 8 global offices[19] stood at 924,960 hours. The average training hours per employee was reported as 142.6.**

Key Interventions

- **Yes, We Can:** To establish confidence for "Zero 483s" at manufacturing sites.
- **Quality First Program:** To emphasize overarching quality focus and influence inspection outcomes.
- **SEED:** To enhance synergy within our Site Leadership and create a collaborative environment, SEED was introduced with the aim of increased efficiency of our plant performance. The initiative has been championed by the Site head for launching, reviewing, tracking & acknowledging changed behaviours that have led to efficiencies in the plant performance. For example, a large Site reported a rise in committed versus actual production target achievement from 78% pre-SEED to 92% post-SEED.

The overarching objective of all our L&D initiatives is to inculcate within our employees a sense of belonging and familiarity within the organization. In addition, these initiatives aid in enhancing the professional expertise of our people, eventually creating strong value for all our stakeholders.

[16]BRSR Principle 3 (9)
[17]The data reported does not include Australia/New Zealand and Mexico
[18]BRSR Principle 3 (9)
[19]This does not include the hours of training South Africa, Australia/New Zealand and Netherlands
[20]This does not include total amount spent in Netherlands and Switzerland. In Switzerland, trainings were rolled out by the Global Compliance Team and therefore no money was spent. The amount has been calculated basis live conversion rates.0
[21]This does not include total amount spent in Switzerland. In Switzerland, trainings were rolled out by the Global Compliance Team and therefore no money was spent. The amount has been calculated basis live conversion rates.

Training Participants Data per Topic Across Our Geographies of Operation[22]

1,401,357 Technical	**14,298** Non-technical	**1,646*** Ethical standards (such as Code of Conduct, etc)
186 Bribery and Corruption[23]	**15,525** Prevention of Sexual Harassment	**13,503** Skill-upgradation[24]

Total Participant Number

1,446,520

Building the capacity and abilities of our people is critical to our operations. Focused efforts are regularly made to ensure that our employees have the necessary skills and knowledge to carry out their functions effectively. With an aim to promote self-learning, Lupin U.S. has established a partnership with Open Sesame. Through this partnership, employees can enroll themselves in 25,000+ courses, free of cost. E-training on health and safety issues is also accessible to our people at Lupin U.K. Training for leadership roles is also offered on digital platforms.

ASCENT

To enable our employees performing research and development roles to further enhance their skills, we have implemented an initiative called ASCENT. This initiative provides such employees with access to a PhD program through partnerships with Manipal Academy of Higher Education (MAHE) and Symbiosis University. Each enrolled scholar is mentored by a Lupin guide and all monetary and professional support is provided. Further, they are also able to leverage our state-of-the-art laboratories to strengthen their practical skills. 35+ employees are enrolled in the program, 7 received their PhDs in FY22 and 8 new applicants are awaiting final senate presentations with MAHE.

Juilee Kulkarni, Research Associate – Pharma Research, Lupin Research Park, Pune

"I am fortunate to be part of Lupin Research Park; where we have a fully established and fully sponsored PhD. Program (ASCENT) for employees and aspirants like me. ASCENT not only sponsors our PhD. but also facilitates and supports us every step of the way! The ASCENT program management team in HR, ensures we are equipped and enabled to carry out research. I am currently pursuing my PhD. In the area of my interest – IVIVC/Biopharmaceutics. I feel privileged to have experts in the field as my guide at Lupin and at Manipal. I have several avenues to seek guidance and advise from a dedicated cross-functional expert at Lupin, apart from my guides. Over and above this, I also have the support and review of the IP team. I feel proud for being at Lupin and lucky for all the support and guidance I am receiving towards pursuing different goals, both personal and professional."

Mayur Kardile, IPMG Business Development, Lupin Research Park

Since I had a passion for Ph.D. studies, I was looking for an option to pursue this passion. At this time, I learned about Lupin's ASCENT program. This program helped me achieve my passion while working in Lupin. The way this program is designed is commendable as it offers quality education through reputed institutes like (Manipal Academy of Higher Education, Manipal), adequate resources, enough flexibility, and opportunity to learn more. A Ph.D. degree is always a valuable asset that one can possess; especially in the field that we work in. I have thoroughly enjoyed my research and ASCENT has played a vital role. The structure of program is suitable for working professionals without compromising on quality of education, or the career. It has helped me acquire more knowledge while I continued to be employed. I am really fortunate to have had the opportunity to earn a Ph.D. degree while working. Being a Lupinytt with a Doctorate is a very special moment. I will cherish this achievement always.

[22]This does not include total amount spent in Switzerland. In Switzerland, trainings were rolled out by the Global Compliance Team and therefore no money was spent. The amount has been calculated basis live conversion rates.
[23]The geographies include India, United States of America, United Kingdom, Mexico, Philippines, Germany, Brazil, South Africa and Switzerland. For Netherlands, Australia and New Zealand, participant training data is not recording as training varies across functions. The data for Technical and Non-technical training further does not include Switzerland as these were conducted online and participant numbers have not been tracked.
[24]BRSR Principle 3 (8)

Rewards & Recognition

To nurture an entrepreneurial spirit and encourage excellence in all we do, we believe in the importance of recognizing and appreciating our employees. At the center of this action is the belief that our employees are the foundation of our success and recognizing their contributions is critical to organizational growth. To this end, we have undertaken over 10+ initiatives across our 10 offices. A few notable examples of our awards and recognition programs include:

The Desh Bandhu Gupta Spirit of Lupin Awards

Each Lupinytt has the responsibility to embody the Spirit of Lupin and carry out their daily roles and responsibilities in a manner that embodies our six core values. The Desh Bandhu Gupta Spirit of Lupin Awards was instituted after our founder to recognize and appreciate these qualities in our people. Recipients are provided with a trophy and a certificate from senior leadership. As a value driven award, it is the embodiment of the Lupin Spirit and is the apex award at Lupin, designed to recognize and reinforce our value driven approach.

Bravo Awards

This award credits employees for a job well done.

Long Service Awards

This award recognizes long-term service of our employees at the global level.

In order to ensure, a supportive and healthy working environment, our employees, regardless of their gender, are compensated fairly and equitably.

The table below provides gender-wise details on minimum wages paid to employees in India:[25]

Category	Permanent Employees		Permanent Workers	
	Male	Female	Male	Female
Getting wage equal to minimum wage	35	2	0	0
Getting wage more than minimum wage	17,234	1,054	1,116	12

The commitment to fair and equitable payment is further demonstrated through the median payment maintained across categories of employees. The following table provides details on the same for India[40]:

Category	Male		Female	
	Number	Median remuneration/ salary/wages	Number	Median remuneration/ salary/wages
Executive Directors	2	75,780,000	1	144,900,000
Board of Directors (Non-Executive and Non-Independent)	1	40,300,000	1	6,700,000
Board of Directors (Non-Executive and Independent)	3	7,830,000	2	8,010,000
Key Managerial Personnel	1	9,100,00		
Employees other than BoD and KMP	17,262	498,817	1,052	519,492
Workers	1,116	437,711	12	570,943

[25]*BRSR Principle 5 (2)*

Diversity and Inclusion[26]

Lupin is committed to fostering a culture of diversity and inclusion in our workforce, enabling our people to utilize their diverse talents and skills. We pride ourselves on being champions of equality and encouraging and maintaining an environment of collaboration. Our commitment to diversity and inclusion is strengthened through various initiatives that carry the promise of access and opportunities for support and collaboration. Some of these are:

Lupin's Women Network

The Lupin Women's Network (LWN) was formed with the vision of a holistic platform for women at Lupin to engage and interact. The main objective of LWN centers around employee engagement and culture building, as well as enablement and development. It provides a psychological safety net for women employees. The network provides employees with a sense of belonging and acknowledgement. This initiative offers visibility to our employees and access to opportunities for adequate representation.

"The Lupin Women's Network, LWN is a unique and innovative initiative which plays a great supportive role for all the women employees of Lupin. Being a part of LWN has always helped me to aspire, connect, stay motivated and recognise my strengths and explore various avenues. It truly has helped to break the bias and support workplace diversity at Lupin. I always get the opportunity to explore myself above and beyond my professional identity.

The most recent example is the Women's Cricket Tournament - Udaan Cup, which was one such platform which drove me to take up Cricket, enhance my leadership and team player skills as the captain.

The Udaan cup was a very exciting event. Being a part of the first ever Women's Udaan cup and wining it was a wonderful experience. Having a recreational and healthy activity along with office routine work and then the team formation, little bit of strategic planning giving each team member the much-needed motivating which precipitated into a high energy and winning performance in the tournament by our team - Biotech Indians! It filled me with positivity and pride! A great feeling while receiving the award and medal in spite having tired legs. I am very thankful to the Udaan and LWN teams for this experience and platform.

Participating in the Udaan Cup taught me several things, starting with accepting challenges in life and overcoming them – they in turn reflect that we, especially women are capable of anything as long as we set our hearts to it and take on responsibility. I am so proud that the entire women's cricket team led by example and came out shinning as ambassadors of LWN at Lupin!"

Returnity — Returning Mother's Program

This program has been designed to act as a platform for career transition arising out of maternity. The end purpose of this program is to ensure that returning mothers can smoothly navigate their maternity journey and get re-integrated at work. It also ensures that employees who are returning are provided with the necessary support needed to reorient themselves and take proactive steps towards realizing their potential. This program has several advantages including fostering a culture of collaboration and inclusivity, increased ownership post maternity, greater retention, opportunities for greater engagement of other employees, organizational goodwill, and enhanced employer branding. To further inclusion, the program also extends to new fathers.

"On initial days, coming back to work felt like, I was on rollercoaster of emotions, positive as well as negative. Lupin's Returnity program has played key role in my transition back to work. Returnity focused on noticing returning mom's emotions and provided the support we needed to cope with them. I felt very lucky to have discussions with women who have successfully overcome this phase of their lives. Moreover, it also provided us with the platform to share our thoughts and speak out. As a result, I was able to work on finding real time solutions to problems. I also had an opportunity of one-on-one coaching. This was such a wonderful and re-assuring experience because I could have my specific needs addressed by my coach. The process helped me gain confidence and was instrumental in my transition."

[26]SASB HC-BP-330.1.a.

iMpact-Women's Mentoring Program

This program has been specially curated with a model that encourage Lupin's leaders to be cultivated as mentors. Under this, handpicked senior leaders of Lupin are enabled through curated workshops to develop their mentoring skills prior to having their mentees assigned. It also acts as a platform for women employees to seek support and guidance from senior management.

"The journey with IMPACT Mentorship programme has been enlightening for me. I had joined this program wanting to learn more about the organisation, it's working and to learn how to improve myself. From the beginning of this programme, the Mentees and their goals were given priority. I was thoroughly surprised that there existed a program where I was able to seek guidance on the thing that I wanted to improve! I had the opportunity to be mentored by Ms Mukti Yenprediwar. Her rich experience in the field of Quality Assurance allowed me to understand the technicalities of my field i.e. Regulatory Affairs better. Being a fresher, I really appreciated her patience and continuous follow ups with me to assure being constantly aligned to my goals and objectives. Her guidance on time management and tips on increasing productivity and efficiency have been very useful to me. I couldn't have asked for a better mentor. I would highly recommend anyone looking for mentorship to enrol for this program without hesitation!"

Moumita Roy
Officer, Regulatory Affairs

"When I started my iMPACT journey, I was not sure of how this program would turn out; what exactly to expect, what would be the outcome, how easy or tough this would be! Today when I look back, I feel so glad that I was a part of this amazing mentoring program! My mentor (Mr. Himanshu Godbole) has been such a good listener who never gave up on hearing out all my troubles and helping me find a path through it. He was very approachable, and we had really good discussions ranging from behavioral to soft skills to technical. This really helped me to realign my focus and have a positive approach. I am so thankful to Lupin and the HR team for conducting this session and allowing me to be a part of it."

Chaitrali Kishor Dhamne

Gender Sensitization Program

This plays a crucial role in fostering an inclusive and healthy work environment for all employees. The design of this program incorporates actions to challenge possible biases and provide solutions on mitigation of the same. It acts as a critical transition point program 'The First Time Managers' and is also conducted during Lupin's Orientation/Induction sessions.

Fair Recruitment Practices

Alignment to all applicable laws and guidelines on anti-discrimination practices is ensured across our global offices. In Brazil, this alignment has been formalized through the SOP HR 001 Recruitment and Selection. This SOP establishes that recruitment is undertaken on the basis of the competency of the candidate and relevance to the job description solely.

Along with our D&I initiatives, Lupin is committed to ensuring our workforce has adequate gender representation. Up until now, our workforce across operations in 11 countries consists of:

Category	Total number of employees	Total number of women employees	% of women employees
Permanent Employees	19789	1757	8.9%
Employees (Other than Permanent such as interns, trainees/apprentices, part time employees, etc.)[28]	6542	89	1.4%
Workers (Permanent)	1592	219	13.8%
Workers (Other than Permanent)	67	46	68.7%

With respect to the Board of Directors, across our 11 geographies, a total of 6 female employees are Board of Directors. In India, the following table provides details on the number of female employees who constitute the Board of Directors and Key Managerial Personnel[29]:

Category	Total number of employees	Total number of women employees	% of women employees
Board of Directors	10	4	40%
Key Managerial Personnel[27]	4	1	25%

[27] 3 KMPs are also Board of Directors
[28] This data has not been provided gender-wise for India. The cumulative number of other than permanent employees is 6,432
[29] BRSR Section A (19)

Hiring and On-boarding

While there are variations in regional and national laws for employment, there are core principles that guide the end-to-end recruitment process at Lupin. The process adopted can broadly be categorized as: identify the requirement, source and assess the talent, and build capacities through on-boarding.

As a core function for Human Capital, recruitment is conducted by upholding our values such as integrity and transparency. Across our global offices, we follow an equal opportunity approach that puts our candidates at the core of our recruiting process. During the first stage, we undertake a rigorous analysis of the job requirement with the specification, and desired qualification. This enables the Lupin team to identify the gap that needs to be bridged. After identification of the gap, we source the candidates through various channels such as LinkedIn and Indeed.com, among others. The candidates are further assessed through an approach of Competency Based Behavioral Interviewing. Prior to selection of the candidates, we undertake a reference check and initiate the on-boarding process. Our on-boarding process focuses on building capacities of the selected candidates through undertaking a tailor-made program befitting the role, and providing clear job requirements.

Our hiring process allows us to attract new talent and retain our core workforce. We aim to attract professionals from diverse fields that strengthens our capacities and capabilities in the pharmaceutical industry. This is exemplified by our total number of 4,625 new hires across various employee categories.

Total New Joiners (FY22)

New Joiners (India and Overseas excluding U.S.)							
Category	<30 years		30-50 years		>50 years		Total
	Male	Female	Male	Female	Male	Female	
Employees (Permanent)	2578	234	1124	229	51	25	4241
Employees (Other than permanent such as interns, trainees/apprentices, part time employees, etc)	15	24	3	26	0	24	92
Workers (Permanent)	32	16	38	23	6	1	116
Workers (Other than permanent)	7	22	9	22	1	2	63
Total							4512

U.S.			
Category	<30 years		Total
	Male	Female	
Employees (Permanent)	74	36	110
Employees (Other than permanent such as interns, trainees/apprentices, part time employees, etc)	2	1	3
Total			113
Total New Joiners for FY22			4,625

Our flagship new joinee program, Udbhav, lays out the roadmap for all new employees and gives them an opportunity to familiarize themselves with Lupin's culture. The overarching objective of this program is to provide new employees with a sense of belonging and initiate their learning journey within the organization. For FY22, 4,625 new employees participated in this program.

While orientation and retention are all about making new employees feel at home, we also believe it is important to help our employees understand and get attuned to the organizational culture. The Buddy program at Lupin has proven to be a great tool to assist both of these objectives. Through the Buddy program, new joinees are able to immediately add value and become more productive, owing to a clear understanding of their roles and responsibilities. We currently have close to 750 active buddies in the organization assisting the assimilation of new joinees.

Ensuring Employee Health and Safety

At Lupin, regular and focused efforts are made to ensure a safe and healthy work environment for our employees. Our facilities are designed in accordance with the highest safety standards and state-of-the-art safety controls. Concerted efforts are also made to implement training and capacity building sessions for all our employees to generate awareness and nurture individual responsibility towards health and safety practices.

Our Environment, Health and Safety (EHS) Policy articulates our philosophy and commitment for the management of key EHS aspects. All our active pharmaceutical ingredient (API) sites, except Vizag (soon to be added), have been provided with International Safety Rating Systems. Similar systems have been instituted at all formulation units, Biotech, Vizag site and Research and Development locations. Occupational health and safety risks are regularly and proactively identified through systems of Hazard Identification and Risk Assessment at all our locations. This enables us to identify risks and ensure that policy and control measures are activated to manage identified risks within permissible limits. Additional risk assessments include HAZOP for API products and processes, Risk Assessments for Formulation Units and daily Job Safety Analysis. This is supported by a robust governance mechanism that carries out periodical reviews at a Business President level[30]. For FY21 and FY22, NIL complaints were filed by employees and workers amongst the Indian workforce on working conditions and health and safety issues[31].

Along with risk identification, we also have an Incident Management System for reporting, investigating and implementation of appropriate remedial actions. The system allows for reporting of all incidents, including near-miss and potential hazards. For FY22 and FY21, the following table provides details on safety-related incidents[32]:

FY21				FY22			
Lost Time Injury Frequency Rate	Total recordable work-related injuries/ illness	No. of fatalities	Accident Frequency Rate (per one Mn man hours worked)	Lost Time Injury Frequency Rate	Total recordable work-related injuries/ illness	No. of fatalities	Accident Frequency Rate (per one Mn man hours worked)
0.11	258	0	5.67	0.21	210	0	4.37

[30]BRSR Principle 3 (10)
[31]BRSR Principle 3 (13)
[32]BRSR Principle 3 (11)

Our workforce is provided with regular training on our Safety Management Systems. Our workforce underwent 551,837 hours and 650,698 hours of health and safety training in FY21 and FY22 respectively[33]. We also have dedicated EHS units at all our sites to ensure that Safety Management Systems are well established. The systems are also linked with annual performance appraisals, wherein we set year on year targets to enhance overall safety performance. A monthly review mechanism on EHS performance at the site level and corporate level is conducted to ensure that all constraints are identified, and improvement measures are planned and established. Annual audits are also performed to ensure the effectiveness of all established procedures[34].

We have further enhanced our efforts through our commitment to a 10% year on year reduction in the Lost Time Injury Frequency Rate (LTIFR), Severity Rate, Accident Frequency Rate, and Incident Frequency Rate, taking FY20 as the base year. The Key Performance Indicators (KPIs) and the progress achieved against them are regularly monitored.

We have also operationalized the Employee Health and Safety Travel policy for COVID-19 across all our operations. Ensuring the highest degree of compliance to regulations as well as our stringent internal Standard Operating Procedures (SOPs) helps us to prevent occurrence of unforeseen events. This is fundamental to our corporate well-being, which enables us to achieve excellence while creating value for our company and stakeholders.

Further, we strongly believe that overall physical and mental wellbeing of our employees is critical to their success and growth. Focused efforts are undertaken for training on physical and mental wellbeing for our workforce. They are also able to avail medication and counselling services by qualified medical professionals. We also conduct regular health awareness campaigns on hypertension, diabetes, tobacco cessation, among others. Through our We Care Program, we have helped our workforce access counselling services. We also have a partnership with 1to1, a leading emotional wellness partner, to extend the support for the wellbeing to our workforce.

Inculcating a Culture of Employee Engagement

Our approach to enabling the right culture is demonstrated through several initiatives that we offer our employees. This fosters employee engagement.

The overarching objective of all our employee initiatives is to promote and maintain a value-driven workforce. A few notable examples are:

Celebrations at Work	To celebrate special days such as birthdays, International Women's Day, Environment Day to encourage employee morale and engagement
Fun Fridays	To continue fostering an open-door culture and acknowledge and conduct small celebrations
InSight Townhalls	To allow for all our employees to manage and set expectations and build trust between teams, and easily access channels of communication to senior leadership. Townhalls are held every quarter virtually and includes all employees across the 10 global offices. The Lupin leadership team closely monitors the action points discussed during the townhall to enhance accountability within the operations. In FY22, we conducted four global townhalls led by our CEO and Managing Director. The employee strength of our townhall was 5,922[35].

[33]BRSR Principle 3 (8)
[34]BRSR Principle 3 (12)
[35]This does not reflect participant numbers from shared screens.

As a core value of the company, respect and care for our employees is also shown through the provision of special leave support. This provides them with the flexibility to address their personal requirements in a hassle-free manner. Some of these include parental leave, leave in case of weddings/relocation, and leave in case of death or illness. For FY22, the total number of employees[36] that were entitled to parental leave stood at 15,877. Out of this, the male employees entitled parental leave stood 14,560 and female employees stood at 1,317. For FY22, 758 employees availed parental leave. Out of this, the male employees who availed the parental leave stood at 681 and female employees stood at 77. In a similar vein, the employees that returned to work in the reporting period after parental leave ended stood at 746 employees[37]. The retention rate at Lupin was 89.5% for FY22. The total number of employees who continued to stay at Lupin for over a year since returning to work from parental leave was 668. With respect to India[38], 1,068 permanent female workforce and 14,652 permanent male workforce were entitled to maternity and paternity benefits respectively. The retention rate stood at 90% and return to work rate stood at 100% in India[39]. We also provide benefits in the form of Health Insurance, Accidental Insurance, Day Care Facilities, Marriage Leave and Bereavement Leave[40].

We also provide our employees with a range of monetary retirement benefits to enable them to secure their future. The table below provides details on the uptake of such benefits by our Indian workforce for FY21 and FY22:[41]

Benefits	FY21			FY22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	12%	34%	Y	11%	39%	Y
Superannuation[62]	3%	0%	Y	4%	0%	Y
NPS	2%	0%	Y	3%	0%	Y

[36]*The data reported is only for permanent employees across 9 geographies of operation. This data does not include U.S. & Mexico*
[37]*India reported the highest number of employees who availed parental leave and employees that returned to work in the reporting period after parental leave ended—713 respectively for both the indicators. This was followed by the Philippines at 16 who availed parental leave and 15 who returned to work. In this regard, for India, the parental leave for male employees is 5 days and maternity leave for female employees is 6 months. The maternity leave policy, which is extendable for 3 months, could address the discrepancy in the numbers*
[38]*The date reported exclusive for India include permanent employees and permanent workers.*
[39]*BRSR Principle 3 (5)*
[40]*BRSR Principle 3 (1)*
[41]*BRSR Principle 3 (2)*

Grievance Redressal

The commitment to fostering a culture that prioritizes employee well-being and safety is further strengthened through our robust mechanism for complaint and grievance redressal[42]. Lupin has a Whistle Blower Policy which provides a formal mechanism to all employee, with either permanent, probationary, trainee, retainer, temporary or contractual appointment to report any actual or suspected concerns related to Violation of the Code of Conduct or any other unethical behavior. We also have in place Internal Committees for handling the grievances arising out of sexual harassment at the workplace thereby, adhering to the Prevention of Sexual Harassment Act. At Lupin, we believe in protecting the privacy of our people and all concerns of discrimination and harassment are dealt with confidentially[43]. For FY22, the number of cases reported/pending[44] for resolution stood at nil[45].

Freedom of Association[46]

Aligned with our commitment to provide a holistic environment for our employees, we enable them to join associations or unions. For FY21 and FY22, the following table details membership details across our Indian workforce:

Category	FY22			FY21		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Workers	1,128	772	68.4%	1,378	913	66%
Male	1,116	769	68.9%	1,366	909	67%
Female	12	3	25%	12	4	33%

Awards

Lupin wins the prestigious Association for Talent Development (ATD) BEST Awards 2022

Lupin wins silver at Velocity Award 2021 for the “Best Use of Digital for Internal Communications in a Corporate”

Lupin U.K. has been certified as a ‘Great Place to Work’

Lupin Philippines has been certified as ‘Best Place to Work’

[42]BRSR Principle 3 (6)
[43]BRSR Principle 5 (7)
[44]BRSR Principle 5 (6)
[45]This data has been reported with reference to operations across 11 countries
[46]BRSR Principle 3 (7)

Driving Compliance

We also ensure strict compliance with local laws and regulations and international guidelines on Human Rights issues such as sexual harassment, child labour, forced labour, wages, among other. Regular internal monitoring is undertaken to ensure that compliance is maintained. For FY22, no observations from local statutory bodies/third parties have been reported from such assessments[47].

Global HR Policies

The foundation of our human capital management approach rests on our robust policies. These policies help foster an environment characterized by a strong and diverse workforce. Some of the notable policies are:

Human Rights

Lupin India has recently formalized the Human Rights Policy, a critical step in ensuring a safe and healthy working environment and operations. This policy upholds and promotes the importance of fundamental human rights aligned to international principles of the United Nations, International Labour Organization, OECD Guidelines for Multinational Enterprise and International Bill of Human Rights. All grievances and complaints can be routed to the Compliance and Ethics Office for redressal[48].

Paternity Leave

All male employees are entitled to five days of leave to support their spouse and family after the birth of a child.

Health Assistance (Mediclaim Policy)

Our employee's health is of utmost priority to us. In recognition of this, we provide health insurance to all our employees and their families. The coverage of the policy extends to our employees, their parents, spouses and two children. Lupin Switzerland also covers the premium of private health insurances so that employees are able to access greater quality of care. In addition, employees are also able to avail insurance for accidents.

Maternity Leave

All female employees on our payroll can avail Maternity Leave as per the provisions of the Maternity Benefits Act of the region.

Employee Children Education Assistance and Recognition

Children of our employees who demonstrate high performance in academics and acquire stipulated percentages in key exams are provided with a merit certificate and a cash reward.

Sabbatical Leave

Employees who have completed three or more years of service can avail a break in service for up to one year, to address any personal requirements/circumstances.

Leave for Adoption

Our employees can avail leave in the event of adoption of a child.

[47]BRSR Principle 5 (9) and (10)
[48]BRSR Principle 5 (4) and (5)

Natural Capital

At Lupin, we strive to conduct our business in a sustainable manner and when feasible, give back to the environment more than we consume. To us, natural capital is an asset that must be preserved, enhanced, and deployed sustainably to create long-term value for all our stakeholders.

Clean air, water and the environment are essential to the health and well-being of everyone. In all our locations around the world, optimizing our use and impact of natural capital is an important consideration. We continuously strive to adhere to and exceed environmental regulations and norms in all regions of our operations.

42% Total Water Recycled as a percentage of total water withdrawal in Indian operations

8% Total GHG Emissions Reduction compared with FY21 (In India)

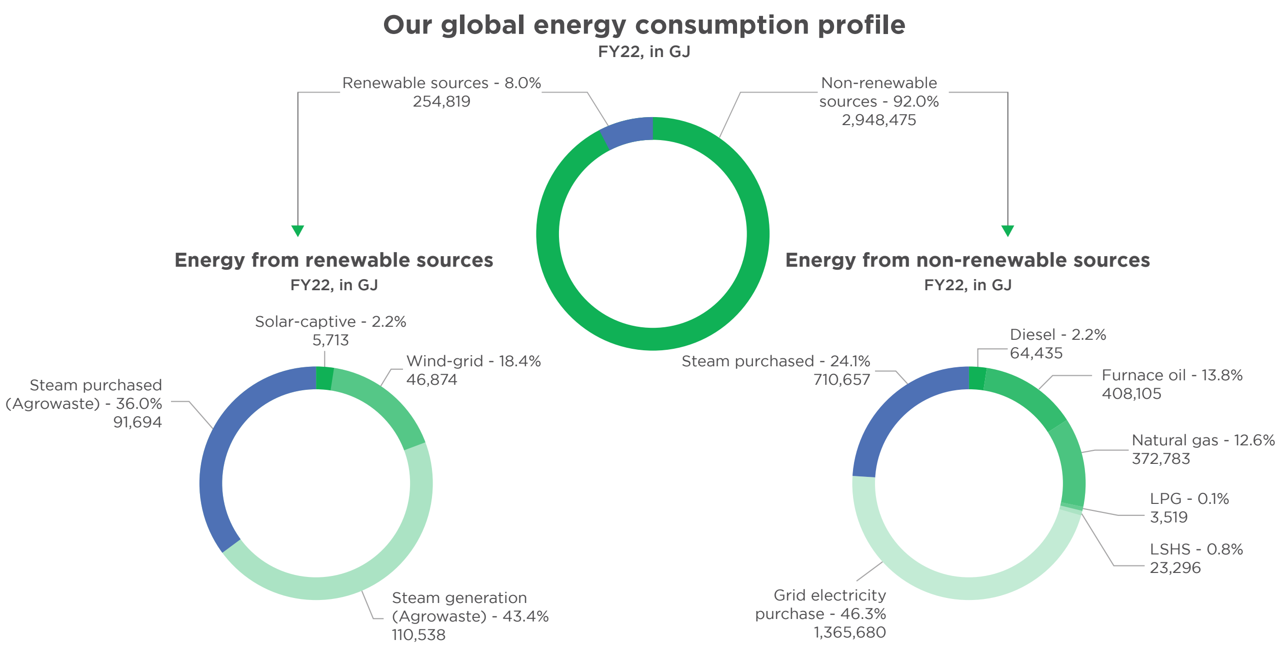
Water positivity - replenished 476% of total water withdrawn through watershed management projects

We are committed to upholding the highest standards of environmental governance within our Environment, Health, Safety & Sustainability policy, which lays down our commitments for management of environmental impact within our operations as well as business value chain. We extend our environmental stewardship activities beyond our premises and we actively educate and encourage our employees, partners, and suppliers to adopt environment friendly practices. We are continuously innovating new ways to reduce our reliance on fossil fuels, procure renewable energy sustainably, manage our water consumption, increase our water recovery, and manage the disposal of waste from own operations and in the downstream from post-consumer plastic packaging waste.

Almost 50% of our sites in India are Zero Liquid Discharge (ZLD). The efficient management of effluents within our manufacturing sites is in accordance with the standards prescribed by regulatory authorities. This is also a first step towards our commitment to Anti-Microbial Resistance (AMR) stewardship and we strive to ensure that there is no antibiotic releases to the environment.

Energy Management[49]

Our energy consumption profile across our 13 Indian locations and three overseas locations in Brazil, Mexico and Somerset U.S. is presented below:



We are constantly evaluating ways to reduce our dependence on non-renewable energy sources. Among the measures we have taken are:

Transition to natural gas in Tarapur and Pithampur, which is less emission intensive than furnace oil

The contribution of renewable power at our Ankleshwar and Dabhasa site in FY22 has increased by 5.30 MW by switching to a hybrid renewable power model comprising wind and solar

[49]*BRSR Principle 6 - Essential Indicator #1*

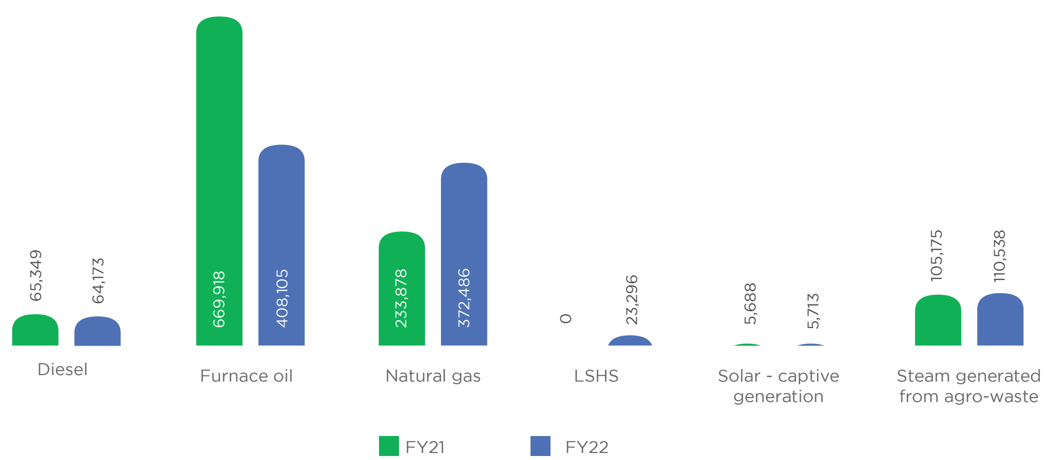
The procurement of renewable electricity is critical for us to reduce our dependence on the grid electricity generated from fossil fuels

We replaced old conventional luminaries by energy-efficient LED lights. A total of 4,404 lights were replaced at Mandideep, Ankleshwar, Vizag and Dabhasa

We have replaced AC motors with DC electronically commuted motors in AHUs, which has resulted in energy efficiency and power cost savings

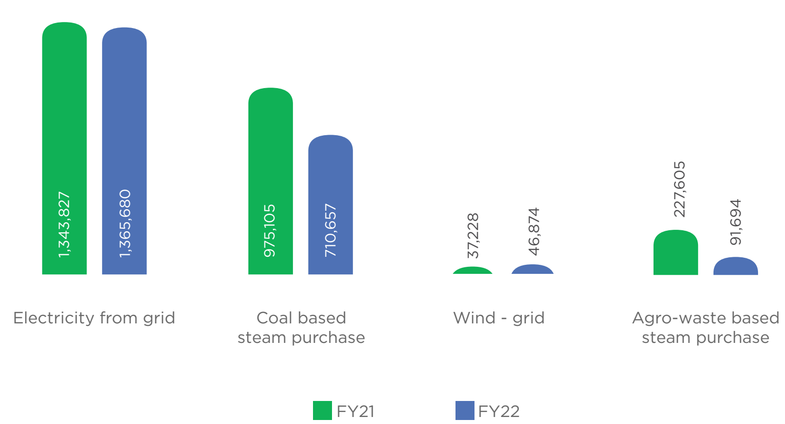
Scope 1 energy consumption in Indian operations

(in GJ)



Scope 2 energy consumption in Indian operations

(in GJ)



Greenhouse Gas (GHG) Emissions[50]

Carbon emissions from fossil fuels are the greatest challenge facing humanity in the twenty-first century. Climate change is expected to create threats to lives and livelihoods through increased incidents of extreme weather events, the spread of diseases and the rapid degradation of built infrastructure.

The table below provides our total GHG emissions:

We recognize our responsibility in abating GHG emissions by managing our energy consumption from fossil fuels using the latest technologies, switching to cleaner sources of fuels, and accelerating the transition to renewable energy.

Our Total GHG Emissions Globally[51]

86,170(tCO2e)
Scope 1 – from energy use in own operations[52]

383,828(tCO2e)
Scope 2 – from purchased energy sources

2.86(tCO2e)
Emissions intensity of operations (tCO2e/INR Mn Revenue)

Our Total GHG Emissions Savings in Indian Operations

18,439(tCO2e)
Scope 1 – from steam generated from agro-waste

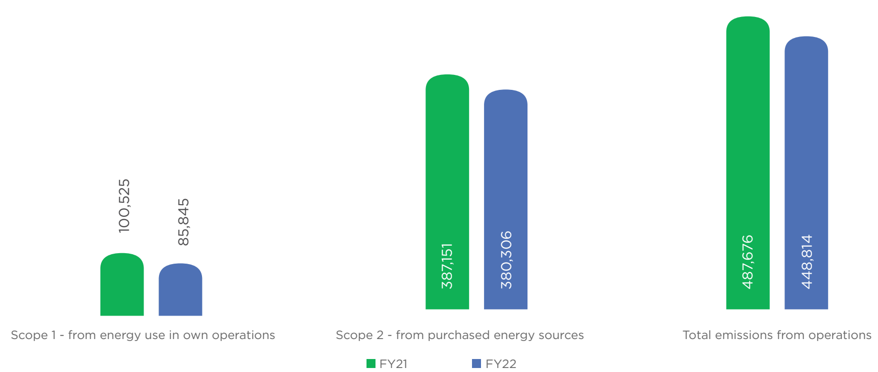
15,296(tCO2e)
Scope 2 – from steam purchased from agro-waste

24,048(tCO2e)
From tree plantation initiatives of LHWRF

Luforbec® Achieves Carbon Neutrality Certification

Our commitment to climate stewardship also contributes to product innovation in the development phase. Lupin Healthcare U.K.'s product, Luforbec® has recently achieved Carbon neutrality certification[1]. Lupin Healthcare offsets the total emissions from the production, use and disposal of the inhaler, thus achieving carbon neutrality. This is expected to significantly augment the NHS' green agenda to achieve net zero emissions.

GHG emissions in Indian operations (tCO2e)



[50]BRSR Principle 6 - Essential Indicator #6
[51]Across our 13 Indian locations and 3 overseas locations in Brazil, Mexico, and Somerset U.S.
[52]Includes fugitive emissions and emissions from owned vehicles

Emission Targets

To support global efforts to limit global warming below 1.5 degrees from pre-industrial levels, Lupin has taken on ambitious commitments for decarbonization to reduce our Scope 1 and Scope 2 GHG emissions by 15% from 2019-20 levels, by 2030.

This will be achieved through process and product efficiency, expanding the use of captive renewable energy in our operating locations, and preferentially procuring green energy from the grid and implementing energy efficiency measures at our operating sites.

Water Management[53]

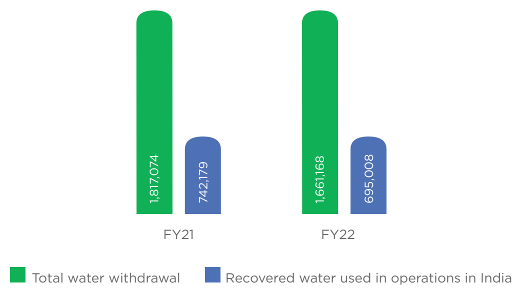
Since industries, agriculture, and domestic consumption compete for water resources, we are committed to responsibly utilizing the scarce water resources and maximizing the reuse and recycling of water in our own operations.

In FY22, we conducted a baseline assessment of the current water risk at our manufacturing locations in India. While overall, Lupin's water consumption is offset by CSR activities in watershed management, but water-scarcity risks in manufacturing poses risks to Lupin's operations. Through this process, we identified the sites exposed to Baseline Water Stress by 2030. The baseline water stress measures the ratio of total water withdrawals to available renewable surface and groundwater supplies. Five of our operating locations – Pithampur, Nagpur, Jammu, Aurangabad and Ankleshwar - are in regions of Extremely High-Water Risk by WRI Aqueduct water risk atlas tool. Our strategy for ensuring business continuity and water risk mitigation includes technical interventions such as the installation of water recycling plants, reusing AHU condensate and rainwater, water efficiency mechanisms, and raising awareness about water conservation among our stakeholders.

Our industrial by-products and waste streams are treated to ensure compliance with all applicable norms of the State Pollution Control Boards. Further, six of our sites in India are Zero Liquid Discharge[54] and we ensure that effluents from our processes are not discharged to water bodies through run-offs. At nine of our sites in India, the wastewater after primary treatment is further processed in state-of-the-art water recovery plants consisting of Reverse Osmosis (RO), Multiple Effect Evaporator (MEE) and Agitated Thin Film Dryer (ATFD) plants to efficiently recover water from the wastewater. The recovered water is utilized in utilities, flushing, housekeeping and landscaping.

Total Water Usage and Recovery in FY22	In kL
Total Water Withdrawal Global	8,645,133
Total Water Consumption Global	9,353,445
Total Wastewater Generation Global	1,031,496
Recovered Water Used in Operations in India	695,008
Total Water Recycled as a Percentage of Total Water Withdrawal in Indian Operations	42%

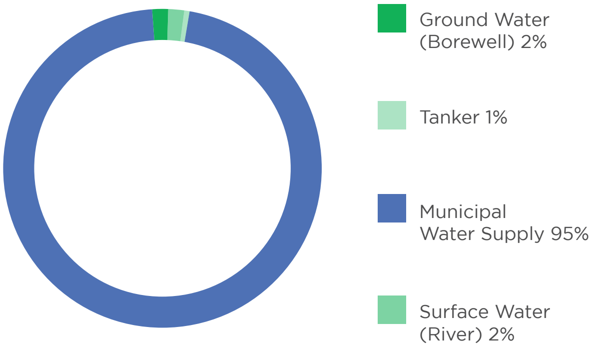
Water withdrawal and recovery in Indian operations
(in kL)



[53]*BRSR Principle 6 - Essential Indicator #3*

[54]*At the Vishakhapatnam plant, wastewater from operations is sent to an authorized third-party treatment plant for treatment and disposal*

Total Water Withdrawal by Source (Global)



Through the water stewardship activities undertaken by the Lupin Foundation in India over the past decade in the rural regions of Maharashtra and Andhra Pradesh, Lupin has been able to give back to nature more than we consume. As of 31st March 2022, we have been able to create water recharge potential of the order of 476% of our total water withdrawn, thereby making our operations overall water positive.

LHWRF Centers	Water Recharge Potential Created in India (kL)
Worksite Centers	634,314
District Development Centers	5,353,827
ADP Centers	653,240
Total	6,641,381 (476% of total water withdrawn)

Targets

At Lupin, we have taken a target of recycling 50% of our total water withdrawal in our operations by 2025. The goal will be achieved through process interventions and increased uptake of recycled water in operations in activities such as landscaping and housekeeping.

Waste Management[55]

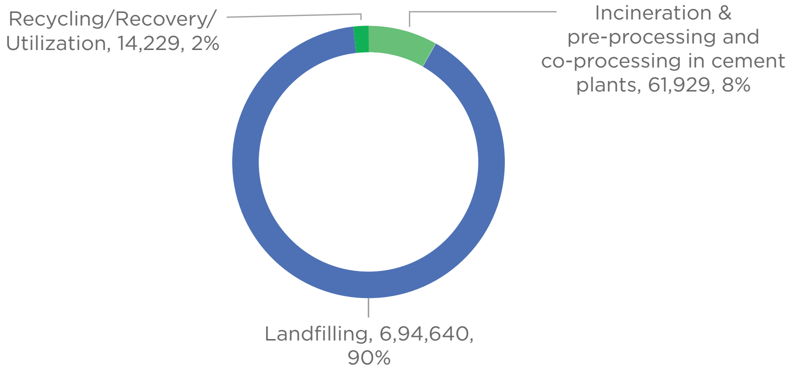
Lupin strives to embed principles of circularity and waste recycling to reduce waste disposal to landfills or incineration. In India, in FY22 approximately 45% (3,099 MT) of the incinerable hazardous waste generated at our sites was sent for co-processing/ pre-processing in cement plants instead of incineration. This year, however, was an anomalous year due to the contracting arrangement with the waste co-processor and the fraction of waste sent to cement plants has reduced from 57% (in FY21) to 13% in FY22. With all arrangements in place in FY23, we expect to achieve similar levels of waste co-processing in the coming year.

Further, spent solvents generated in the API manufacturing processes are either recovered and reused in-situ or sent to authorized recyclers or registered disposal facilities. Spent or used oil generated from our operations is sent to authorized recyclers or registered disposal facilities. Further, as a part of our resource conservation initiatives, we sent spent calcium sulphate (6,298 MT) to cement plants for utilizing as alternate fuel and raw material in their operations.

[55] *BRSR Principle 6 - Essential Indicator #8.*

Hazardous waste generation profile (Global)

FY22 in MT



Non-hazardous waste from our operations, such as canteen wastes, and mycelia wastes (5,844 MT) are either send to piggeries or composted to convert into usable organic fertilizer. The agro-waste boiler ash (1,500 MT) is sent for brick manufacturing, soil enrichment and landfilling.

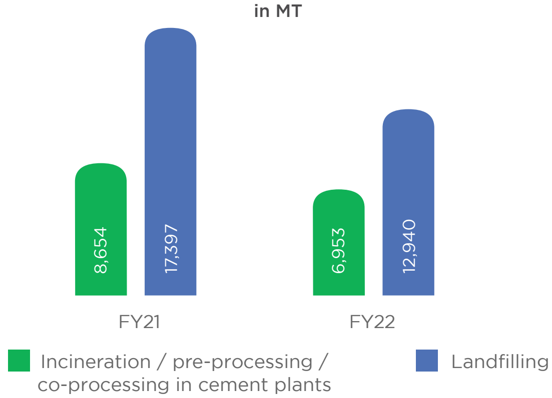
We are committed to minimizing waste by:

- Encouraging non-hazardous and less toxic materials during the inventory/purchase process
- Sourcing equipment that produces zero waste or minimal hazardous waste
- Using longer life chemical products
- Training employees on safe handling, labelling and storage of hazardous products

As part of our Extended Producer Responsibility obligations around post-consumer plastic waste management, we are recovering an equivalent quantity of the post-consumer plastic waste generated from our products in India and the plastic waste is being channelized to create recycled products or being utilized as an alternate energy source. Further, we have eliminated patient information leaflets from our products by digitizing them. In addition to reducing costs, this has also reduced paper consumption and waste.

Waste management in Indian operations

in MT



Targets

Lupin has committed to ensure that 60% of the hazardous waste generated in its Indian operations will be sent to cement plants for co-processing by 2025. This will reduce the quantum of hazardous waste being diverted to landfilling or incineration which creates significant health risks for society.

Business Review

India

United States

Europe, Middle East and Africa (EMEA)

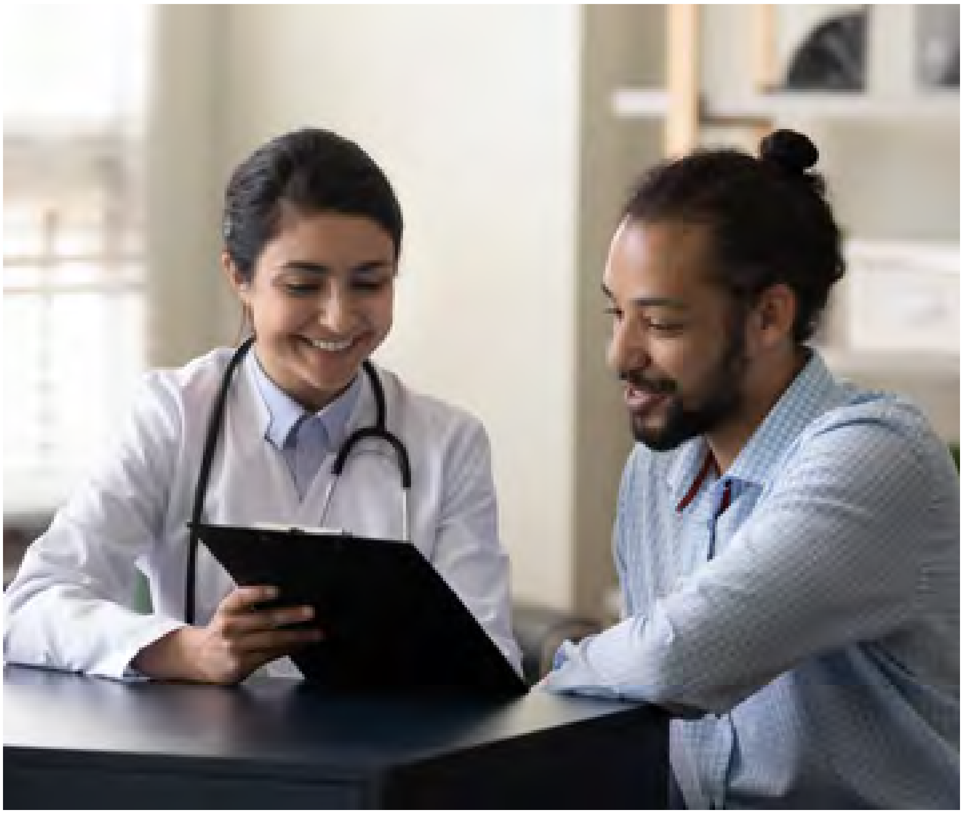
Growth Markets

Active Pharmaceutical Ingredients (API) Business

Industry Trends


NORMAL

India



6th

Rank in Indian Pharma Market

10.5%

Five-Year CAGR

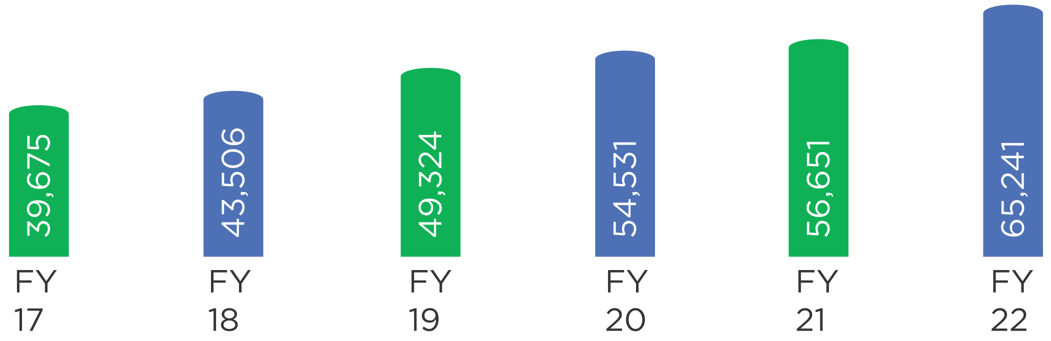
9

Lupin Brands Feature in the Top 300

Lupin's India business has consistently outperformed the Indian pharma market (IPM) as the business continues to expand its presence in chronic and fast-growing therapies. At revenues of INR 60,042 Mn, the business accounts for 38% of Lupin's total revenue and delivers high profitability and value to the company. With its high quality, affordable drugs and strong customer engagement, Lupin is a preferred partner for medical practitioners in India.

Lupin has been ranked sixth in the Indian Pharmaceutical Market (IPM) (MAT March 2022). In FY22, Lupin's branded generics sales increased by 15.2% and achieved a five-year CAGR of 10.5% compared to 10.1% for the market. We have improved our market share from 3.46% in FY17 to 3.52% in FY22.

India Formulation Sales* (in INR Mn)



**Source: IQVIA*

Lupin's India Region Formulations (IRF) business is dominated by the chronic segment, accounting for 64.7% of total revenue. Lupin retains its fourth position in the high-growth chronic segment among its peers.

The top five therapy areas in India – Cardiology, Anti-diabetes, Respiratory, Anti-infective and Gastrointestinal – account for 76% of sales. As leaders in the Anti-TB segment, we also maintain second place in the Respiratory segment and third position in the Anti-diabetes and Cardiology segments.

In Anti-diabetes segment, Lupin had growth of 7.5%, compared to 7.2% in IPM and an increase in market share from 8.69% in FY21 to 8.72% in FY22. With a growth rate of 12.5%, the Cardiac segment outpaced IPM growth of 10.5%, and it increased market share from 6.77% in FY21 to 6.9% in FY22. Lupin now has nine brands in the Top 300 brands category of the IPM.

IPM has listed nine of Lupin's brands among its top 300 brands:

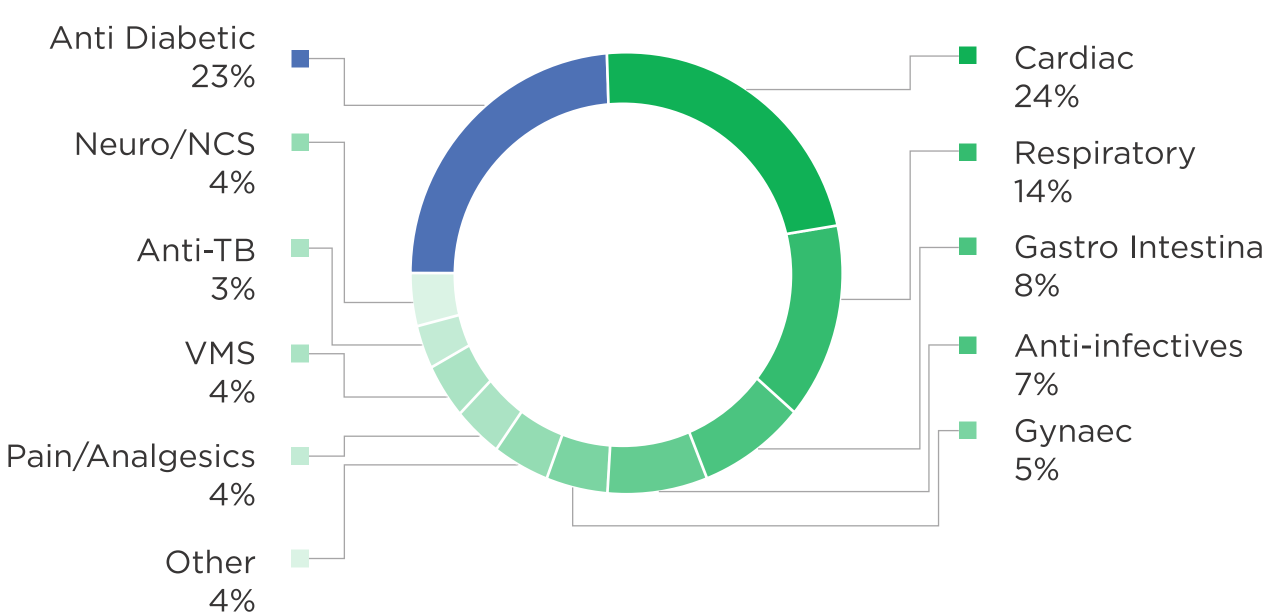
- **Gluconorm-G**
- **Budamate**
- **Ondero**
- **Gibtulio**
- **Ajaduo**
- **Huminsulin**
- **Cidmus**
- **Ivabrad**
- **Tonact**

Lupin is committed to enhancing engagement with doctors and improving patient outcomes by expanding its field force and optimizing its portfolio across therapeutic divisions. During FY22, we launched three new divisions under IRF to increase focus on Diabetes care, Central Nervous System segment and Injectables market. In addition, we continue to introduce unique scientific platforms through which we partner with leading universities around the world and expert faculties in order to share the latest medical developments and enable upskilling for doctors practicing specific areas of specialization.

Lupin's Therapy-wise Ranking

Therapy	Rank	Market Share
Anti-TB	1	56.2%
Anti-Diabetic	3	8.7%
Cardiology	3	6.9%
Respiratory	2	5.8%
Gynaecology	8	3.4%
Gastro Intestinal	11	2.7%
Neuro/CNS	7	2.6%

Therapy-wise Share of Revenue



Through digital and technology-based patient support programs, Lupin continues to enhance customer engagement, create disease awareness, and drive therapy adherence. Some notable initiatives include:

Heart Rate – The Missing Link

According to the World Health Organization (WHO), India accounts for one-fifth of the total number of deaths resulting from stroke and ischemic heart disease. In most cases, consistently high heartbeat indicates a larger underlying health condition. For the purpose of bringing attention to this critical health parameter and ensuring that medical professionals are aware of its importance, we have published a book entitled 'Heart Rate, a missing link?' in which 114 eminent cardiologists have contributed. In order to increase the awareness of this issue, we created a new Guinness World Record™ title by creating the "Largest book sentence" having 4,921 copies of the book to display the title 'Heart Rate, Is it a Missing Link?'

Shakti

In India, coronary heart disease remains the leading cause of death for women, yet awareness of the disease remains abysmally low. Lupin launched the Shakti Campaign on Women's Day in March 2022, in order to raise awareness about heart health among women and to encourage them to lead healthy lives.

Joint Airways Initiative

Lupin's Joint Airways Initiative (JAI) is India's first digital educator that educates patients on proper inhalation techniques and offers a wide range of value-added services that enable them to breathe easier.

Humrahi

Among the services offered by the Humrahi Patient Education Program are insulin pen education, insulin storage tips, diet counselling and exercise suggestions. Humrahi is currently covering 20 cities physically and pan India virtually, Humrahi has engaged more than 4,000 HCPs and touch the lives of over 1,50,000 patients through its services.

Say Yes to Life

Recent studies estimate that almost 43% of Indians suffer from mild to severe forms of depression. With the 'Say Yes to Life' initiative, we seek to raise awareness about mental health and demonstrate the importance of optimal mental health as a key contributor to a healthy and balanced life. In addition to partnering with Shaan, the renowned singer, we also organized a series of patient outreach initiatives in partnership with eminent psychiatrists across the country.

Leveraging Digital

Lupin has developed exclusive digital assets such as LegalRx to assist physicians with their medical-legal issues, SciFlix for knowledge upgradation of young PG Pulmonologists, and multiple webinars and eCMEs to facilitate the Doctors' training and development. Lupin possesses a number of innovative assets, such as ANYA (health chatbot) which is now available across five therapeutic areas including diabetes, heart diseases, respiratory diseases, Tuberculosis and the newly launched recently launched Women's Health category.

By taking a holistic approach, we aim to continue to build a digital eco-system that improves patient health outcomes.

OTC

Our OTC business, LupinLife Consumer Healthcare, is on a consistent growth path supported by a well-positioned brand portfolio, strong marketing levers and robust retailing. The business started in 2017 with one brand and has delivered double digit growth year on year. In FY22 the business recorded a healthy growth of 17%, despite the pandemic. Our strategic focus is to build consumer relevance, enable agile execution and demonstrate strong operational excellence. Here's how some of our top OTC products performed:

Softovac®

Our flagship brand Softovac® led the way, recording growth of 19% YoY. Softovac® doubled in size over the past four years, and currently holds category leadership with 46% market share (IMS MAT March 2022 – Bulk Laxatives). Currently, Softovac ranks #1 in the powder laxative category (IMS).

Aptivate®

In its second year of transitioning to our consumer healthcare business, Aptivate® continued to deliver strong performance as evidenced by its 34% growth. Aptivate has established itself as No. 1 ayurvedic appetite stimulant with the highest growth in the category (IMS).

BeOne®

This year, we launched BeOne®, an Ayurvedic supplement specially developed to take care of daily energy and immunity needs.

Outlook

Lupin's India business is poised for sustainable growth. As part of our ongoing efforts, we continue to focus on business imperatives, process improvement, and driving engagement with all our stakeholders including doctors, patients, distribution channels, and consumers. As a result of our expertise in brand building as well as our focus on gaining market leadership in key therapeutic areas, we are poised to continue driving the business towards new milestones and a better future.

Data Source: IQVIA MAT March 2022

United States

3rd

in the U.S. by prescriptions

36%

of Lupin's overall revenue (FY22)

>25

Products have market share greater than 50%

The United States continues to be a key market for Lupin. Our strategy to grow the U.S. business is predicated on developing a pipeline of high-entry barrier generic products across a variety of therapeutic areas and increasing our focus on value-accretive complex products across the inhalation, injectable and biosimilar segments.

Generics

Patent expirations in the U.S. are expected to be nearly USD 140 Bn through 2026 per the latest Global Use of Medicines report by IQVIA. Biolosimilars are expected to result in USD 46 Bn of this amount as market dynamics mature and major products face genericization.

As the pandemic continued into FY22, we remained focused on delivering high quality products to customers and patients across the U.S. We maintained our ranking as the third largest company in the U.S. in terms of prescriptions dispensed, increasing by 9.7% compared with the previous fiscal period, on an extended unit basis.

In FY22, U.S. sales contributed INR 57,556 Mn to the company's revenue accounting for 36% of overall sales. While seasonal product demand was low due to masking, social distancing and other precautions, we maintained and increased share across our inline portfolio especially on key products like generic Albuterol, Lisinopril and Lisinopril/HCTZ. In addition to

this in-line growth, Lupin also had 9 product launches in FY22 with launch of authorized generic Brovana (arformoterol) being the most notable one.

Key Highlights

Albuterol
Albuterol grew in market share from less than 5% in Q4 2021 to 18.6% in Q4 FY22 (based on total prescriptions of the total brand and generic market).

Arformoterol AG
We successfully launched this important authorized generic in the inhalation category and it was a significant contributor to the U.S. Generics sales in FY22.

Inline Product Success
Out of our total portfolio in the U.S. market, more than 25 product families have a market share greater than 50%. Some of these products include:

- Doxercalciferol
- Lapatinib
- Lanthanum Carbonate
- Levetiracetem ER
- Lisinopril
- Lisinopril HCTZ

Key Therapy Areas
As the third largest producer of medicines by TRx for the United States, Lupin holds substantial share across the market, including greater than 10% in the following therapy areas for FY22:

Therapy Areas	Lupin's Market Share
Anti-TB	41%
Immunology	21%
Antihypertensives, plain & combinations	17%
Thyroid, anti-thyroid & iodine preps	15%
Hormonal contraception, systemic & topical	12%

Operational Activities

During the fiscal year, significant focus and efforts were centered around operational efficiencies and effectiveness. The U.S. Generics team underwent an Integrated Business Planning implementation focusing on integration of activities from R&D through commercialization.

Patient Education and Customer Marketing Programs

We continued our efforts during the fiscal year to develop a patient education platform for our inhalation products focused on proper use. Albuterol was the first product added to platform with other products to be added in FY23 and beyond. In addition, we worked with several customers on driving pull-through of Albuterol in the channel.

During the year, we filed 19 ANDAs, with three Exclusive Filings and in three NCE-1 we address a market size of USD 14.2 Bn (per MAT Mar 2022 IQVIA). Our filings were across dosage forms including injectable, inhalation, liquids and OSDs. During this fiscal period, we also settled 15 U.S. patent litigations.

Specialty

Our Specialty women's health business continued to be impacted by the COVID-19 pandemic during FY22, with fewer in person physician visits. In February 2022, we received supplemental New Drug Application (sNDA) approval to expand the use of Solosec (secnidazole) in the treatment of Bacterial Vaginosis (BV) for female patients 12 years of age and older and in the treatment of trichomoniasis for all patients 12 years of age and older. During H2 of FY22, we pivoted our Specialty strategy to optimize the financial performance of the segment. This included streamlining our internal resourcing, and entering into a partnership with Exeltis for in-person promotion of Solosec®. This partnership expanded the reach of Solosec®, allowing more healthcare providers to be aware of its benefits and increase access for women with BV and Trichomoniasis patients.

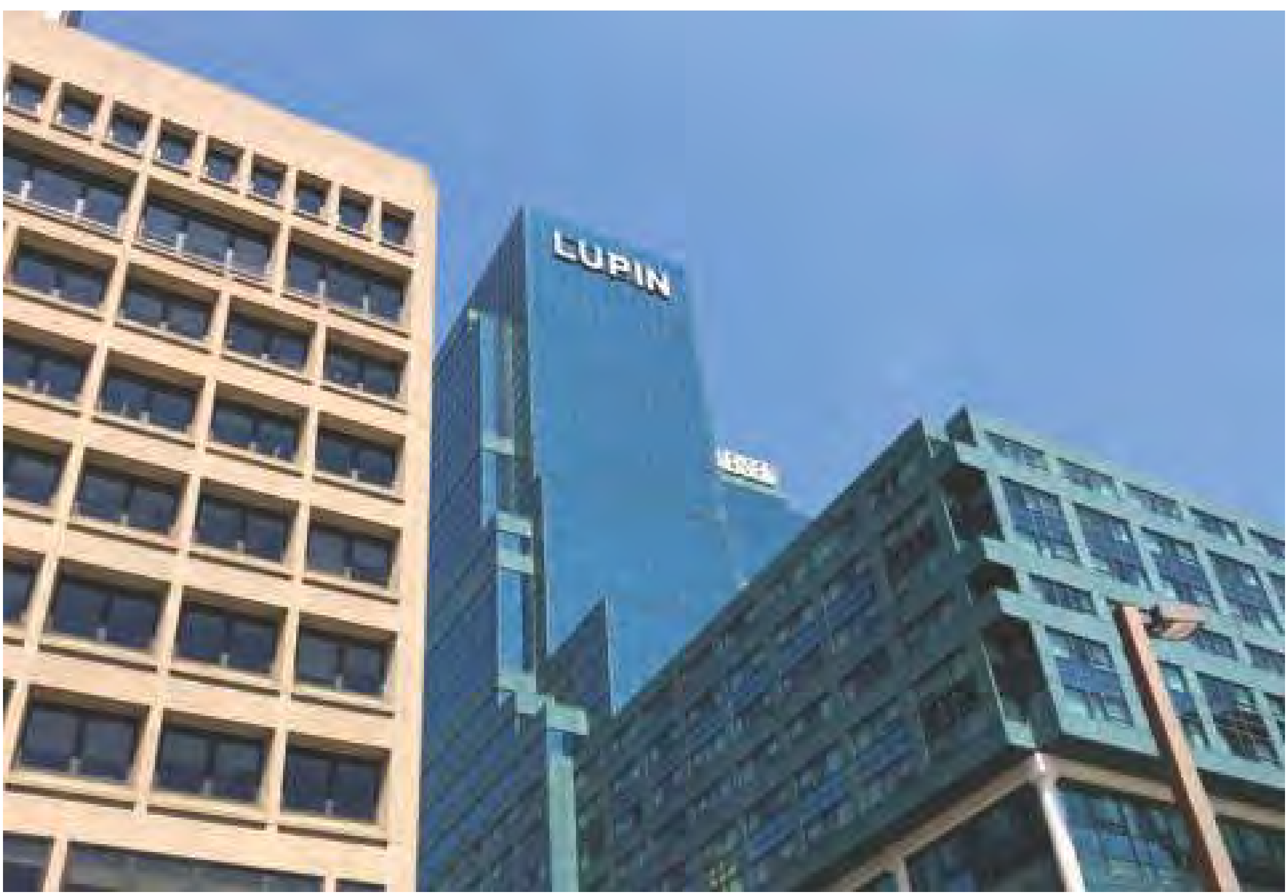
Outlook

As we move ahead, our focus is in driving our transition from our legacy of high volume oral solid dose medications, to a P&L which is robustly anchored in high-barrier complex generics.

We have exciting filings and launches coming up throughout the next fiscal year. We are steadily progressing towards our next major inhalation product introduction with Tiotropium, as well as making progress on other pipeline programs. Our respiratory R&D team has advanced the Ellipta device and product platform, which is projected to be a major part of future plans across U.S. and other developed markets. With the TTP partnership, we are also making progress on the Respimat device and product platform. Further, we are making inroads in long acting injectables with filing of our first product soon and moving two other long-acting injectable products into the clinic.

On the Women's Health front, we completed a substantial funding partnership, which will enable us to bring forward our IUD and Implant programs, both of which are accelerating well through to clinical development.

Our focus remains on driving the transition to a complex generics player, ensuring that we bring more differentiated products to market and launch them with excellence.



Europe, Middle East and Africa (EMEA)

8.6%
of Global sales

#6
in South Africa by prescriptions

Expanding Respiratory Franchise

With an estimated value of USD 335 Bn, the pharmaceutical market in Europe, Middle East, and Africa (EMEA) accounts for 26% of the global market. At INR 13,592 Mn, the EMEA region accounts for 8.6% of Lupin's sales.

NaMuscla® is our flagship product in the Specialty segment in the region. It is prescribed for the treatment of myotonia in adults suffering from non-dystrophic myotonic disorders (NDM), a severe neuromuscular disease that has debilitating effects.

Europe

LUPIN HEALTHCARE | nanomi A LUPIN GROUP COMPANY | HORMOSAN PHARMA

The pharmaceutical market in Europe is valued at USD 309 Bn, with the generic business representing more than USD 63 Bn. With major pharmaceutical brand patents set to expire soon, the European pharmaceutical market is expected to grow significantly.

In FY22, Lupin's business in Europe recorded a decline by 1.7% with sales of INR 6,761 Mn as a consequence of low demand due to the pandemic in the first quarter of the financial year.

In FY22, we continued to focus on portfolio expansion and expansion of NaMuscla® beyond the U.K., Germany, and France.

Hormosan Pharma Gmbh, our German subsidiary, continues to expand into specialty care while focusing on two primary segments, Pain management and Neurology. Hormosan's pain therapy portfolio is fully complementary to its medicinal cannabis product, which offers a unique opportunity to grow the business with optimal investment. In FY22, Hormosan continued to put effort into regaining its momentum in other therapy areas including women's health and HIV following the easing of pandemic related restrictions.

In U.K., we continue to maintain our leadership position in the ARV segment. We also received positive approval and reimbursement from NICE and SMC for Namuscla, a rare accomplishment for a repurposed medicine. Additionally, we also launched Luforbec®, our first branded generic product in the respiratory segment. This launch represents the first step towards building a significant presence in the respiratory segment in the U.K. and European markets.

The pharmaceutical market in Europe is valued at U.S.$ 309 Billion, with the generic business representing more than U.S.$63 Bn

South Africa

The South African pharmaceutical market is valued at USD 3.8 Bn. While the market declined by 0.8% YoY, Pharma Dynamics, Lupin's South African subsidiary, registered a growth of 6.2%, with sales of ZAR 1,375 Mn driven by sustained growth in key pharma segments, including Cardiovascular (CVS) and Central Nervous System (CNS), as well as the OTC franchise.

Pharma Dynamics continues to comply with the government's Broad-Based Black Economic Empowerment (BBBEE) policy that aims to increase the economic participation of the black population in the economy. In addition to providing us with the opportunity to engage with key stakeholders in the industry, our compliance gives us preferred status when compared to our non-compliant peers.

In FY22, we have continued to work with the South African Health Products Regulatory Authority (SAHPRA) and we have received 21 product approvals. This year we introduced 18 new products as well as 3 line extensions to the South African market.

Despite challenges, Pharma Dynamics remains the largest CVS company in South Arica with a value share of 14.8%. In unit terms, we currently have 19 products ranked as the top product in South Africa, and 24 products in the second position.

Lupin's South African subsidiary, registered a growth of 6.2%, with sales of ZAR 1,375 Mn driven by sustained growth in key pharma segments

Outlook

As a result of the current macro-economic and geopolitical challenges, a major challenge for FY23 will be to stem the deterioration in prices and work with inflation. Our strong market position in key therapeutic areas will continue to drive growth in this region.

The year FY23 is poised to be a significant one for Lupin's European business, as we prepare to expand our respiratory franchise for Luforbec® metered dose inhaler (MDI) and focus on the continued expansion of NaMuscla®.

Data Source: IQVIA MAT February 2022

Growth Markets

4th largest generic company in Australia

2nd in Philippines reference market

2nd in Mexico Ophthalmic Reference Market (Units)

6th in Brazil Reference Market (Units)

Asia Pacific (APAC)

With a market size of USD 257 Billion, the APAC region accounts for more than 20% of the global pharmaceutical market. Lupin is present directly in major markets of Australia and Philippines. In markets of Japan and South Korea we operate through our local business partners. The APAC region accounts for 5% of Lupin's global sales. In FY22, we recorded a growth rate of 27.8 % in the region, while the market grew at 5.5 %.

The APAC region accounts for 5% of Lupin's global sales.

Japan

Lupin continues to cater to the market by supplying existing products, APIs, and select new products, through a licensing agreement with Kyowa Pharmaceutical Industry Co. Limited. In addition, we are also committed to our partnership with Yoshindo and Nichi-Iko for a biosimilar Etanercept that was launched in Japan in H2 FY20. We will continue to selectively introduce complex generics to the Japanese market, partnering to maximize value for the company.

We will continue to selectively introduce complex generics to the Japanese market, partnering to maximize value for the company.

Australia

In 2022, the Australian pharmaceutical market is valued at USD 13.6 Bn with a growth rate of 5.5%. The generics segment in Australia has experienced consolidation in recent times and is growing at a faster rate of 7.5% due to Government support.

Generic Health, Lupin's Australian subsidiary, ranks fourth in the region among generic players and supplies generic prescriptions and OTC medicines to pharmacies and hospitals. Generic Health had entered into a definitive agreement to acquire 100% of shares of Southern Cross Pharma Pty Ltd (SCP) in December 2021 and the acquisition was completed in February 2022. SCP is incorporated in Melbourne, Australia, and is engaged in developing, registering, and distributing generic products. As a part of the acquisition, Generic Health will now offer over 60 registered products with sales exceeding AUD 30 Mn (approximately USD 22 Mn). As a result, Lupin's value proposition and market share in the Australia will significantly increase. The combined revenues of Generic Health and SCP (post acquisition) were AUD 74 Mn, which corresponds to a strong closing in FY22.

Acquired Southern Cross Pharma to enhance Lupin's value proposition in the Australian Market

The Philippines

The pharmaceutical market in the Philippines is valued at USD 4.9 Billion, with a growth rate of 15.1% in 2022 following a decline of 5% in 2021. Lupin's subsidiary in the Philippines, Multicare Pharmaceuticals Philippines Inc., is a premium branded generics company with strong presence in the rheumatology, gastrointestinal and diabetes segments. Within the reference market, we are ranked second among branded generic companies. With new strategies in place, Multicare demonstrated strong resilience against the COVID outbreak and ended the year with a total revenue of PHP 1,881 Mn, recording a 35% increase – twice the growth recorded by the pharmaceutical market in Philippines

The pharmaceutical market in the Philippines is valued at U.S.$ 4.9 Billion, with a growth rate of 15.1% in 2022

China

With China's growing commitment to affordable and accessible healthcare, Lupin is committed to serving the healthcare needs of the Chinese population by providing high quality generics and complex generic drugs.

Lupin successfully closed its first China partnership deal with Shenzhen Foncoo Pharmaceutical Co. Ltd. The Company also closed another strategic partnership with Yabao Pharmaceuticals Co. Inc. by leveraging its pediatric portfolio and catering to the growing needs of patients in China.

Data Source: IQVIA Global MIDAS MAT Dec 2021 & Philippines IQVIA local Data Feb, 2022

Lupin successfully closed its first China partnership deal with Shenzhen Foncoo Pharmaceutical Co. Ltd.

Data Source: IQVIA Global MIDAS MAT Dec 2021 & Philippines IQVIA local Data Feb, 2022

LATAM

At USD 50 Bn, the pharmaceutical market in the LATAM region grew by 17.6% in FY22, driven by the private market and innovations in select therapeutic areas. In FY22, our LATAM business recorded 5% sales growth compared to the prior year and contributed 4% to our overall revenues.

Brazil and Mexico, the two largest markets in the region, accounted for 63% of the LATAM market in size and recorded a growth of 13% in FY22. The region also includes exports from India. As a result of signing distribution agreements with key players in Chile, Peru and Colombia, we have now expanded our presence into these markets. Additionally, the region entered into an out-licensing agreement with Biomm for sales of Peg-Filgrastim in Brazil.

The pharmaceutical market in the LATAM region grew by 17.6% in FY22, driven by the private market and innovations in select therapeutic areas.

Mexico

With a market size of USD 10.7 Bn, Mexico is the second largest pharmaceutical market in Latin America. Despite pandemic-driven macroeconomic headwinds, the market registered strong growth of 13% in 2021.

Laboratorios Grin (Lab Grin), Lupin's subsidiary in Mexico, reported a 15% increase in sales, while continuing to rank second in the ophthalmic reference market (by units). This growth is essentially coming from the private Branded channel fueled by a strong innovative pipeline.

Lab Grin's portfolio includes 50 ophthalmic products and ten primary care products. We are continually seeking opportunities to introduce innovative products to the ophthalmic market. By leveraging our global product pipeline, we plan to expand beyond the ophthalmic segment by launching products in the respiratory and CNS segments. We are committed to transforming Lab Grin's portfolio into one that consists of innovative and branded generics products across therapy areas.

Brazil

With a market size of USD 24 Bn, the Brazilian pharmaceutical industry is the largest in the LATAM region, accounting for 44% of the region's salesThe Brazilian pharmaceutical market in 2021 reported a growth rate of 12.3%, driven by the volume growth of essential medicines as well as the recovery of key therapy areas. Price pressures and higher input costs adversely affected profitability.

MedQuimica, Lupin's Brazilian subsidiary, is now ranked 8th in terms of value and the 6th largest in terms of volume (in reference market), commanding a 3.92% market share and increasing by 11% compared to the last year.

We are well-positioned to emerge stronger in the coming quarters with our efficient manufacturing platform and an optimal commercial structure.

Data Source: IQVIA Global MIDAS MAT Dec 2021 & BRA and MEX IQVIA local Data Feb, 2022

Outlook

We remain focused on increasing our presence in Growth Markets; increasing market share in the existing markets by launching a combination of in-house and in-licensed products, biosimilars and injectables, and entering new markets by building suitable partnerships, exploring acquisitions opportunities or identifying and launching products/ offerings catering to local existing unmet/growing patient needs.

Active Pharmaceutical Ingredients (API) Business

The COVID-19 pandemic continued to affect business across countries in FY22 and we are still witnessing the impact of post-COVID effects on the market demand for antibiotic pharmaceutical products. The demand for oral cephalosporin antibiotics has declined across markets in the last two years though we expect it to bounce back in FY23.

The market has also witnessed huge Increases in the cost of key raw materials, intermediates, energy and other utilities, and this is contributing to an increase in the cost of manufacture of products across the API industry. The price of Penicillin-G, for example, the raw material used to manufacture certain cephalosporin antibiotics, has increased exponentially and the end market has not yet been able to absorb this increase.

These are new market realities and Lupin has reoriented its market approach with the current market environment. We have leaned on our experience in process chemistry including fermentation technology and refocused our efforts to mitigate the impact of headwinds in the market place and manage the situation optimally. Most importantly, our client base remained strong during these challenging times.

API contributed about 6% percent of the total sales of the firm with sales of INR 9,904 Mn.

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We are developing a robust portfolio of new API products to meet the needs of numerous therapies. Introducing new products to different markets will pave the way for sustainable growth of API business over the next five years.

Further, the Indian government has launched a noteworthy initiative under the Production-Linked Incentive (PLI) scheme to achieve broader self-reliance in the API sector and reduce reliance on imports for key products. We have set in motion a series of initiatives in response to this important initiative, which includes the expansion of our API production capacities and the introduction of new products in our portfolio.

By leveraging our extensive experience in API research and formulation development, our value-added formulation P2P business focuses on the development of new molecules and combinations which are tailored to meet the needs of the market. In FY22, the P2P business has commercialized 2 new and novel formulations in the cardiovascular segment and received approval of 1 product in gastrointestinal therapy.

GIB Business

As part of our Global Institutional Business (GIB), we partner with global and national public health organizations to coordinate the fight against tuberculosis and HIV.

For many years, Lupin has been leading the fight against Tuberculosis and providing affordable, high-quality medicines to underserved communities. We are one of the very few vertically integrated companies engaged in the manufacture and supply of key first line anti-TB drugs. Today, our products are available in more than 50 countries across Africa, Latin America, CIS, and Asia. As a result of our relentless commitment to the fight against TB, we are one of the world's largest suppliers of first-line anti-TB drugs.

The development of new drugs for treating multidrug-resistant tuberculosis (MDR-TB) is underway. Backward integration enables us to manufacture vital APIs in-house. This ensures reliable supplies and availability of APIs, enabling patient access to quality-assured medications at affordable prices.

The pandemic has significantly impacted TB eradication programs across TB burdened nations, resulting in a significant decrease in TB notification rates. Globally, TB notification rates dropped by 18% worldwide during the peak of COVID-19 period in 2020, with high burden countries such as India experiencing a drop of almost 41%. The intense focus of various countries on the management of COVID-19 diverted the focus of public health infrastructure towards pandemic-affected individuals. According to the Global TB report 2021, the impact of COVID-related disruptions on TB incidence is likely to persist for much longer periods unless rigorous efforts are undertaken by respective stakeholders and governments to reactivate and intensify TB eradication programs. It is expected that this scenario will continue to improve through FY23

Outlook

There has been an increased focus on the prevention of TB in high-risk individuals, such as those living with HIV or having close contact with TB patients. The preventive TB regimen uses a fermentation-based product called Rifapentine. Lupin's fermentation expertise, combined with our large API/formulation manufacturing capabilities, gives us a strong head start for growth. In our efforts to maximize access, we are looking to register our formulations with the national drug regulatory authority in more than 20 high disease burden countries to support the fight towards eradication of TB.

We are excited about our association with international and national public health organizations in the treatment of HIV patients in low and middle-income countries. As with TB, we are backwardly integrated to manufacture new anti-retroviral (ARV) drugs and offer high quality medications at affordable prices, while mitigating the risk of disruption in supply. We have received product approval from the US FDA and WHOPQ for a few key ARV products and have begun commercial supplies. Lupin is well-poised to be able to garner significant market share in the ARV segment in the access countries as we have the fundamental requisites of being backward integrated and of having large manufacturing capacities to meet global demand. In FY22, we received the approval under the PEPFAR route of US FDA for our TLD, the key first-line drug used currently in the management of HIV/AIDS.. To date, we are having more than 120 regulatory dossier submissions globally for our ARV medicines of which 30 approvals have already been received.

Industry Trends

Affordable Medicines

The past year has enhanced the need for a greater focus on purpose - where the actions businesses take are for the benefit of all stakeholders – employees, customers, regulators and society – in addition to shareholders.

In line with our vision of providing affordable medicines for our global communities, we continued to develop and launch generics and biosimilars that provide critical savings throughout the healthcare system.

Product Differentiation

With heightened pricing pressure due to higher competitive intensity and consolidation of buying groups, product differentiation has become more and more important. The way to growth is via exclusive or low competition launches especially in unbranded generic markets. In accordance, Lupin is purposefully scaling up Inhalation, Injectables and Biosimilars across our footprint of global businesses.

Inflationary Trends

The pharma industry is facing rising costs across various line items. High input prices of APIs, key starting materials and excipients, rising packaging, logistics and utility costs have impinged on margins. Accordingly, the industry is witnessing product discontinuations due to margin compression, especially in competitive markets like the U.S.

Emerging Trends in Production Technologies

For generic companies, efficient manufacturing at scale is a must to be globally competitive. Pharmaceutical manufacturing is evolving with these changing market dynamics with newer initiatives such as continuous manufacturing to produce quality products with continuous monitoring. Single-use bioreactors are being preferred in certain cases as they eliminate need for cleaning and validation between separate production stages. Such technologies help eliminate downtime, lower energy requirements, and are less labour intensive, reducing probability of product defects.

Emerging Geo-Political Issues And Their Impact On Pharma Production

COVID-19 exemplified the susceptibility of pharmaceutical supply chains to large demand shifts and supply shocks caused by geopolitical tensions, and sole-sourced suppliers. Due to the emerging geo-political issues, the pharmaceutical industry supply chain has been impacted due to delay and disruption in the movement of goods because of their dependency on China for APIs and excipients. Accordingly, companies have made supply chain resilience as one of the near-term priorities, and enhanced efforts to detect vulnerability in their supply chain and collaborate with suppliers to improve planning and build competencies.

Managing Risks – An Integrated Approach

Pricing Pressure and Competitive Risks

What is the Risk?

Being a global manufacturer and seller of pharmaceutical intermediates as well as finished products, Lupin is exposed to pricing risk both as a buyer and seller.

U.S. generics is constantly subject to intense competition and a declining pricing environment in existing portfolio. Companies in the sector remain at risk of a sharp decline in pricing of the products where existing competition might be limited at present.

As a pharmaceutical company also selling Specialty products in the U.S. and EMEA region, Lupin faces downward pricing risk as governments and legislations aim to lower the price of prescription drugs.

What is the Impact?

High pricing pressure could erode financial margins and affect competitiveness.

The emergence of large buying groups combined with the influence of managed care organizations could lead to increased competition amongst companies and enhanced price risk.

The consolidation and integration of drug wholesalers, retail drug chains, private insurers and other entities have resulted in these groups gaining an advantage in terms of purchasing leverage which increases product pricing pressures for the industry.

What actions are taken?

- Put increased focus on manufacturing generics and complex generics for large markets like the U.S., thereby offering affordable therapy to patients
- Set strategic price setting of novel drugs in order to cover the effort and scale of the R&D effort
- Engage in long-term supply contracts with suppliers of APIs and critical raw materials to hedge from price fluctuations

Failure to Meet Regulatory Requirements

What is the Risk?

Non-compliance may lead to delayed product approvals, penalities, and plant shutdowns

Lupin's commercial prospects may be impacted by policy regulations such as bans on certain products or combinations

What is the Impact?

Quality requirements for Lupin are rigorous across our entire supply chain. Our complex technical manufacturing processes and product specifications increase the inherent risk of quality deviations and batch rejection. Additionally, failure to comply with CGMP regulations at any of our production sites or for any product can impact the regulatory certifications of our sites or pose risk for our patients. Most of our sites are approved by regulatory authorities such as the US FDA, UK MHRA, Japan's PMDA and the WHO amongst others, and any adverse findings during inspections impacts our ability to successfully execute our pipeline and manage our reputation

What actions are taken?	Our Pharmacovigilance function monitors and manages the safety of all our products using robust systems and processes to monitor manufacturing standards in compliance with CGMP and other regulatory requirements. Our Quality team conducts internal and external audits to ensure adherence to high-quality standards. • We have launched a Global Quality Action Plan that ensures that our sites remain in an acceptable state of compliance and are 24x7 audit ready • Emphasis on product life cycle management to ensure product quality • Pharmacovigilance team tracks any incidence of adverse event caused by any Lupin medication and ensures that the company addresses it • Lupin ensures timely recalls of any product by a regulatory authority or through its internal assessment for any defect or failure to meet specification standards

Failure to Maintain Timely Supply of Compliant Medicines

What is the Risk?	Delays might occur at manufacturing sites or in logistics, leading to challenges in procurement of ingredients and components as well as dissemination of our final products. Supply chain risk for Lupin is two-fold – in securing supplies of APIs and other key starting materials for our own production and in maintaining consistent supply of final products to our global customers
What is the Impact?	Delays or interruptions in supply can lead to product shortages, which may result in lost product sales and adversely affect our reputation and revenues in a material way.
What actions are taken?	• Lupin has approximately 30% dependency on external manufacturers for its API requirements with the rest being met by our own API manufacturing sites. • Additionally, we ensure continuity of API supply for high-value products by engaging alternative API suppliers for critical products, stocking for buffer supplies and supply chain modelling to anticipate disruptions. • Strategic investments in business intelligence, reporting and forecasting systems have enabled us to build a resilient global supply chain and ensure high service level across markets Ensure consistent supply of critical APIs and intermediates Focus on evaluating and developing alternate vendors for critical APIs and intermediates Timely placement of orders with vendors based on detailed manufacturing plan to ensure timely availability

Water Crises

What is the Risk?	Water crises as a result of human overexploitation has adverse consequences for our operations. A major share of water is used for cooling purposes and maintenance of temperatures for critical manufacturing steps and the remaining is used for cleaning equipment and as a solvent within manufacturing processes
What is the Impact?	Ample supply of water is critical for all manufacturing processes of pharmaceuticals. Shortage of water supply at our sites will cause disruptions in the continuity of our operations as well as our supply chain, leading to a negative impact on the quality of our medicines. Additionally, as a result of extreme weather events such as floods there is a loss of life and financial loss as well as damage to livelihood and the ecosystem. Competing for water resources with local communities may lead to a loss of social license to operate and the supply of clean water for our processes. Management of water discharge and effluents is also important to avoid the pollution of water streams and antibiotic releases can lead to AMR.
What actions are taken?	We will strategize around adopting water stewardship opportunities to address risks around water supply. Simultaneously, we acknowledge the importance of regular evaluation of the water footprint of our manufacturing processes and thereby will be able to reduce dependence on external sources especially for manufacturing sites with high water stress. We have conducted water risk assessment for all our manufacturing locations in India and are in the process for formulating strategies for the regions with high water risk to further reduce dependence on water resources by increasing recycling and reuse within our own operations. As a first step towards AMR stewardship, we have also achieved Zero Liquid Discharge status in almost 50% of our Indian manufacturing sites, thereby managing the discharges from our operations. We manage water risk and scarcity through interventions such as installation of water recycling plants, water efficiency mechanisms, and raising awareness among our stakeholders about the importance of water conservation. Through our CSR activities driven by the LHWRF, we also engage in watershed development activities in drought prone regions and have been able to create water replenishment potential of more than four times our water consumption, thereby making us water positive in our operations.

Emerging Risks - Geo-Political and Socio-Economic Threats

What is the Risk?	Geopolitical risks include the collapse of a multilateral institution, interstate conflict, contestation around strategic resources, terrorist attacks among others. Any occurrence of this nature has the potential to severely disrupt our operations along with irreparable damage to life, livelihood and the ecosystem.
What is the Impact?	Geopolitical risks have the potential to severely impact the manner and mode of our operation. They can also disrupt our supply chain and inhibit the movement of goods and supplies, causing major delays in our processes. They may also lead to apprehension among our investors and shareholders, leading to market losses.

	Additionally, trade restrictions between countries could have a material negative impact on our business. Geopolitical risks also pose a difficulty for collaboration between nation states to progress towards common goals such as climate change adaptation and mitigation, response to pandemic, access to medicines, etc.
What actions are taken?	We try to evaluate market entry, monitor financial condition and the liquidity of our partners, customers and vendors across all locations of operations and the locations from which we source our raw materials. We are also consistently monitoring the regional policies and statutes when marketing and selling our products in different regions of the world. We ensure compliance with local laws of the land and are committed to protecting the interest of our employees and have global standards of human rights and fair employment which are applicable to our employees uniformly around the world. We also strive to partner and enter into global institutional business arrangements to make our products more accessible to the Least Developed Countries and Developing Countries to achieve common global goals of making healthcare accessible to all and reduce the prevalence of diseases in typically underserved regions and markets.

Environmental Health and Safety

What is the Risk?	At Lupin Limited, we believe that Environment, Health and Safety (EHS) Management Systems are the key for our sustainable business growth and our continuous efforts are to embed EHS in every aspect of the business way beyond compliance. We have well defined Environment, Health and Safety and Sustainability (EHS&S) Policy, applicable across the organization. The EHS&S policy covers the fundamentals of not only complying with the regulatory requirements but also excelling in improving the EHS performance through continual improvement.
What is the Impact?	The EHS policy has a guiding principle for identifying, addressing and eliminating or mitigating any impacts/risks arising from the resource utilisation, processes, unsafe working conditions, waste, effluent generation or emissions. We value the Environment, health and safety of the people above all priorities and understand the need for pollution prevention. EHS management system is the integrated part of our business at all manufacturing locations including R&D.
What actions are taken?	At Lupin we ensure all legal compliances with the mandates of the governing legislations all the time. We ensure to protect and promote the Health & Safety of people working within our facilities including contractors, visitors. We always ensure that the technological improvements in our facility establishments, maintenance and operational practices are ensured to minimize the risks and associated health hazards. We have well established process of hazards identification Risk Control measures across the value chain. These risks are checked on periodical basis to ensure the effectiveness of the controls.

At Lupin we have initiated various measures in support of resource conservation, pollution prevention and protection of Environment which includes but not limited to:

- Energy Conservation measures by implementing Renewable Energy Programs like use of Solar Energy, Wind energy etc.
- At source reduction measures and reducing and recycling of the water. Most of our plants operate on zero liquid discharge which is achieved through various process modifications and the adoption of new technologies. We have also implemented rainwater harvesting at our plants, which helps recharge ground water.
- Ground water recharging measures and journey towards Water Positive
- Environmentally Benign processes and effective utilization of cleaner and greener resources in the form of alternate fuel
- As a responsible organization, we are collecting post-consumer plastic sent to the domestic market along with our products and sending the same to recyclers or co-processors.

Cyber Security & Data Privacy

What is the Risk?

Lupin's information protection risk is one of the principle enterprise risks. An attack on company's IT systems or non-compliance with data privacy laws can lead to loss of critical business intelligence, financial loss and loss of reputation. The relevance of this risk has been made even more acute due to COVID-19 requiring office-based workforce moving to a work-from-home model.

The increase in remote working calls for a greater focus on cybersecurity, because of the greater exposure to cyber risk. Cyber-attackers see the pandemic as an opportunity to step up their criminal activities by exploiting the vulnerability of employees working from home.

Privacy protection and cyber security should be thought of as interconnected: as more and more personal information is processed or stored online, privacy protection increasingly relies on effective cyber security implementation by organizations to secure personal data both when it is in transit and at rest.

What is the Impact?

Cyber security is by no means a static issue with a permanent solution. Threats to information in cyberspace evolve quickly and, more recently, have expanded into new channels such as social media and mobile technologies. As organizations strive to keep pace with the changing landscape created by innovative technologies, social practices and ever-changing threats, data produced, collected and collated on a massive scale can be left vulnerable to those cyber threats. The following are some of the emerging challenges for data protection and cyber security.

a) Complexity of the connected environment: Cyberspace has become inherently complex to manage and challenging to secure due to continuous evolution of cyberspace and data elements continually being combined, connected, compared and linked to other information.

b) Growing sophistication of the threat: Our data trails now leave a larger footprint across cyberspace, leaving us more exposed to threats.

c) Threats are moving to the mobile sphere: As cyber threats increasingly target mobile devices, data protection becomes all the more critical. Communications and transactions using mobile devices are more closely tied with individual users.

What actions are taken?	Lupin has a mature Information Security Management System Framework in place and is awarded ISO 27001:2013 Certificate by accreditation body and the same is assessed on annual basis from People, Process and Technology perspective. To secure the Work from Home environment, a Zero Trust based architecture is implemented at Lupin for VPN and Internet Gateway Solution, ensuring that security is not compromised even when users are working from remote locations. Additionally, we have a SOC team assessing the Security risk round-the-clock both at perimeter level and at endpoint level. • While COVID-19 presented significant threats and challenges, it also created opportunities to advance the security of the company • Lupin has implemented an effective cyber security infrastructure to protect against data loss and malicious attacks. It continuously monitors the effectiveness of its existing systems to identify and address security gaps. From an infrastructure and security point of view, state-of-the-art solutions such as EDR, ThreatIntel, Zero Trust solutions, different networking solutions, Microsoft O365 package with MDM enabled for BYOD devices, AntiVirus and Cloud offerings like Azure and IBM/HPE/Dell have been deployed for the company's servers and laptops. • Continuous employee education campaigns and online certification programs are carried out to foster a cyber-security mindset.

Ethical Conduct Risk

What is the Risk?	The Pharmaceutical industry is unique as it faces ethical dilemmas distinct from other industries. Given the evolving global regulatory environment, there is substantial increase in regulatory scrutiny and stakeholder expectations.
What is the Impact?	The ethical issues in the pharmaceutical industry. These can relate to product pricing, affordability of medicines, counterfeit drugs, transparent disclosure, marketing restrictions, advertising, clinical study design, drug safety, advertising, and so on. There are also issues pertaining to the ethical conduct of employees surrounding corruption, bribery, corporate behavior, and fair dealings with all stakeholders. Any damage to Lupin's reputation will compromise our ability to execute our core business operations.
What actions are taken?	Our mitigation measures • Building a culture of integrity which sets out the fundamental values, standards and guidelines for employee conduct at work. • Well defined global code of business conduct and ethics ("Code") which acts as a guiding beacon for all employees. • Robust whistle blower mechanism in place where employees and third parties can raise concerns or violations confidentially and anonymously, without fear of retaliation. • Proactively training employees in the field force on ethical marketing practices and applicable compliance regulations. • Mechanism in place for identification of regulatory changes and associated

impact to stay abreast of compliance requirements.

- Strong internal audit mechanism to track and report any non-compliant practice across locations.

Enhancements during the year:

- Compliance communications delivered using multi-media approach that includes audio, video, real-life case studies, complex scenarios to give employees a holistic view of the concepts.
- A dedicated Ethics & Compliance tab made available on the intranet for employees across the globe to access various compliance resources.
- Rolled out Third Party Code of Conduct outlining obligations for Suppliers and all third parties from an ethical and ESG perspective.
- Institutionalized Human Rights Policy, Board Diversity Policy and Environment, Health, Safety And Sustainability Policy as part of ESG journey.
- CODE embedded across the organization by implementing mandatory annual E- Training for all employees.

Safety and Product Quality

What is the Risk?

Quality requirements for Lupin are rigorous across our entire supply chain. Our complex technical manufacturing processes and product specifications increase the inherent risk of quality deviations and batch rejection.

What is the Impact?

Additionally, failure to comply with CGMP regulations at any of our production sites or for any product can impact the regulatory certifications of our sites or pose risk for our patients. Most of our sites are approved by regulatory authorities such as the US FDA, U.K. MHRA, Japan's PMDA and the WHO amongst others, and any adverse findings during inspections impacts our ability to successfully execute our pipeline and manage our reputation.

What actions are taken?

Our Pharmacovigilance function monitors and manages the safety of all our products using robust systems and processes to monitor manufacturing standards in compliance with CGMP and other regulatory requirements. Our Quality team conducts internal and external audits to ensure adherence to high-quality standards.

- We have launched a Global Quality Action Plan that ensures that our sites remain in an acceptable state of compliance and are 24x7 audit ready
- Emphasis on product life cycle management to ensure product quality
- Pharmacovigilance team tracks any incidence of adverse event caused by any Lupin medication and ensures that the company addresses it
- Lupin ensures timely recalls of any product flagged by a regulatory authority or through its internal assessment for any defect or failure to meet specification standards

Financial Risks

What is the Risk?

In course of its business, Lupin is exposed to fl tions in foreign currency exchange rates, interest rates, equity prices, liquidity, and credit risks.

What is the Impact?

- Tax Risk: Tax risks and exposure can be associated with specific transactions undertaken by us, including associated compliance risk.
- Forex Risk: Lupin has more than two-thirds of its revenues from exports/sale in entities outside India; hence, the company is exposed to forex risk arising out of a good part of its sales and operating expenses being denominated in currencies other than INR.

What actions are taken?

Lupin has a well-diversified liability profile and we raise funds from domestic and international markets. We consistently work towards increasing our debt maturity and opportunistically tap into pools of liquidity to reduce our financing costs.

- Tax Risk: All tax liabilities due under the law are correctly recorded, accounted and paid for. We ensure:
- Maintaining cooperative relationships with tax authorities
- Having strong internal tax team
- Having strong technical support for tax positions, including opinions from external experts
- Maintaining strong compliance procedures ensuring accurate and complete tax returns, including robust and well documented transfer pricing documentation
- Forex Risk: Our forex strategy for the short, mid and the long-term through appropriate forecasting and hedging tools helps us to minimize forex volatility.

We manage our transaction risks by using forward contracts and options. We manage our economic risks by following developments in our geographies of interest closely and initiating checks and balances in geographies exposed to instabilities.

Stakeholder Engagement

Engagement with diverse stakeholders across geographies forms an integral part of Lupin's business strategy. Consistent dialogue in a focused manner fosters collaboration, which in turn enables us to deliver value and achieve greater heights of success. Our endeavor is to create a culture of collaboration through a network of transparent communication across various channels. We encourage this through face-to-face interactions at the offices, regular discussions to obtain feedback on operational aspects, as well as our participation in industry associations and public events. Through such efforts, we can accurately capture our stakeholder expectations and priorities in a timely manner. This enables trust building and effective decision-making abilities, along with a culture of knowledge sharing and continuous learning.

Our approach to stakeholder management is premised on building trust and better relations with stakeholders, managing resources efficiently, facilitating collaboration, and ensuring their support for a win-win proposition outcome. It focuses on advocacy, engagement, and transparent communication towards addressing concerns and identifying meaningful opportunities. At Lupin, we have identified our core stakeholders as individuals, groups of individuals or institutions that add and enhance the value of our business chain activities. These include employees, shareholders and investors, suppliers, customers, channel and key partners, regulators, lenders, research analysts, communities, and non-governmental organizations, amongst others. We are privileged to share a strong relationship with our stakeholders based on our deep understanding of their expectations and our commitment to fulfill them.

The key stakeholders of our company and the manner and mode of engagement with them is as follows:[88]

Key Stakeholders	Channels of Communication	Frequency of Engagement
Patients / Customers	Webinars and seminars, mailers, news bulletins, brochures, social media, corporate website, initiatives such as 'Right Insulin Injection Technique', HUMRAHI Patient Education, Dietician and Nutrition Assistance (DNA) as well as our digital tools 'Anya' and "Sahayak'.	Frequent, need-based
Healthcare professionals	Conferences, webinars, field force visits,	Frequent, need-based
Suppliers	Supplier Code of Conduct, grievance redress mechanism, supplier visits and audits	Supplier Visit and Audits Grievance Mechanism Code of Conduct
Channel Partners	Meets and events, mailers, news bulletins, brochures, social media, corporate website, market visits	Frequent, need-based

Key Stakeholders	Channels of Communication	Frequency of Engagement
Shareholders/Investors	Quarterly investor meetings, press releases, annual general meetings, email advisories, intimation stock exchanges, corporate website, annual integrated reports, quarterly financial reports	Frequent
Regulators	Working committee meetings, written communications, regulatory audits	Need-based
Institutional partners/B2B buyers	Written communications, one-on-one meetings, conference calls, assessment audits	Need-based
Research Analysts	Corporate website, social media, emails, one-on-one meetings, conference calls, videoconference, and forums	Frequent, need-based
Communities in which we serve	Townhalls, skip level meetings, rewards and recognitions, robust grievance mechanism, employee engagement programs, talent development initiatives.	Frequent
Communities and NGO's	Site visits, meetings, press releases, project meetings, consultative sessions, social media, participation in events, case studies, brochures, emails.	Frequent, need-based

LegalRx – Designed to provide free of cost medico, legal advice, LegalRx provides advice to doctors and educates them on the legal aspects such as laws, rules associated with their medical practice.

Sciflix - Sciflix, an educational website, was launched for post-graduate medical students pursuing specialization in chest medicine. It is a comprehensive learning platform in pulmonology that addresses the scientific needs of the students through a multisource library, thereby, increasing accessibility to the latest research and medical innovations.

Affiliations and Partnerships

At Lupin, we believe in the power of collaboration and knowledge-sharing. Our aim is to continuously absorb the experience that is available within this industry while sharing our own expertise to achieve the common goal of health equity. At a national level, we are affiliated with the following trade and industry associations[56] :

- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Confederation of Indian Industry (CII)
- Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- Indian Drug Manufacturers Association (IDMA)
- Foundation of Pharma Entrepreneurs (FOPE)

We also work closely with trade associations, which create opportunities to raise industry standards and exchange best practices. At global and regional levels, Lupin is a member of:

- Association for Accessible Medicines (AAM)
- International Generic and Biosimilar Medicines Association (IGBA)
- Australian Packaging Covenant Organization (APCO)
- British Generic Manufacturers Association (BGMA), Royal Society of Chemistry, Faculty of Pharmaceutical Medicine and British Association of Pharmaceutical medicine, European Pharmaceutical Aerosol Group (EPAG), The Organization for Professional in Regulatory Affairs (TOPRA)
- Medicines for Europe, Medicines for Europe Regulatory Group
- Association of the Chemical Industry (VCI), Association of the Pharmaceutical Industry (BPI), Chamber of Industry and Commerce (IHK), German Association for Drug Regulatory Affairs (DGRA), German Pharmaceutical Society
- National associations in most markets where Lupin has a legal subsidiary

Our approach to stakeholder management involves creating partnerships that foster collaboration and cooperation to deliver value across our business. Such relationships enhance our global presence and enable us to positively impact an increasing number of people. Focused efforts to develop and maintain such partnerships ensures greater access and availability of our products and services. Some of the notable collaborations include:

- Our partnership with the TB Alliance to manufacture the anti-TB drug pretomanid as part of the three-drug “BPal” regimen acts as a bridge of access for countries where there is a high need for such medication, thus, increasing health equity[57].
- Lupin Inc., a wholly owned subsidiary of Lupin has entered an agreement with The Technology Partnerships plc to acquire exclusive global rights to develop, manufacture and commercialize inhalation products. This acquisition will offer alternative options to worldwide healthcare professionals to provide affordable inhaled medicines to patients[58].
- Generic Health, the Australian based wholly owned subsidiary of Lupin will be acquiring 100% of the shares of Southern Cross Pharma Pty Ltd (SCP), which develops, registers, and distributes generic products. Through this agreement, Generic Health will gain access to over 60 registered products worth approximately U.S.D 22 Mn[59].
- To meet the increasing demand for pediatric medication across Chinese markets, a strategic partnership has been established with Yabao Pharmaceutical Co.Inc. (Yabao). This partnership will enable provision of quality medication to serve the unmet need in the region[60]. Additionally, an agreement has also been entered into with Shenzhen Foncoo Pharmaceutical Co. Lts. (Fancoo) to market generic and complex generic medicines in China. This has been noted as Lupin’s first partnership in China[61].
- In support of patients undergoing chemotherapy, an exclusive distribution and marketing agreement has been entered into with Biomm SA in Brazil[62].
- A promotional agreement has been established with Exeltis U.S. Inc. for SOLOSEC® along with Exeltis’ existing line of Women’s Health products. This will add further value to care offered to women for the treatment of Bacterial Vaginosis and Trichomoniasis in U.S[63].

[56]*BRSR: Principle 7, Essential Indicator (Q1)*
[57]*https://www.lupin.com/tb-alliance-and-lupin-announce-commercial-partnership-for-new-therapy-for-highly-drug-resistant-tb/*
[58]*https://www.lupin.com/lupin-partners-with-ttp-plc-uk-for-soft-mist-inhalation-technology-platform/*
[59]*https://www.lupin.com/lupin-acquires-southern-cross-pharma-in-australia/*
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[63]*https://www.lupin.com/lupin-signs-promotional-agreement-with-exeltis-on-solosec-secnidazole-expanding-access-for-adult-women-suffering-with-bacterial-vaginosis-and-adults-with-trichomoniasis/*


LUPIN

Awards and Recognition

Individual Recognitions

Vinita Gupta ranks among **50 Most Powerful Women** by Fortune India

Vinita Gupta named among **India's 20 Most Influential Women** in Healthcare by BW Healthcare World

Rajendra B Chunodkar, President - Manufacturing Operations, featured as **Change Maker of Manufacturing Industry** by Manufacturing Today

Dr. Venkata Palle recognized as **Fellow of Royal Society of Chemistry**

Sreeji Gopinathan and Team IT earn a spot among the coveted **Futuristic 100 CIOs at CIO100 Symposium & Awards**

Manufacturing

Mandideep and Pithampur sites win Gold Medals at the **National Award for Manufacturing Competitiveness**

Team Dabhasa wins the **GreenTech Energy Conservation Award 2021** for outstanding achievement in energy conservation

Team Ankleshwar wins **Platinum Award at CII Six Sigma National Competition**

Dabhasa site recognized in the **Silver Category at the India Green Manufacturing Challenge 2021-22,** organized by International Research Institute for Manufacturing

Lupin wins the **Bioprocessing Excellence in South Asia Award** at the prestigious Asia Pacific Bioprocessing Excellence Awards 2022, hosted by IMAPAC

Research

Business Excellence Award - Lupin Research Inc. Coral Springs

Brand, Marketing and Communications

Lupin wins **'Best Marketing Campaign of the Year'** at the ETHealthworld India Pharma Awards

Lupin wins at **India Pharma Awards 2021** for "Innovative Pharma Strategy for Excellence in Patient Care"

Lupisafe wins **Bronze at the E4M Health MarCom Awards** for Best Brand Integration

Lupin sets a new **Guinness World Record** for creating the largest book sentence

Lupin wins **Silver at India Health and Wellness Summit** for Non-Communicable Disease prevention campaign "Shakti"

Multicare, Lupin's subsidiary in Philippines certified as the **Best Place to Work in Philippines**

Lupin wins the prestigious **Association for Talent Development (ATD)** Best Awards 2022

Best Demand Side Platform awarded to **Sciflix** by MarTech Leadership Summit

Gluconorm has been awarded as **Brand of the Year** by Global Business Forum

IHW Council and GOI NITI Ayog Awarded Lupin's Shakti Campaign

Lupin wins **Best Patient Support Platform** for Joint Airway Initiative (JAI) by CIMS India

Lupin wins **Silver at Velocity Award 2021** for the Best Use of Digital for Internal Communications in a Corporate

Say Yes to Life Campaign won the award for Patient Centricity in **Mental Health at IHW Patient First Awards 2022** organized by IHW Council

Tax Operations

Lupin's Taxation Team wins four awards at **ITR Asia-Pacific Tax Awards 2021**
2 Team of the Year Award (In House): Transfer Pricing Team and Indirect Tax Team
2 Director of the Year Award (In House): Ramesh Khaitan - In House Transfer Pricing and Mohan Nusetti - In House Indirect Tax

CSR

Lupin wins at **India Pharma Awards 2021** for Excellence in Corporate Social Responsibility

Governance

Our Corporate Governance Approach

Our Board of Directors

Our Approach to Corporate Governance

Good corporate governance is fundamental and central to Lupin's business, extending beyond mere legislative and regulatory compliance. Strong leadership as well as effective policies and practices have been the hallmark of our operations, rooted in our core values and culture. This enables effective management of our business and forms the foundation for trust in our company for all our stakeholders, enhancing our ability to drive and deliver value.

As a responsible corporate citizen, Lupin is built on the pillars of commitment, honesty, integrity, and transparency in dealings where substance overrides form. Forming an integral part of the culture, these pillars guide business strategies, enable fiscal accountability and ethical corporate behavior while ensuring fairness to all our stakeholders including regulators, employees, suppliers, customers, vendors, investors, and the community.

Our corporate governance philosophy is built on:

- Equity in dealings with all stakeholders and upholding their trust
- Going beyond regulatory requirements to satisfy the spirit of the law
- Ensuring transparency and maintaining a high level of disclosure
- Clear and transparent communication with respect to the workings of the company

Code of Conduct

With a strong governance framework that forms the basis for sustainable growth, Lupin has consistently expanded its global footprint and leadership in a driven business environment. We believe in acknowledging, accepting, and adhering to the highest standards of ethical conduct, thereby creating trust and responsibility amongst our stakeholders. This framework, along with the internal controls and systems supports our financial performance and provides long-term value creation.

We have formalized a Code of Business Conduct and Ethics for all employees, Directors and officers. In addition, all Lupin business partners, including joint ventures, who are working on our behalf or in our name, through outsourcing of services, processes or any business activity, are required to act in alignment with this Code. The Code encourages trust, integrity, professionalism and excellence in all our employees, customers and business partners and outlines a set of rules and regulations that govern behavior . It is supplemented by the Code of Ethics that serves as a moral compass to guide all our actions. It has been designed to guide ethical and effective decision-making aligned to Lupin's core values, and in compliance with applicable laws and regulations. It underpins integrity, objectivity, professional competence, professional behavior and respect for each other as the guiding principles behind all our decision making.

Board of Directors

Strong corporate governance practices enhance trust, transparency, and accountability necessary for fostering long-term investment, financial stability, and business integrity, thereby fostering stronger economic growth and more inclusive societies. Lupin strongly believes in creating a positive impact on the lives of people through the adoption of the highest standards of corporate governance. Our diversified Board consists of highly experienced professionals from diverse backgrounds, including people with international experience in the pharmaceutical industry and beyond, who bring together varied perspectives and skills. The leadership team is responsible for evaluating the effectiveness of management policies, setting corporate objectives, providing strategic direction and standing as a pillar for the senior management to drive growth and generate shareholder value.

Independent Board committees engage throughout the year to review and deliver best-in-class governance practices to remain effective. Decisions by the Board, its committees and other governance structures are made in good faith to promote the success of Lupin for the benefit of our stakeholders.

Board Committees

The Board has constituted several committees with clearly defined roles and responsibilities to ensure that every issue is effectively focused upon and there is expedited resolution on diverse matters. These committees meet at regular intervals in terms of a preset cadence, deliberate on matters of a technical or specialist nature and provide counsel and advise to the statutory Board. The Key Committees of the Board are:

- Audit Committee
- Corporate Social Responsibility Committee
- Nomination, Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee

The committees are manned with members of the Board who have specific skills and knowledge of the topics and themes that are covered by the committees. This helps in a more intense discussion at the committee level, and inputs from the committee are used to brief the board or for further discussion by the broader board.

Our Approach to ESG Governance

Our ESG approach is inextricably linked into the way we do business and is an extension of our endeavors to serve patients and the society at large. Our endeavor is to pursue a business model that is environmentally sustainable, commercially viable from a long-term business proposition, and caters to the needs of the community. From our perspective, given the changing landscape in terms of global warming, geo-political and societal tensions, nationalistic fervor and rising expectations from all stakeholders, intertwining our business objectives with active ESG goals is an absolute imperative.

In FY21, we embarked on our ESG journey by laying a foundation that embeds ESG aspects within our core business strategy. In FY22, our work acquired greater depth and is now well-entrenched into our governance structure and approach to doing business.

Chaired by our Global CFO & Head Corporate Affairs , we formed the ESG Core Committee to provide accountability for ESG-related risks and opportunities as well as undertake responsibility for the implementation of the ESG strategy. To warrant that ESG integration permeates within all operations, the members of the ESG Core Committee constitute of business function heads who align the goals of their functions with the ESG objectives of Lupin. The ESG Core Committee is also responsible for reporting on the priorities and progress to the Board of Directors.

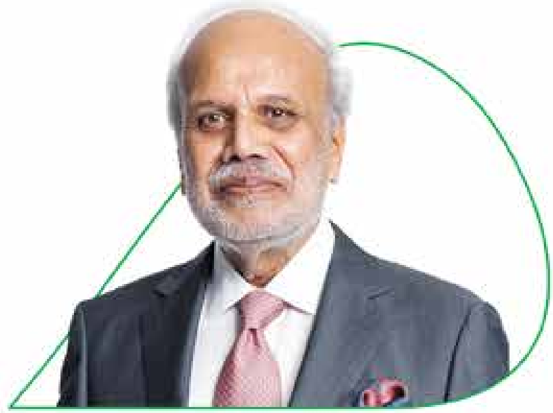
At Lupin, the conversations with respect to ESG action and impact are now driving boardroom conversations and these aspects are being embraced in our decision-making processes. Material issues that are relevant to our company and reviewed by our corporate governance structure are covered in the chapter “Materiality Assessment – FY22”.

For more details, please refer to the Corporate Governance Report on Page 186.

Board of Directors

Mrs. Manju D. Gupta
Chairman

C



Dr. Kamal K. Sharma
Vice Chairman

C M M

Ms. Vinita Gupta
Chief Executive Officer

M M

Mr. Nilesh D. Gupta
Managing Director

M M M

Mr. Ramesh Swaminathan
Executive Director, Global CFO
& Head Corporate Affairs

M

Audit Committee

Stakeholders' Relationship Committee

Nomination & Remuneration Committee

Mr. Jean-Luc Belingard
Independent Director

C

Ms. Christine Mundkur
Independent Director

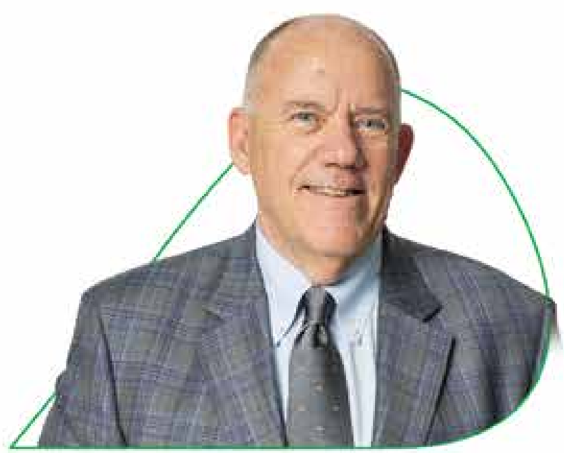
M M M

Mr. K. B. S. Anand
Independent Director

C M

Dr. Punita Kumar-Sinha
Independent Director

C M M



Mr. Mark D. McDade
Independent Director

M

Corporate Social Responsibility Committee

Risk Management Committee

M Committee Members

C Committee Chairperson

Corporate Information

DIRECTORS

Mrs. Manju D. Gupta, *Chairman*
Dr. Kamal K. Sharma, *Vice Chairman*
Ms. Vinita Gupta, *Chief Executive Officer*
Mr. Nilesh D. Gupta, *Managing Director*
Mr. Ramesh Swaminathan, *Executive Director, Global CFO & Head of Corporate Affairs*
Mr. Jean-Luc Belingard, *Independent Director*
Ms. Christine Mundkur, *Independent Director*
Mr. K. B. S. Anand, *Independent Director*
Dr. Punita Kumar-Sinha, *Independent Director*
Mr. Mark D. McDade, *Independent Director*

LEADERSHIP TEAM

Ms. Vinita Gupta, *Chief Executive Officer*
Mr. Nilesh D. Gupta, *Managing Director*
Mr. Ramesh Swaminathan, *Executive Director, Global CFO & Head of Corporate Affairs*
Dr. Rajender Kamboj, *President - Novel Drug Discovery & Development*
Mr. Naresh Gupta, *President - API Plus & Global TB*
Mr. Rajeev Sibal, *President - India Region Formulations*
Dr. Cyrus Karkaria, *President - Biotechnology*
Mr. Sunil Makharia, *President - Finance*
Mr. Debabrata Chakravorty, *President - Global Sourcing & Contract Manufacturing*
Mr. Yashwant Mahadik, *President - Global Human Resources*
Mr. Rajendra Chunodkar, *President - Manufacturing Operations*
Dr. Sofia Mumtaz, *President - Legal, Canada & APAC*
Mr. Thierry Volle, *President - Europe, Middle East & Africa*
Dr. Fabrice Egros, *President - Corporate Development & Growth Markets*
Mr. Johnny Mikell, *President - Global Head Quality and Compliance*

REGISTERED OFFICE

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+ 91 22 6640 2323
www.lupin.com info@lupin.com

CORPORATE IDENTITY NUMBER

L24100MH1983PLC029442

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
Unit: Lupin Limited C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083
+91 22 4918 6270 1800 1020 878
rnt.helpdesk@linkintime.co.in

COMPANY SECRETARY

Mr. R. V. Satam

AUDITORS

B S R & Co. LLP, *Chartered Accountants*

AUDIT COMMITTEE

Dr. Punita Kumar-Sinha, *Chairperson*
Dr. Kamal K. Sharma
Ms. Christine Mundkur

NOMINATION & REMUNERATION COMMITTEE

Mr. Jean-Luc Belingard, *Chairman*
Ms. Christine Mundkur
Dr. Punita Kumar-Sinha

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. K. B. S. Anand, *Chairman*
Mr. Nilesh D. Gupta
Dr. Punita Kumar-Sinha

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mrs. Manju D. Gupta, *Chairman*
Dr. Kamal K. Sharma
Ms. Vinita Gupta
Mr. Nilesh D. Gupta
Mr. K. B. S. Anand

RISK MANAGEMENT COMMITTEE

Dr. Kamal K. Sharma, *Chairman*
Ms. Vinita Gupta
Mr. Nilesh D. Gupta
Mr. Ramesh Swaminathan
Ms. Christine Mundkur
Mr. Mark D. McDade
Mr. Sunil Makharia

KEY CONTACTS

Ms. Shweta Munjal
Vice President & Head-Corporate Communication
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Dr. Hemant Bakhru
Vice President - Investor Relations and M&A
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Mr. R. V. Satam
investorservices@lupin.com

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Ten Years Financial Summary

CONSOLIDATED BALANCE SHEET

(₹ in million)

As at March 31,	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
SOURCES OF FUNDS										
Shareholders' funds										
Equity Share Capital	895.1	896.8	899.0	901.2	903.2	904.2	905.0	906.0	907.4	909.0
Reserves & Surplus	51,146.7	68,418.9	90,833.3	110,732.5	134,072.5	134,866.4	136,517.3	124,461.0	137,124.0	120,623.7
	52,041.8	69,315.7	91,732.3	111,633.7	134,975.7	135,770.6	137,422.3	125,367.0	138,031.4	121,532.7
Non-Controlling Interest	594.5	669.4	241.0	320.8	345.2	400.8	468.6	444.6	549.7	687.1
Borrowings	11,644.9	6,537.4	5,371.2	71,775.2	79,660.9	71,428.0	84,961.5	63,053.2	47,829.8	38,441.6
Deferred Tax Liabilities (net)	2,336.8	2,486.6	1,527.5	3,266.8	3,948.5	2,855.3	2,882.8	1,995.4	2,297.7	2,408.3
Other Liabilities (incl. Provisions)	22,520.6	23,051.2	33,737.7	39,252.1	47,142.5	52,599.1	53,758.5	58,978.3	47,395.8	55,142.5
TOTAL	**89,138.6**	**102,060.3**	**132,609.7**	**226,248.6**	**266,072.8**	**263,053.8**	**279,493.7**	**249,838.5**	**236,104.4**	**218,212.2**
APPLICATION OF FUNDS										
Property, Plant & Equipment and Other Intangible Assets	24,928.5	26,977.3	27,200.3	64,515.2	87,229.2	79,135.0	87,063.9	60,866.3	59,183.4	52,575.2
Capital Work-in-Progress and Intangible Assets under Development (incl. Capital Advances)	3,909.0	4,110.2	6,745.3	32,145.5	24,639.0	26,555.6	17,293.9	10,953.4	11,013.1	12,392.4
	28,837.5	31,087.5	33,945.6	96,660.7	111,868.2	105,690.6	104,357.8	71,819.7	70,196.5	64,967.6
Goodwill	5,073.2	6,578.7	16,252.8	22,654.4	23,100.1	24,484.9	23,803.2	18,514.8	19,624.2	21,241.0
Investments	20.6	20.6	55.4	143.3	220.0	267.1	317.7	360.7	780.7	776.0
Deferred Tax Assets (net)	704.4	708.1	2,561.7	3,358.5	5,076.4	7,165.6	7,340.0	1,743.1	1,802.1	1,697.3
Other Assets										
Inventories	19,489.3	21,294.5	25,036.1	32,736.5	36,422.8	36,624.9	38,367.7	34,568.7	40,920.1	46,307.3
Receivables	21,869.9	24,641.0	26,475.2	45,487.6	43,073.4	51,922.1	51,498.0	54,459.3	44,743.2	42,619.4
Cash & Bank Balances (refer note iii)	4,348.8	9,739.1	21,304.7	8,237.7	28,135.4	16,431.7	32,523.5	47,935.2	41,203.2	19,214.4
Others	8,794.9	7,990.8	6,978.2	16,969.9	18,176.5	20,466.9	21,285.8	20,437.0	16,834.4	21,389.2
	54,502.9	63,665.4	79,794.2	103,431.7	125,808.1	125,445.6	143,675.0	157,400.2	143,700.9	129,530.3
TOTAL	**89,138.6**	**102,060.3**	**132,609.7**	**226,248.6**	**266,072.8**	**263,053.8**	**279,493.7**	**249,838.5**	**236,104.4**	**218,212.2**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ in million)

Year ended March 31,	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
INCOME										
Sales	95,235.3	111,671.2	126,932.2	137,578.7	171,198.0	155,598.4	143,180.5	151,428.0	149,269.9	161,927.9
Other Operating Income	1,796.7	1,999.3	1,703.0	4,976.7	3,745.3	2,443.1	3,465.1	2,319.6	2,359.7	2,126.9
Other Income	278.5	1,164.8	2,397.5	1,851.9	1,065.1	1,503.5	3,330.1	17,001.9	1,362.9	1,416.9
Total Revenue	**97,310.5**	**114,835.3**	**131,032.7**	**144,407.3**	**176,008.4**	**159,545.0**	**149,975.7**	**170,749.5**	**152,992.5**	**165,471.7**
EXPENSES										
Cost of Materials	35,485.0	38,173.8	41,570.4	43,325.7	50,014.3	52,744.0	49,460.9	54,306.0	53,622.4	64,812.4
Employee Benefits Expense	12,666.2	14,646.5	17,473.4	21,416.2	28,495.2	28,647.1	27,701.7	29,868.4	28,259.0	29,893.0
Manufacturing and Other Expenses	26,181.9	30,822.3	33,395.5	40,960.0	51,502.4	45,175.3	47,275.6	49,817.0	44,079.4	66,477.2
Total Expenses	**74,333.1**	**83,642.6**	**92,439.3**	**105,701.9**	**130,011.9**	**126,566.4**	**124,438.2**	**133,991.4**	**125,960.8**	**161,182.6**
Profit before Interest, Depreciation & Tax	22,977.4	31,192.7	38,593.4	38,705.4	45,996.5	32,978.6	25,537.5	36,758.1	27,031.7	4,289.1
Finance Cost	409.5	266.5	98.1	594.7	1,525.3	2,043.5	3,024.9	3,629.8	1,406.4	1,427.7
Depreciation, Amortisation and Impairment Expense	3,321.9	2,609.7	4,347.0	4,871.3	9,122.3	25,502.2	8,460.5	25,595.4	8,874.1	16,587.1
Profit before Tax	**19,246.0**	**28,316.5**	**34,148.3**	**33,239.4**	**35,348.9**	**5,432.9**	**14,052.1**	**7,532.9**	**16,751.2**	**(13,725.7)**
Current Tax	5,829.0	9,536.0	10,041.6	11,433.5	10,882.1	5,349.8	8,496.8	6,869.7	4,384.7	1,611.5
Deferred Tax	12.6	85.5	(337.6)	(840.1)	(1,097.0)	(2,465.2)	382.6	4,701.4	100.5	(240.0)
Net Profit/(Loss) before Discontinued Operations, Share of Profit from Jointly Controlled Entity and Non-Controlling Interest	13,404.4	18,695.0	24,444.3	22,646.0	25,563.8	2,548.3	5,172.7	(4,038.2)	12,266.0	(15,097.2)
Profit from Discontinued Operations	-	-	-	-	-	-	944.6	1,301.0	-	-
Share of Profit from Jointly Controlled Entity	-	-	-	49.0	82.5	35.2	37.5	39.4	13.3	3.6
Share of Profit/(Loss) attributable to Non-Controlling Interest	262.8	331.3	411.9	87.6	71.7	70.9	89.3	(3.9)	114.0	186.8
Net Profit/(Loss)	**13,141.6**	**18,363.7**	**24,032.4**	**22,607.4**	**25,574.6**	**2,512.6**	**6,065.5**	**(2,693.9)**	**12,165.3**	**(15,280.4)**

Notes :

i) Figures are suitably regrouped to make them comparable.

ii) The Company has transitioned the basis of accounting from Indian generally accepted accounting principles (“IGAAP”) to Ind AS with effect from April 1, 2016. Accordingly, Balance Sheet for 2015 onwards and Statement of Profit and Loss for 2016 onwards are as per Ind AS.

iii) Cash and bank balances includes Current Investments and Non Convertible Debentures having maturity more than 12 months which represents investments of surplus funds.

Directors' Report

To the Members

Your Directors present their report on business and operations of your Company for the year ended March 31, 2022.

Financial Results

(₹ in million)

	Standalone		Consolidated	
	2021-22	**2020-21**	**2021-22**	**2020-21**
Sales	112584.8	109010.2	161927.9	149269.9
Other operating income	5131.9	1549.1	2126.9	2359.7
Other Income	1504.2	1290.9	1416.9	1362.9
Profit before business compensation expense, interest, depreciation and tax	**23045.1**	**21731.5**	**23072.9**	**27031.7**
Less: Business compensation expense	18783.8	-	18783.8	-
Less: Finance costs	734.7	406.2	1427.7	1406.4
Less: Depreciation, amortisation and impairment expenses	5141.9	5028.3	16587.1	8874.1
Profit/(Loss) before share of profit from Jointly Controlled Entity and Tax	**(1615.3)**	**16297.0**	**(13725.7)**	**16751.2**
Add: Share of profit from Jointly Controlled Entity	-	-	3.6	13.3
Less: Provision for taxation (including deferred tax)	271.7	3710.8	1371.5	4485.2
Profit/(Loss) after tax	**(1887.0)**	**12586.2**	**(15093.6)**	**12279.3**
Profit/(Loss) after tax and before non-controlling interest	**(1887.0)**	**12586.2**	**(15093.6)**	**12279.3**
Share of Profit/(Loss) attributable to Non-controlling Interest	-	-	186.8	114.0
Net Profit/(Loss) attributable to Shareholders of the Company	**(1887.0)**	**12586.2**	**(15280.4)**	**12165.3**

Performance Review

Sales for the year ended March 31, 2022, was ₹ 161927.9 million, growth of 8.5%. During the year, due to a few one-offs (business compensation expense and impairment of certain IPs), the Company reported net loss of ₹ 15280.4 million.

Business compensation expense relate to settlement of a dispute by the Company and its subsidiary, with respect to antitrust class in the USA, in connection with the drug Glumetza® (used for treatment of diabetes), without admitting any liability for any wrongdoing. The settlement payment is compensatory and not penal for any offense or violation of law. The total amount was USD 252.9 million (₹ 18783.8 million) [including USD 4.9 million (₹ 374.8 million) towards litigation and settlement related expenses]. The entire amount has been paid during the year. Also, impairment provisions of ₹ 8402.1 million in respect of certain acquired IPs consequent to adverse market conditions were made. Earnings per share (Basic) stood at (₹ 33.65).

The year was challenging with headwinds in the U.S. on account of price erosion, and inflation in input materials and freight. Other markets continue solid growth in revenues and profitability. The Company is focused on optimising operating expenses and spend, and ensuring the evolution of the Company's complex generic platforms along with global portfolio maximization while doubling down on markets like India. The Company expects its efforts to yield meaningful uptick in profitability in future.

COVID-19 Pandemic

Multiple Covid waves were challenging for all of us as new variants affected diverse geographies at different times, thereby significantly impacting lives and livelihoods. The last wave witnessed low hospitalisation and mortality rates. Safety protocols remained in place and the leadership team of your Company closely monitored all regions. The measures adopted by the Company helped in maintaining smooth operations and protected team health. Enhanced controls, ensured uninterrupted flow of products throughout the pandemic.

Dividend

Your Directors recommend dividend of 200% (₹ 4/- per equity share). The total dividend amount is ₹ 1818 million.

In compliance with Regulation 43A(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), Dividend Distribution Policy has been hosted on the website of the Company www.lupin.com (web link: https://www.lupin.com/wp-content/uploads/2021/04/dividend-distribution-policy.pdf).

Share Capital

During the year, the paid-up share capital of the Company increased by ₹ 1.6 million consequent to the allotment of 794881 equity shares of ₹ 2/- each to employees of the Company and its subsidiaries upon exercising vested options under various stock option plans. Paid-up equity share capital as on March 31, 2022 was ₹ 909 million.

Credit Rating

ICRA Limited (ICRA) has assigned the rating **'A1+'** (pronounced 'ICRA A one plus') for the Company's bank facilities of ₹ 26780 million, which indicates very strong degree of safety regarding timely payment of financial obligations.

Subsidiary Companies/Joint Venture

As on March 31, 2022, the Company had 28 subsidiaries and a joint venture.

Lupin Digital Health Limited, wholly owned subsidiary of the Company, was incorporated on May 21, 2021, to leverage technology and build digital platforms to support doctors in managing health of patients.

As part of business expansion, Avenue Coral Springs, LLC, USA, wholly owned subsidiary of the Company, was incorporated on November 29, 2021.

Southern Cross Pharma Pty. Limited, Australia (Southern Cross), wholly owned subsidiary of the Company, was acquired on February 3, 2022. Southern Cross, which is in the business of registration and distribution of generic pharmaceutical formulations through hospitals and pharmaceutical companies in Australia, shall reinforce the leading position of the Company in the generics market of Australia.

As part of restructuring, Lupin Latam, Inc., USA, wholly owned subsidiary of the Company, was liquidated effective August 31, 2021.

In accordance with first proviso to Section 129(3) of the Companies Act, 2013 (Act) and Rules 5 and 8(1) of the Companies (Accounts) Rules, 2014, salient features of the financial statements, performance and financial position of each subsidiary and joint venture are given in Form No. AOC - 1 as **Annexure 'A'** to this Report. Financial statements of subsidiaries and joint venture are available for inspection by Members at the registered office of the Company during business hours as stipulated under Section 136 of the Act. The Company shall provide free of cost, a copy of the financial statements of its subsidiaries and joint venture to Members upon their request. The said financial statements are also available on the Company's website www.lupin.com.

Pursuant to Regulation 46(2)(h) of the Listing Regulations, the Company formulated a policy for determining material subsidiaries. The said policy is available on the Company's website www.lupin.com (web link: https://www.lupin.com/wp-content/uploads/2022/03/rpt-policy-03-02-2022.pdf).

Integrated Report

The key initiatives taken by the Company with respect to strategy, governance framework, performance and value creation are provided separately in six forms of capital viz. financial capital, human capital, manufacturing capital, social capital, intellectual capital and natural capital in the Integrated Report. The Report encompasses financial and non-financial information, to help Members take well-informed decisions and have a better understanding of the Company's long-term perspective.

Management Discussion and Analysis

As stipulated under Regulation 34(3) read with Schedule V(B) of the Listing Regulations, Management Discussion and Analysis forms part of the Integrated Report.

Corporate Governance Report

Your Directors reaffirm their commitment to adhere to the highest standards of corporate governance and ethical practices. In compliance with Regulation 34(3) read with Schedule V(C) of the Listing Regulations, a Report on Corporate Governance forms part of the Integrated Report. In terms of Schedule V(E) of the Listing Regulations, Auditors' certificate confirming compliance with the conditions of corporate governance is annexed to the Corporate Governance Report.

Business Responsibility and Sustainability Report

As recommended by the second proviso to Regulation 34(2)(f) of the Listing Regulations, the Company is pleased to voluntarily provide its maiden Business Responsibility and Sustainability Report which forms part of the Integrated Report.

Corporate Social Responsibility (CSR)

CSR activities of the Company are carried out through Lupin Human Welfare & Research Foundation (LHWRF) and Lupin Foundation.

LHWRF, which has experience of over three decades in implementing social projects, undertakes rural development activities. As a leader in undertaking CSR work in rural India, LHWRF focuses on producing efficient, sustainable and replicable models. It operates within a framework of Lives and Livelihoods, where Lives denote healthcare and Livelihoods entails rural incomes. Over the years, LHWRF has lifted many families out of poverty by imparting skills and generating farm/farm-allied/non-farm livelihoods.

- **Outreach**
  LHWRF operates through its 20 centres in the states of Rajasthan, Maharashtra, Madhya Pradesh, Uttarakhand, Goa, Gujarat, Jammu, Andhra Pradesh and Sikkim. During the year, LHWRF covered 2285 villages located in 71 blocks of 21 districts in the said states.

- **Programmes**
  In the current fiscal, LHWRF implemented various programmes having high and sustainable impact which benefited over 746000 families. Adopting a holistic rural development approach, targeted measures were implemented to enhance income and living conditions in rural India. Interventions aimed at economic, social, infrastructure development and natural resource management in operational areas broadly covered: -
  - Economic development - Agriculture development programmes, animal husbandry and livelihood promotion through skill development;
  - Social development - Women empowerment, health and education;
  - Natural resource management - Achieving sustainable development through watershed lines, increasing water availability and accessibility, increasing land productivity, community participation, capacity building of community and comprehensive end-to-end support; and
  - Infrastructure development - Building civic infrastructure, motivating people to create common assets and developing tourist spots.

Pursuant to the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company was required to be spend ₹ 334.8 million during FY22, towards CSR activities. The actual spend was ₹ 339.9 million.

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

Directors' Responsibility Statement

In compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Act, to the best of their knowledge and belief your directors confirm that: -

i) in the preparation of the annual financial statements for the year ended March 31, 2022, 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, 2022 and of the loss of your Company for that year;

iii) they have taken proper and sufficient care for the 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 fraud and other irregularities;

iv) the annual financial statements have been prepared on a going concern basis;

v) 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

In accordance with the provisions of Section 152 of the Act, Ms. Vinita Gupta (DIN: 00058631), Chief Executive Officer of the Company, retires by rotation at the ensuing Annual General Meeting (AGM) and is eligible for re-appointment.

Ms. Vinita Gupta is a pharmacy graduate from the University of Mumbai and an MBA from the Kellogg School of Management at Northwestern University. She has been instrumental in formulating and executing the strategy that helped the Company to emerge as a global pharmaceutical powerhouse. Ms. Gupta has led the Company's global expansion through a combination of organic growth and strategic acquisitions. She is also a member of the Global Advisory Board at the Kellogg School of Management. Ms. Gupta has been conferred with various coveted global awards in recognition of her contribution to pharma business and was named amongst 20 most Influential women in healthcare by BW Healthcare World in India for 2022.

Mr. Robert Funsten (DIN: 08950420), Independent Director, retired on May 9, 2021, on completion of his term as Independent Director of the Company. The Board sincerely appreciates and places on record its gratitude for the valuable contributions of Mr. Funsten during his association with the Company.

In compliance with the provisions of Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations, all Independent Directors have furnished declarations that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that there has been no change in the circumstances affecting their status as Independent Directors of the Company.

During the year, ten Board meetings were held on April 9, 2021, May 12, 2021, June 1, 2021, July 8, 2021, August 10, 2021, September 15, 2021, October 27, 2021, January 17, 2022, February 3, 2022 and March 17, 2022, details of which, are given in the Corporate Governance Report which forms part of the Integrated Report.

Board Evaluation

An annual performance evaluation of the Board, its Committees and of individual directors was carried out by the Board in terms of provisions of Section 134(3)(p) of the Act and Rule 8(4) of the Companies (Accounts) Rules, 2014. In compliance with Regulation 17(10) of the Listing Regulations, the Board carried out performance evaluation of independent directors without the participation of the director being evaluated. In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and Chairman of the Company was evaluated. Governance, control and guidance are the key roles directors play. Performance of directors was evaluated based on monitoring corporate governance practices and introducing internationally accepted best practices to address business challenges and risks. Weightage was given to active involvement in long-term strategic planning including participation in Board and Committee meetings. Among other matters, the evaluation process focused on board dynamics, softer aspects, effectiveness of Board Committees and flow of information to the Board and its Committees. Board performance was evaluated after seeking inputs from all directors on criteria such as board composition and structure and effectiveness of board processes. Performance of Committees was evaluated after seeking inputs from Committee members as regards composition of Committees and effectiveness of Committee meetings. Performance of individual directors was reviewed on the basis of criteria viz. contribution at Board/Committee meetings, leadership qualities, qualifications, responsibilities shouldered, analytical skills, knowledge, preparedness on the issues discussed and meaningful and constructive contributions. Parameters such as, initiative, independent judgement and understanding the business environment were also taken into account.

Audit Committee

The Audit Committee comprises three non-executive directors, i.e. Dr. Punita Kumar-Sinha, Independent Director, *Chairperson*, Dr. Kamal K. Sharma, Vice Chairman and Ms. Christine Mundkur, Independent Director. Mr. R. V. Satam, Company Secretary, acts as the Secretary of the Committee. The functions performed by the Committee, particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report, which forms part of the Integrated Report. All recommendations made by the Audit Committee were accepted by the Board.

Nomination and Remuneration Policy

As recommended by the Nomination and Remuneration Committee and as stipulated by Section 178(3) of the Act and Regulation 19(4) of the Listing Regulations, the Board formulated a Nomination and Remuneration Policy. The policy covers remuneration of directors, key managerial personnel and senior management and also lays down guiding principles, philosophy and basis for recommending payment of their remuneration. The policy includes criteria for determining qualifications, positive attributes and independence of directors. In terms of the policy, the Committee evaluates balance of skills, knowledge and experience of Independent Directors, whom it recommends to the Board for appointment. The functions of the Committee are mentioned in the Corporate Governance Report, which forms part of the Integrated Report. In terms of proviso to Section 178(4) of the Act, the policy has been hosted on the Company's website www.lupin.com (web link: https://www.lupin.com/wp-content/uploads/2022/05/nomination-and-remuneration-committee-terms-of-reference.pdf).

Related Party Transactions

No related party transaction entered into by the Company conflicted with the interests of the Company. All transactions entered into by the Company with related parties during the year, were in accordance with the Act and Rules made thereunder and the Listing Regulations. All such contracts and arrangements entered into by the Company were in the ordinary course of business and on an arm's length basis. As mandated by the Act and Listing Regulations, the Audit Committee periodically reviews and approves related party transactions. Material related party transactions were entered into by the Company only with its subsidiaries. As stipulated by Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, disclosure of particulars of contracts/arrangements entered into by the Company with related parties are given in Form No. AOC - 2, as **Annexure 'C'** to this Report. Apart from remuneration and sitting fees, there is no pecuniary transaction with any director, which had potential conflict of interest with the Company. As stipulated by Regulation 46(2)(g) of the Listing Regulations, the policy on 'Related party transactions and materiality of related party transactions', as approved by the Board is available on the Company's website www.lupin.com and web link for the same is https://www.lupin.com/wp-content/uploads/2022/03/rpt-policy-03-02-2022.pdf.

Risk Management

The Risk Management Committee constituted by the Board is compliant with Regulation 21 of the Listing Regulations as regards composition, frequency and quorum of meetings. The Board has defined the roles, responsibilities and functions of the Committee.

The Company has a structured process of reviewing overall risk canvas with a focus on critical 'risks that matter'. As a part of the risk management framework, critical risks that matter are identified and assessed for probability, impact and volatility of occurrence to set-up mitigation plans for addressing and avoiding them. The risk management framework also defines the roles and responsibilities at various levels in the Company. The Committee has a monitoring mechanism process in place wherein the overall risks are evaluated and effectiveness of mitigation plans reviewed.

Terms of reference of the Committee, details of meetings held and attendance thereat are mentioned in the Corporate Governance Report, which forms part of the Integrated Report.

Particulars of loans/guarantees/investments/securities

Pursuant to provisions of Section 134(3)(g) of the Act, particulars of loans, guarantees, investments and securities given under Section 186 of the Act are disclosed in the notes to the financial statements forming part of the Integrated Report.

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

Pursuant to Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, information as regards conservation of energy, technology absorption and foreign exchange earnings and outgo is given in **Annexure 'D'** to this Report.

Human Resources

Your Company firmly believes that human resources are invaluable assets. The Company has been consistently recognised as a 'Great Place to Work' in the Biotechnology & Pharmaceuticals sector. People-first approach, best-in-class work environment and advanced learning initiatives of the Company were the key drivers behind these achievements.

As mandated by the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee. Employees are regularly sensitized about matters pertaining to prevention of sexual harassment.

Employees Stock Options

In compliance with Regulation 14(B) of the SEBI (Share Based Employee Benefits) Regulations, 2014, details of stock options as on March 31, 2022, are given in **Annexure 'E'** to this Report.

Vigil Mechanism/Whistleblower Policy

Your Company adheres to uncompromising integrity in conduct of its business and strictly abides by well-accepted norms of ethical, lawful and moral conduct. It has zero tolerance for any form of unethical conduct or behaviour. Directors and employees are at liberty to report unethical practices and raise their concerns to the office of the Ombudsperson without any fear of retaliation or retribution. The office of the Ombudsperson has official authority to receive, respond and investigate all offences within the scope of this policy. Teams of strategic business units heads/officers appointed by the Ombudsperson investigated/examined complaints and the same were satisfactorily resolved. No personnel has been denied access to the Chairman of the audit committee.

In compliance with the provisions of Section 177(9) and (10) 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 established a Vigil mechanism/Whistleblower Policy for directors and employees to report genuine concerns. As mandated by Regulation 18(3) read with Schedule II Part C(18) of the Listing Regulations, the Audit Committee reviews the functioning of the Vigil mechanism/ Whistleblower Policy.

During the year, the Ombudsperson received 24 complaints, mostly of minor nature. The Vigil mechanism/Whistleblower Policy is placed on the Company's website https://www.lupin.com/wp-content/uploads/2022/02/Whistleblower-Policy-Website.pdf.

Particulars of Employees Remuneration

Particulars of remuneration of employees to be disclosed as stipulated by Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in **Annexure 'F'** to this Report. Statement containing the said particulars, to be furnished in terms of Rules 5(2) and 5(3) of the said Rules, for the year ended March 31, 2022, forms part of this Report. The same shall be provided to Members upon written request pursuant to second proviso of Rule 5. In terms of provisions of Section 136(2) of the Act, particulars of remuneration of employees are available for inspection by Members at the Registered office of the Company during business hours on all working days up to the date of the ensuing AGM.

Auditors

The Company continues to have unqualified audit reports.

At the 39th AGM held on Tuesday, August 10, 2021, Members appointed B S R & Co. LLP, Chartered Accountants (Firm Reg. No. 101248W/W-100022), as auditors of the Company, for a period of five years from the conclusion of the 39th AGM till the conclusion of the 44th AGM.

Pursuant to the provisions of Section 141 of the Act, the Company has received a certificate from B S R & Co. LLP, certifying that their appointment is in compliance with the conditions prescribed by the said Section.

Internal Audit

Internal audit of the Company's operations is conducted by the in-house corporate internal audit team, the strength of which is adequate to undertake audits. Audits of Carrying & Forwarding Agents and Central Warehouses of the Company in India are regularly conducted by local chartered accountant firms. Services of external auditors/specialist firms are engaged for undertaking special audit assignments. Internal audit findings are presented to the Audit Committee.

Cost Audit

Pursuant to the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014 and as recommended by the Audit Committee, the Board of Directors, at its meeting held on May 12, 2021, appointed Mr. S. D. Shenoy, practising cost accountant (FCMA No. 8318), as Cost Auditor, to conduct cost audit for the year ended March 31, 2022. Mr. Shenoy is a Cost Accountant as defined under Section 2(1)(b) of the Cost and Works Accountant Act, 1959 and holds a valid certificate of practice. Mr. Shenoy has confirmed that he is free from the disqualifications specified in Section 141 read with Sections 139 and 148 of the Act and that his appointment meets the requirements prescribed in Sections 141(3)(g) and 148 of the Act. Mr. Shenoy also confirmed that he was independent, maintained an arm's length relationship with the Company and that no orders or proceedings were pending against him relating to matters of professional conduct before the Institute of Cost Accountants of India or any competent court/authority.

In compliance with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Members, at the 39th AGM held on August 11, 2021, ratified (vide an ordinary resolution), the remuneration payable to Mr. Shenoy, for conducting cost audit for the year ended March 31, 2022.

The Company has maintained cost records as specified by the Central Government under Section 148(1) of the Act.

In accordance with Section 148(6) of the Act read with Rule 6(6) of the Companies (Cost Records and Audit) Rules, 2014, cost audit report, in Form No. CRA-4 (in XBRL mode), for the year ended March 31, 2021, was filed with the Ministry of Corporate Affairs, within the prescribed time.

Secretarial Audit

In compliance with Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Listing Regulations, the Board of Directors, at its meeting held on May 12, 2021, appointed Ms. Neena Bhatia, practising company secretary (FCS No. 9492 CP. No. 2661), to undertake Secretarial Audit of the Company for the year ended March 31, 2022. Secretarial Audit Report in the prescribed Form No. MR-3 is enclosed as **Annexures 'G' and 'G-1'** to this Report. The Company continues to have an unqualified Report.

Annual Secretarial Compliance Report

In compliance with Regulation 24A(2) of the Listing Regulations, the Board of Directors, at its meeting held on May 12, 2021, appointed Ms. Neena Bhatia, practising company secretary (FCS No. 9492 CP. No. 2661), for issuing Annual Secretarial Compliance Report for the year ended March 31, 2022.

The Report, presented at the Board Meeting held on May 18, 2022, confirmed that the Company has maintained proper records as stipulated under various Rules and Regulations and that, no action has been taken against the Company or its material subsidiaries or promoters/directors by SEBI/BSE/NSE. The Company disseminated the Report on the websites of BSE and NSE within the prescribed time.

Compliance with Secretarial Standards

The Company complies with Secretarial Standards on Board Meetings (SS-1) and General Meetings (SS-2) (including amendments thereto) issued by the Institute of Company Secretaries of India.

Annual Return

Pursuant to provisions of Sections 92(3) and 134(3)(a) of the Act, the Annual Return of the Company for the year ended March 31, 2022, has been hosted on the Company's website www.lupin.com and web link for the same is https://www.lupin.com/investors/reports-filings/.

Acknowledgements

Your directors sincerely appreciate all employees of the Company for their contribution, commitment, dedication and hard work. The Board also expresses its deep gratitude and looks forward to the continued support of the Central/State governments, local bodies/associations, banks, financial institutions, stakeholders, business associates, medical professionals and analysts.

For and on behalf of the Board of Directors

Manju D. Gupta
Chairman
(DIN: 00209461)

Mumbai, May 18, 2022

ANNEXURE 'A' TO THE DIRECTORS' REPORT

FORM NO. AOC - 1

[Pursuant to the first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part 'A' : Subsidiaries

(INR in million)

Name of the Subsidiary	Date since when subsidiary was acquired/ incorporated	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 share holding
Lupin Pharmaceuticals, Inc., USA	30.06.2003	N.A.	US $ and Exchange Rate INR 75.79 for 1 US $	[Refer Note Nos. 1 and 8]	8203.6	53864.6	45661.0	Nil	53969.3	1747.8	(74.4)	1822.2	Nil	100%
Pharma Dynamics (Proprietary) Limited, South Africa	01.03.2008	N.A.	ZAR and Exchange Rate INR 5.23 for ZAR 1	0.5	4263.1	5404.9	1141.3	50.4	6831.5	1232.5	343.0	889.5	Nil	100%
Hormosan Pharma GmbH, Germany	25.07.2008	N.A.	Euro and Exchange Rate INR 84.22 for 1 Euro	8.1	1499.3	3039.7	1532.3	Nil	2803.3	197.6	9.8	187.8	Nil	100%
Multicare Pharmaceuticals Philippines, Inc., Philippines	26.03.2009	N.A.	PHP and Exchange Rate INR 1.46 for PHP 1	26.9	1356.8	2463.3	1079.6	Nil	2578.8	522.0	128.8	393.2	Nil	51%
Generic Health Pty Limited, Australia	27.09.2010	N.A.	AU $ and Exchange Rate is INR 56.74 for 1 AU $	1344.3	565.2	4575.8	2666.3	Nil	3753.7	625.2	137.2	488.0	Nil	100%
Lupin Atlantis Holdings SA, Switzerland	05.06.2007	N.A.	US $ and Exchange Rate INR 75.79 for 1 US $	115.9	38645.1	41166.6	2405.6	Nil	3098.7	(839.7)	Nil	(839.7)	Nil	100%
Lupin Healthcare (UK) Limited, UK	05.06.2009	N.A.	GBP and Exchange Rate INR 99.46 for 1 GBP	279.7	(1028.9)	1109	1858.2	Nil	911.9	(105.7)	0.8	(106.5)	Nil	100%
Lupin Australia Pty Limited, Australia	01.12.2004	N.A.	AU $ and Exchange Rate is INR 56.74 for 1 AU $	33.3	(28.3)	8.8	3.8	Nil	Nil	(0.2)	Nil	(0.2)	Nil	100%
Lupin Pharma Canada Limited, Canada	18.06.2009	N.A.	CAD and Exchange Rate INR 60.49 for 1 CAD	155.5	127.6	1806.4	1523.3	Nil	2215.2	92.4	26.6	65.8	Nil	100%
Lupin Mexico S.A. de C.V., Mexico	23.08.2010	N.A.	MXN $ and Exchange Rate INR 3.80 for MXN $ 1	52.2	(44.9)	7.3	[Refer Note No. 9]	Nil	Nil	0.3	Nil	0.3	Nil	100%
Bellwether Pharma Pty Limited, Australia	27.09.2010	N.A.	AU $ and Exchange Rate is INR 56.74 for 1 AU $	264.5 [Refer Note No. 4]	(274.6)	Nil	10.1	Nil	Nil	Nil	Nil	Nil	Nil	100%
Lupin Philippines Inc., Philippines	20.12.2010	N.A.	PHP and Exchange Rate INR 1.46 for PHP 1	59.9	107.0	504.1	337.2	Nil	405.0	53.4	13.7	39.7	Nil	100%
Lupin Healthcare Limited, India	17.03.2011	N.A.	INR	26.2	(268.4)	1172.6	1414.8	Nil	34.8	(306.6)	(3.3)	(303.3)	Nil	100%
Generic Health SDN. BHD., Malaysia	18.05.2011	N.A.	RM and Exchange Rate INR 18.03 for RM 1	9.3	(8.5)	1.0	0.2	Nil	Nil	(0.8)	Nil	(0.8)	Nil	100%
Lupin Inc., USA	27.06.2013	N.A.	US $ and Exchange Rate INR 75.79 for 1 US $	60902.2	(89532.1)	19065.6	47695.5	Nil	19448.1	(18512.9)	49.8	(18562.7)	Nil	100%
Nanomi B.V., Netherlands	30.01.2014	N.A.	US $ and Exchange Rate INR 75.79 for 1 US $	18511.0	55285.2	75633.8	1837.6	Nil	Nil	(1154.4)	(21.7)	(1132.7)	Nil	100%
Laboratorios Grin, S.A. de C.V., Mexico	01.10.2014	N.A.	MXN $ and Exchange Rate INR 3.80 for MXN $ 1	854.2	1374.8	3655.9	1426.9	Nil	2602.8	362.2	172.4	189.8	Nil	100%

(INR in million)

Name of the Subsidiary	Date since when subsidiary was acquired/ incorporated	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 share holding
Medquimica Industria Farmaceutica LTDA, Brazil	24.06.2015	N.A.	BRL and Exchange Rate INR 15.89 for BRL 1	5462.5 [Refer Note No. 5]	(4776.9)	5400.1	4714.5	Nil	3123.1	(299.7)	(21.6)	(278.1)	Nil	100%
Novel Laboratories, Inc., USA	08.03.2016	N.A.	US $ and Exchange Rate INR 75.79 for 1 US $	[Refer Note No. 10]	6199.0	7417.5	1218.5	Nil	6710.1	45.0	25.8	19.2	Nil	100%
Lupin Research Inc., USA	08.03.2016	N.A.	US $ and Exchange Rate INR 75.79 for 1 US $	[Refer Note No. 11]	1160.9	2781.3	1620.4	Nil	1151.0	205.3	84.4	120.9	Nil	100%
Lupin Latam, Inc., USA [Refer Note No. 12]	15.12.2016	N.A.	US $ and Exchange Rate INR 75.79 for 1 US $	Nil	Nil	Nil	Nil	Nil	Nil	(13.8)	4.3	(18.1)	Nil	100%
Lupin Management, Inc., USA	10.10.2017	N.A.	US $ and Exchange Rate INR 75.79 for 1 US $	Nil	87.7	303.1	215.4	Nil	Nil	69.3	11.1	58.2	Nil	100%
Lupin Europe GmbH, Germany	05.02.2018	N.A.	Euro and Exchange Rate INR 84.22 for 1 Euro	2.0	(16.8)	147.2	162.0	Nil	39.8	(28.8)	Nil	(28.8)	Nil	100%
Lupin Biologics Limited, India	28.01.2021	N.A.	INR	1.0	(1.2)	[Refer Note No. 13]	0.3	Nil	Nil	(0.1)	Nil	(0.1)	Nil	100%
Lupin Oncology Inc., USA	15.03.2021	N.A.	US $ and Exchange Rate INR 75.79 for 1 US $	1135.8	(1403.4)	569.4	837.0	Nil	Nil	(1387.2)	Nil	(1387.2)	Nil	99.3%
Lupin Digital Health Limited, India	21.05.2021	N.A.	INR	280.1	(46.1)	465.4	231.4	Nil	Nil	(165.8)	0.3	(166.1)	Nil	100%
Avenue Coral Springs, LLC, USA	29.11.2021	N.A.	US $ and Exchange Rate INR 75.79 for 1 US $	[Refer Note No. 14]	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	100%
Southern Cross Pharma Pty Limited, Australia	03.02.2022	N.A.	AU $ and Exchange Rate is INR 56.74 for 1 AU $	[Refer Note Nos. 4 and 15]	1240.0	1939.9	699.9	Nil	307.6	55.4	6.5	48.9	Nil	100%
Lupin Foundation, India	28.06.2016	N.A.	INR	[Refer Note No. 16]	64.2	67.3	2.0	Nil	Nil	(43.4)	Nil	(43.4)	Nil	100%

Notes:

1) The shares in Lupin Pharmaceuticals, Inc., USA, are held by Lupin Inc., USA (97%) and Lupin Limited (3%).

2) The entire shareholdings of Pharma Dynamics Pty Limited, South Africa, Lupin Inc., USA, 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 Nanomi B.V., Netherlands.

3) The entire shareholdings of Lupin Healthcare (UK) Limited, UK, Lupin Pharma Canada Limited, Canada, Laboratorios Grin S.A. de C.V., Mexico, and Lupin Europe GmbH, Germany, are held by Lupin Atlantis Holdings SA, Switzerland.

4) The entire shareholding of Bellwether Pharma Pty Limited, Australia and Southern Cross Pharma Pty Limited, Australia are held by Generic Health Pty Limited, Australia.

5) Lupin Atlantis Holdings SA, Switzerland, holds 73.88% and Nanomi B.V., Netherlands, holds 26.12% shares in Medquimica Industria Farmaceutica LTDA, Brazil.

6) The entire shareholdings of Novel Laboratories, Inc., USA, Lupin Research Inc., USA and Lupin Management, Inc., USA are held by Lupin Inc., USA.

7) Lupin Mexico S.A. de C.V., Mexico, Generic Health SDN. BHD., Malaysia, Lupin Biologics Limited, India, Lupin Oncology Inc., USA, Lupin Digital Health Limited, India and Avenue Coral Springs, LLC, USA have not yet commenced its commercial operations.

8) Lupin Pharmaceuticals, Inc., USA, has Share Capital of US $ 1 i.e. INR 62/-.

9) Total liabilities in Lupin Mexico S.A. de C.V., Mexico, are INR 76,640/-.

10) Novel Laboratories, Inc., USA, has Share Capital of US $ 1 i.e. INR 67/-.

11) Lupin Research Inc., USA, has Share Capital of US $ 1 i.e. INR 67/-.
12) Lupin Latam, Inc., USA which was wholly owned subsidiary of Lupin Atlantis Holdings SA, Switzerland got merged with Lupin Management, Inc., USA, on August 30, 2021.
13) Total assets in Lupin Biologics Limited, India, are INR 18,629/-.
14) The entire shareholding of Avenue Coral Springs, LLC, USA, is held by Lupin Research Inc., USA.
15) Southern Cross Pharma Pty Limited, Australia, has Share Capital of AU $ 100 i.e. INR 5,334/-.
16) Lupin Foundation, India has a corpus fund of INR 1.1 million.
17) Figures in brackets denote negative amounts.

For and on behalf of the Board of Directors

Manju D. Gupta	**Dr. Kamal K. Sharma**	**Vinita Gupta**	**Nilesh D. Gupta**	**Ramesh Swaminathan**	**R. V. Satam**
Chairman	***Vice Chairman***	***Chief Executive Officer***	***Managing Director***	***Executive Director, Global CFO & Head Corporate Affairs***	***Company Secretary***
(DIN: 00209461)	(DIN: 00209430)	(DIN: 00058631)	(DIN: 01734642)	(DIN: 01833346)	(ACS - 11973)

Mumbai, May 18, 2022

Part 'B': Joint Venture
Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Jointly Controlled Entity

(INR in million)

Name of the Jointly Controlled Entity	YL Biologics Limited, Japan
1) Latest Audited Balance Sheet Date	March 31, 2022
2) Date on which Jointly Controlled Entity was acquired	April 23, 2014
3) Shares of the Jointly Controlled Entity held by the Company on the year end *(Refer Note below)	
Number	450 Common Shares of JPY Nil
Amount of investment in the Jointly Controlled Entity	303.3
Extent of Holding	45%
4) Description of how there is significant influence	N.A.
5) Reason why the Jointly Controlled Entity is not consolidated	N.A.
6) Networth attributable to Shareholding as per latest audited Balance Sheet	303.3
7) Profit/(Loss) for the year	
(i) Considered in Consolidation (after inter company adjustment)	3.6
(ii) Not Considered in Consolidation	4.4

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

For and on behalf of the Board of Directors

Manju D. Gupta	**Dr. Kamal K. Sharma**	**Vinita Gupta**	**Nilesh D. Gupta**	**Ramesh Swaminathan**	**R. V. Satam**
Chairman	***Vice Chairman***	***Chief Executive Officer***	***Managing Director***	***Executive Director, Global CFO & Head Corporate Affairs***	***Company Secretary***
(DIN: 00209461)	(DIN: 00209430)	(DIN: 00058631)	(DIN: 01734642)	(DIN: 01833346)	(ACS - 11973)

Mumbai, May 18, 2022

**ANNEXURE 'B' TO
THE DIRECTORS' REPORT**

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

1. Brief outline on CSR policy of the Company:

The CSR Policy aims at:

- Building and replicating sustainable, evolving and dynamic models of social, economic, infrastructure and natural resource development models of macro, micro and mini scales through CSR programme 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 programs that would benefit the communities in and around various work-sites, plants and other adopted areas with low HDI - 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 to make things happen at the field level, through direct intervention and social investment, to address the immediate needs of the poor as well as long-term development concerns.
- Responding to natural and anthropogenic disasters, calamities at global and national levels as well as in the areas of operations to provide relief, reconstruction and rehabilitation support.
- Setting up deeper sustainable institutional projects for the long-term welfare of the nation.

2. Composition of the CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mrs. Manju D. Gupta	*Chairman, Non-Executive Director*	2	1
2.	Dr. Kamal K. Sharma	*Member, Non-Executive Director*	2	-
3.	Ms. Vinita Gupta	*Member, Chief Executive Officer*	2	2
4.	Mr. Nilesh D. Gupta	*Member, Managing Director*	2	2
5.	Mr. K. B. S. Anand	*Member, Independent Director*	2	2

3. Provide the web links where composition of the CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company

Composition of the CSR Committee, CSR Policy and CSR Projects have been hosted on the Company's website www.lupin.com and web links for the same are https://www.lupin.com/investors/committees-of-the-board/, https://www.lupin.com/wp-content/uploads/2021/10/csr-policy.pdf and https://www.lupinfoundation.in/respectively.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

As none of the CSR projects undertaken by the Company had outlays of ₹ one crore or more, there was no need to undertake impact assessment study.

5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Years	Amount available for set off from preceding financial years (₹ in million)	Amount required to be set off for the financial year, if any (₹ in million)
1.	FY19	Nil	Nil
2.	FY20	Nil	Nil
3.	FY21	Nil	Nil

6. Average net profit of the Company as per Section 135(5):

The average standalone 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 ₹ 16740 million.

7. (a) Two percent of the average net profit of the Company as per Section 135(5): ₹ 334.8 million.

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil.

(c) Amount required to be set off for the financial year, if any: Nil.

(d) Total CSR obligation for the financial year (7a + 7b – 7c): ₹ 334.8 million.

8. (a) CSR amount spent or unspent for the financial year:

	Amount Unspent (₹)				
Total amount spent during the Financial Year	Total amount transferred to unspent CSR account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 339.9 million	Nil	N.A.	N.A.	Nil	N.A.

(b) Details of CSR amount spent against ongoing projects for the financial year:

1.	2.	3.	4.	5.		6.	7.	8.	9.	10.	11.	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Project Duration	Amount allocated for the project (₹)	Amount spent in the current financial year (₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹)	Mode of Implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Regn. No.
N.A.												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1.	2.	3.	4.	5.		6.	7.	8.	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent on the project (₹ in million)	Mode of Implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No.
1.	Rural Support Programme	(x)	Yes	Rajasthan Maharashtra Madhya Pradesh Gujarat Andhra Pradesh Uttarakhand Goa Jammu Sikkim	Alwar, Bharatpur Dhule, Sindhudurg, Aurangabad, Nagpur, Pune, Tarapur Vidisha, Mandideep, Pithampur Ankleshwar, Dabhasa Visakhapatnam Rishikesh	299.2	No	LHWRF*/ MSGDJSN**	CSR00008854/ CSR00008855
2.	Learn & Earn/ Education Initiatives	(ii)	Yes	Gujarat Maharashtra Madhya Pradesh Goa	Dabhasa Nagpur, Tarapur Pithampur	10.0	No	LHWRF	CSR00008854
3.	Patient Awareness Camps	(i)	Yes	National Level	-	14.0	Yes	-	-
4.	COVID-19 related activities	(i)	Yes	National Level	-	3.9	Yes	-	-
					Total:	**327.1**			

***LHWRF: Lupin Human Welfare & Research Foundation**
****MSGDJSN: Mata Shree Gomati Devi Jan Seva Nidhi**

(d) Amount spent on Administrative Overheads: ₹ 12.8 million

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the financial year (8b+8c+8d+8e): ₹ 339.9 million

(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (₹ in million)
i.	Two percent of average net profit of the Company as per Section 135(5)	334.8
ii.	Total amount spent for the financial year	339.9
iii.	Excess amount spent for the financial year [(ii)-(i)]	5.1
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	5.1

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year (FY19, FY20 and FY21)	Amount transferred to Unspent CSR account under Section 135 (6) (₹)	Amount spent in the reporting Financial Year (₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹)
				Name of the Fund	Amount (₹)	Date of transfer	
	N.A.	Nil	N.A.	N.A.	Nil	N.A.	Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1.	2.	3.	4.	5.	6.	7	8.	9.
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (₹)	Amount spent on the project in the reporting Financial Year (₹)	Cumulative amount spent at the end of reporting Financial Year (₹)	Status of the project - Completed/ Ongoing
				N.A.				

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

(a) Date of creation or acquisition of the capital asset: N.A.

(b) Amount of CSR spent for creation or acquisition of capital asset: Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: N.A.

(d) Provide details of the capital asset created or acquired (including complete address and location of the capital asset): N.A.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5): N.A.

For and on behalf of the Board of Directors

Manju D. Gupta
Chairman
(DIN: 00209461)

Nilesh D. Gupta
Managing Director
(DIN: 01734642)

Mumbai, May 18, 2022

**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]

1. All contracts/arrangements/transactions entered into by the Company with related parties during the year ended March 31, 2022, were at arm's length basis.

2. Details of material contracts or arrangement or transactions (i.e. exceeding ten percent of the annual consolidated turnover as per the last audited financial statements) at arm's length basis: -

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	Dates of approval by the Audit Committee/Board	Amount paid as advances
Lupin Pharmaceuticals, Inc., USA, (wholly owned subsidiary)	Sale of Goods	Continuous	Based on Transfer Pricing Guidelines - ₹ 19372.1 million	August 9, 2021/August 10, 2021; October 26, 2021/October 27, 2021; February 2, 2022/February 3, 2022; and May 17, 2022/May 18, 2022.	Nil

For and on behalf of the Board of Directors

Manju D. Gupta
Chairman
(DIN: 00209461)

Mumbai, May 18, 2022

ANNEXURE 'D' TO
THE DIRECTORS' REPORT

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to the 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) Optimised chilled water range.

b) Replaced old evaporators with efficient ones.

c) Installed heat pump for reducing steam consumption.

d) Utilised energy-efficient lights.

e) Interim stoppage of WFI generation and distribution.

f) Installed descaling system for chiller condensate line.

g) Recycled utility effluent.

h) Installed synchronisation panel and EC motors.

i) Replaced star delta starter of chiller water pump.

j) Reduced pumping power by head optimisation.

k) Installed triple effect evaporator.

l) Optimised pressure of cooling water and chilled water pumps.

m) Replaced conventional blowers with energy efficient ones.

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

a) Generation and use of solar power.

b) Installed heat exchangers.

c) Used wind power.

d) Purchase and utilized steam generator.

(iii) capital investment on energy conservation equipments: - ₹ 44.3 million.

(B) Technology absorption:

(i) efforts made towards technology absorption;

Particulars are given in the Management Discussion and Analysis which forms part of the Integrated 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 the Integrated 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;

No specific technology was imported during FY22. The Company developed technology through efforts of its in-house Research & Development.

(b) year of import;

N.A.

(c) whether the technology been fully absorbed;

N.A.

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

N.A.

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

a.	Capital	₹ 1223.2 million
b.	Recurring (excluding depreciation of ₹ 1250.0 million)	₹ 12774.0 million
	Total:	**₹ 13997.2 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	₹ 53594.0 million
Foreign Exchange outgo in terms of actual outflows	₹ 38143.1 million

For and on behalf of the Board of Directors

Manju D. Gupta
Chairman
(DIN: 00209461)

Mumbai, May 18, 2022

ANNEXURE 'E' TO
THE DIRECTORS' REPORT

Disclosure envisaged in terms of Regulation 14(B) of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI SBEBSE Regulations), details of diluted EPS on issue of shares pursuant to all the schemes as on March 31, 2022, 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 IND (AS) 33 'Earnings per share'.	Diluted earnings per share (consolidated) as on 31.03.2022: (₹ 33.65) No. of Options outstanding as on 31.03.2022: **3454449** Shares

DETAILS OF STOCK OPTIONS AS ON MARCH 31, 2022

The disclosure envisaged in terms of Regulation 14(C) of SEBI SBEBSE Regulations, particulars of Employee Stock Option Scheme (ESOS) as on March 31, 2022, were as under: -

(i) Description of each ESOS existed during 01.04.2021 and 31.03.2022:

Sl. No.	Name of the Plan	Date of shareholder's 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 face value or such other price as determined by the Nomination and Remuneration Committee	10 years from the date of grant	Primary	No Variation
4.	Lupin Employees Stock Option Plan 2014 (ESOP 2014)	21.10.2014 & 07.08.2019	2975000	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 Companies 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 Companies 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 face value or such other price as determined by the Nomination and Remuneration Committee	10 years from the date of grant	Primary	No Variation

Sl. No.	Name of the Plan	Date of shareholder's 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
7.	Lupin Subsidiary Companies Employees Stock Option Plan 2014 (SESOP 2014)	21.10.2014 & 07.08.2019	1525000	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

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**	Fair value method
(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.**	Not applicable

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

Sl. No.	Particulars	Details	
1.	Number of options outstanding at the beginning of the period	**Plan**	**No. of options**
		ESOP 2003	100030
		ESOP 2005	29045
		ESOP 2011	1141243
		ESOP 2014	1481486
		SESOP 2011	510382
		SESOP 2014	1008211
		Total	**4270397**
2.	Number of options granted during the year	**Plan**	**No. of options**
		ESOP 2011	60000
		ESOP 2014	89407
		SESOP 2011	69638
		SESOP 2014	347495
		Total	**566540**
3.	Number of options forfeited/lapsed during the year	Lapsed on account of resignation of employees:	
		Plan	**No. of options**
		ESOP 2003	5000
		ESOP 2005	20695
		ESOP 2011	56670
		ESOP 2014	76055
		SESOP 2011	120040
		SESOP 2014	309147
		Total	**587607**
4.	Number of options vested during the year	**Plan**	**No. of options**
		ESOP 2011	42745
		ESOP 2014	418041
		SESOP 2011	44163
		SESOP 2014	95183
		Total	**600132**
5.	Number of options exercised during the year	**Plan**	**No. of options**
		ESOP 2011	283930
		ESOP 2014	369471
		SESOP 2011	57342
		SESOP 2014	84138
		Total	**794881**

Sl. No.	Particulars	Details	
6.	Number of shares arising as a result of exercise of options	**Plan**	**No. of shares**
		ESOP 2011	283930
		ESOP 2014	369471
		SESOP 2011	57342
		SESOP 2014	84138
		Total	**794881**
7.	Money realised by exercise of options (INR), if scheme is implemented directly by the company	**Plan**	**Amount (₹)**
		ESOP 2011	146298894.65
		ESOP 2014	738942.00
		SESOP 2011	13600736.95
		SESOP 2014	168276.00
		Total	**160806849.60**
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	95030
		ESOP 2005	8350
		ESOP 2011	860643
		ESOP 2014	1125367
		SESOP 2011	402638
		SESOP 2014	962421
		Total	**3454449**
10.	Number of options exercisable at the end of the year	**Plan**	**No. of options**
		ESOP 2003	95030
		ESOP 2005	8350
		ESOP 2011	713092
		ESOP 2014	405968
		SESOP 2011	253553
		SESOP 2014	468074
		Total	**1944067**

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

Weighted average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	**(i)**	Weighted average exercise price of options granted during the year whose: -	
		a. Exercise price equals market price:	N.A.
		b. Exercise price is greater than market price:	N.A.
		c. Exercise price is less than the market price:	₹ 2.00
	(ii)	Weighted average fair value of options granted during the year whose: -	
		a. Exercise price equals market price:	N.A.
		b. Exercise price is greater than market price:	N.A.
		c. Exercise price is less than the market price:	₹ 861.73

(vi) Employee-wise details of options granted to:

a.	Senior Managerial Personnel (Chairman, Vice Chairman, CEO and Managing Director)	Nil
b.	Employees to whom options granted amounting to 5% or more, of the total options granted during the year.	**i)** Mr. Ramesh Swaminathan was granted 15000 options under ESOP 2011 at an exercise price of ₹ 2.00. **ii)** Dr. Rajender Kamboj was granted 15000 options under ESOP 2011 at an exercise price of ₹ 2.00. **iii)** Mr. Naresh Kumar Gupta was granted 15000 options under ESOP 2014 at an exercise price of ₹ 2.00. **iv)** Mr. Rajeev Sibal was granted 15000 options under ESOP 2011 at an exercise price of ₹ 2.00. **v)** Dr. Cyrus Karkaria was granted 15000 options under ESOP 2014 at an exercise price of ₹ 2.00. **vi)** Mr. Sunil Makharia was granted 15000 options under ESOP 2014 at an exercise price of ₹ 2.00. **vii)** Mr. Debabrata Chakravorty was granted 15000 options under ESOP 2014 at an exercise price of ₹ 2.00. **viii)** Mr. Yashwant Mahadik was granted 15000 options under ESOP 2011 at an exercise price of ₹ 2.00. **ix)** Mr. Rajendra Baburao Chunodkar was granted 15000 options under ESOP 2014 at an exercise price of ₹ 2.00. **x)** Mr. Thierry Volle was granted 15000 options under SESOP 2011 at an exercise price of ₹ 2.00. **xi)** Dr. Fabrice Egros was granted 26716 options under SESOP 2014 at an exercise price of ₹ 2.00. **xii)** Mr. Ashutosh Damle was granted 4200 options under SESOP 2011 at an exercise price of ₹ 2.00.
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 face value of share or such other price as determined by the Remuneration and Compensation Committee.
- Expected Volatility: The historical volatility of the stock till the date of grant has been considered to calculate the fair value of the options.
- Expected Option Life: Expected Life of option is the period for which the Company expects the options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.
- Expected dividends: Expected dividend yield has been calculated as an average of dividend yields for four years preceding the date of the grant.
- Risk-free interest rate: The risk-free interest rate on the date of grant considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

Variables	**Weighted Average Information**							
	1.	**2.**	**3.**	**4.**	**5.**	**6.**	**7.**	**8.**
Plan	**ESOP 2014**	**ESOP 2014**	**SESOP 2011**	**SESOP 2014**	**ESOP 2014**	**SESOP 2011**	**ESOP 2011**	**ESOP 2014**
Grant date	10.05.2021	02.09.2021	02.09.2021	02.09.2021	18.10.2021	18.10.2021	30.11.2021	30.11.2021
Risk free rate (%)	5.10	5.80	5.80	4.55	5.90	5.90	5.85	5.85
Expected life (years)	3.50	6.25	6.25	2.60	6.25	6.25	6.25	6.25
Volatility (%)	33.31	31.38	31.38	33.50	31.08	31.08	31.13	31.13
Dividend yield (%)	0.66	0.60	0.60	0.60	0.60	0.60	0.60	0.60
Stock price (NSE closing rate) ₹	1227.38	967.80	967.80	967.80	936.50	936.50	884.40	884.40
Option Fair Value ₹	**1197.72**	**929.10**	**929.10**	**950.50**	**899.00**	**899.00**	**848.90**	**848.90**

Variables	Weighted Average Information			
	9.	**10.**	**11.**	**12.**
Plan	**SESOP 2011**	**SESOP 2014**	**SESOP 2011**	**SESOP 2014**
Grant date	30.11.2021	30.11.2021	01.03.2022	01.03.2022
Risk free rate (%)	5.85	4.58	6.23	4.90
Expected life (years)	6.25	2.60	6.25	2.60
Volatility (%)	31.13	32.43	31.35	33.23
Dividend yield (%)	0.60	0.60	0.60	0.60
Stock price (NSE closing rate) ₹	884.40	884.40	745.90	745.90
Option Fair Value ₹	**848.90**	**868.40**	**715.80**	**732.10**

DETAILS OF STOCK APPRECIATION RIGHTS AS ON MARCH 31, 2022

The disclosure envisaged in terms of Regulation 14(E) of SEBI SBEBSE Regulations: -

(i) A description of each SAR Scheme existed during 01.04.2021 and 31.03.2022: No Scheme existed.

DETAILS RELATED TO TRUST AS ON MARCH 31, 2022

The disclosure envisaged in terms of Regulation 14(G) of SEBI SBEBSE Regulations: -

(i) General information of all schemes: No Scheme existed.

(ii) Brief details of transactions in shares by the Trust: Not Applicable.

(iii) In case of secondary acquisition of shares by the Trust: Not Applicable.

For and on behalf of the Board of Directors

Manju D. Gupta
Chairman
(DIN: 00209461)
Mumbai, May 18, 2022

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	% increase in the remuneration for the year ended March 31, 2022	Ratio of the remuneration of each Director to the median remuneration of the employees
1.	Mrs. Manju D. Gupta, *Chairman*	-12.3%	13
2.	Dr. Kamal K. Sharma, *Vice Chairman*	64.2%	78
3.	Ms. Vinita Gupta, *Chief Executive Officer*	13.3% (Refer Note No. v)	279
4.	Mr. Nilesh D. Gupta, *Managing Director*	22.9%	136
5.	Mr. Ramesh Swaminathan, *Executive Director, Global CFO & Head Corporate Affairs*	1.5%	155
6.	Mr. Jean-Luc Belingard, *Independent Director*	5%	15
7.	Ms. Christine Mundkur, *Independent Director*	5.7%	15
8.	Mr. K. B. S. Anand, *Independent Director*	58.9%. (Refer Note No. vi)	15
9.	Dr. Punita Kumar-Sinha, *Independent Director*	62.7% (Refer Note No. vi)	15
10.	Mr. Mark D. McDade, *Independent Director*	493.9% (Refer Note No. vi)	15
11.	Mr. Robert Funsten, *Independent Director (up to May 9, 2021)*	-99.3% (Refer Note No. vii)	0.04
12.	Mr. R. V. Satam, *Company Secretary*	-5.2%	N.A.

i) The median remuneration of employees of the Company for the year ended March 31, 2022 was ₹ 0.52 million.

ii) During the year ended March 31, 2022, there was an increase of 6.12 % in the median remuneration of employees.

iii) During the year ended March 31, 2022, there was an average increase of 5.88% in the salaries of employees other than key managerial personnel.

iv) As on March 31, 2022, the Company had 19453 permanent employees.

v) Ms. Vinita Gupta is an employee of Lupin Management, Inc., USA, wholly owned subsidiary of the Company.

vi) The FY21 remuneration of Mr. K. B. S. Anand and Dr. Punita Kumar-Sinha was for the period August 12, 2020 to March 31, 2021 and Mr. Mark D. McDade for the period January 28, 2021 to March 31, 2021. Thus, their remuneration in FY22 is not comparable with that of FY21.

vii) Mr. Robert Funsten was on the Board of the Company till May 9, 2021, hence his remuneration for FY22 is not comparable with that of FY21.

viii) We affirm that payment of remuneration is as per the Remuneration policy of the Company.

For and on behalf of the Board of Directors

Manju D. Gupta
Chairman
(DIN: 00209461)

Mumbai, May 18, 2022

ANNEXURE 'G' TO
THE DIRECTORS' REPORT

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED MARCH 31, 2022

[Pursuant to the provisions of Section 204(1) of the Companies Act, 2013, Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015].

To,
The Members,
Lupin Limited

I have conducted Secretarial Audit of the compliance with applicable statutory provisions and 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 books, papers, minutes books, forms and returns filed and other records maintained by the Company as also information provided by the Company, its officers, agents and authorised 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, 2022, 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, 2022, according to the provisions of: -

1. The Companies Act, 2013, amendments thereto and Rules made thereunder;

2. The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;

3. The Depositories Act, 1996 and Regulations and Byelaws framed thereunder;

4. Foreign Exchange Management Act, 1999 and Rules and Regulations made thereunder to the extent of Foreign Direct Investment, as amended from time to time;

5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992: -

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time;

   b. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time; and

   c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

   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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

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, as amended from time to time;

b. Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954, as amended from time to time; and

c. Drugs (Price Control) Order, 2013, as amended from time to time.

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 Companies Act, 2013, amendments thereto and Rules made thereunder.

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 except in case of agenda having price-sensitive information 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 meetings.

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

I further report that during the financial year,

1) The Company has issued and allotted 794881 equity shares aggregating ₹ 1,589,762 to eligible employees of the Company and its subsidiaries on exercising options under various stock option plans.

2) The Company incorporated a wholly owned subsidiary viz. Lupin Digital Health Limited.

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

Ms. Neena Bhatia
(Company *Secretary*)
FCS No.: 9492
CP. No.: 2661
UDIN: F009492D000337622

Place: Mumbai
Date: May 18, 2022

ANNEXURE 'G-1'

(TO THE SECRETARIAL AUDIT REPORT OF LUPIN LIMITED FOR YEAR ENDED MARCH 31, 2022).

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. I have conducted online verification and examination of records, as facilitated by the Company owing to COVID 19 restriction for the purpose of issuing this Report. I have taken declaration from the management regarding the said compliances.
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 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 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*)
FCS No.: 9492
CP. No.: 2661
UDIN: F009492D000337622

Place: Mumbai
Date: May 18, 2022

Corporate Governance Report

[1] Company's Philosophy on Corporate Governance:

Corporate governance has been an integral part of the Company's legacy, where actions are governed by core values and good governance is a way of life. Ethical practices are implemented across all levels in the Company to maximise stakeholders' value while emphasizing on accountability, transparency, responsibility and fairness in business operations. Strong leadership combined with good governance practices has been the inherent strength of the Company. The Board and its Committees guide, support and help the management implement corporate governance initiatives across the Company.

The Company aims at reaching out to people and touching lives globally by adopting the best standards of corporate governance. The Board is diversified in the true sense whose members possess wide experience in pharma business, finance and general management. The Board has an optimum blend of executive, non-executive and independent directors who ensure that highest standards of corporate governance are nurtured and put into practice. In addition to being compliant with all mandatory requirements, the Company has also complied with non-mandatory requirements stipulated under Regulation 27(1) read with Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as regards unmodified audit opinions on financial statements, appointment of separate persons as Chairman, Chief Executive Officer and Managing Director and maintaining line of reporting of the Head of Internal Audit to the Audit Committee.

Transparency, accountability, integrity and professionalism are deeply embedded in the Company's culture which supports implementing the philosophy of corporate governance. As a testament of its robust governance practices, the Company enforces Code of Business Conduct and Ethics (CODE) and empowers employees to report concerns on actual or suspected violations of the CODE. Employees are at liberty to raise their concerns without any fear of retaliation or retribution and even report their concerns anonymously. Periodic communications from the leadership team reiterate the importance of the CODE. Company's operations are guided by strong control systems which are reviewed by both internal and external auditors at regular intervals.

Codes of Conduct adopted for directors (including independent directors) and senior management personnel have been hosted on the website of the Company (www.lupin.com). In compliance with Regulation 26(3) of the Listing Regulations, all directors and senior management personnel have affirmed compliance with their respective codes for the year ended March 31, 2022 and a declaration by Mr. Nilesh D. Gupta, Managing Director, to this effect is annexed to this report in compliance with Schedule V(D) of the Listing Regulations.

Initiatives like code of conduct, whistleblower policy and prevention of workplace harassment empowers employees to report suspected wrongdoings or fraudulent business practices against anyone in the organisation, irrespective of the grade or hierarchy, without any fear. A mechanism is in place, for the Office of Ombudsperson, to respond in a prompt and professional manner, to the concerns raised. Office of the Ombudsperson is the appointed authority to receive, respond and investigate all offences within the scope of the whistleblower policy. The said policy is placed on the Company's website https://www.lupin.com/wp-content/uploads/2022/02/Whistleblower-Policy-Website.pdf. During the year, the Ombudsperson received 24 complaints, mostly of minor nature, which were investigated/examined and satisfactorily resolved by teams comprising SBU heads/officers appointed by the Ombudsperson. The Company did not receive any complaint of sexual harassment during the year. No personnel was denied access to the Chairman of the Audit Committee.

The Company has an in-built mechanism and sound systems of internal checks and balances which are continuously evaluated and updated. The Company is committed to guard and protect its information and provides assurance to its internal and external stakeholders through highly secured privacy framework. To counter the ever-evolving threat landscape, the Company has, with its dedicated efforts, ensured evolvement of secure technologies and processes. Information security management system program under the brand name 'KAVACH' has been implemented. With technology orchestration, KAVACH protects Company information by adopting appropriate policies, procedures and guidelines. In order to protect end users from spam/phishing mails/cyber frauds, KAVACH regularly shares security advisories over e-mails. The Company recently imparted training on cyber security. The Company has been accredited ISO/IEC 27001:2013 certification for its information security management systems at select locations viz. Head office, Pune research park, manufacturing facilities at Biotech, Mandideep, Pithampur, Ankleshwar and Visakhapatnam with plans afoot to add more locations in FY 2023. Information security commitment has also been extended to global locations viz. USA, EMEA, APAC and LATAM regions under project 'SHIELD' to provide information security assurance to stakeholders.

Directors and members of the senior management are covered under Directors and Officers Insurance (D&O) policy.

The Company is in compliance with Chapter IV of the Listing Regulations on Corporate Governance.

A detailed Management Discussion and Analysis forms part of the Integrated Report.

[2] Board of Directors:

Board Diversity

Lupin recognizes and embraces the importance of a diverse Board in its success. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to culture, gender, age, geographical background, industry experience, skill and knowledge. The board diversity policy is available on our website, https://www.lupin.com/investors/policies/.

Directors Independence

The Independent Directors demonstrate an appropriate degree of independence in character and judgement and are free from any business or other relationship which could materially interfere with the exercise of their judgement.

Board Composition & Number of Meetings

The Board strength as on March 31, 2022, was ten, comprising two executive promoter-directors, one non-executive promoter-director, one non-executive director, one executive director and five independent directors, which is in conformity with the provisions of Section 149 of the Companies Act, 2013 (Act) and Rules made thereunder and Regulation 17 of the Listing Regulations. The Board has four women directors of which, two are independent directors. No director has been disqualified by SEBI, Ministry of Corporate Affairs or any statutory authority from being appointed or continuing as director of the Company and the same has been certified by Ms. Neena Bhatia, Practising Company Secretary, as prescribed by Schedule V(C)(10)(i) of the Listing Regulations. Though Regulation 17(1)(a) of the Listing Regulations mandates appointment of one independent woman director, the Company has two independent women directors on the Board. In compliance with Regulation 25(8) of the Listing Regulations, all independent directors have confirmed that they meet the criteria of independence prescribed in Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act and Rules made thereunder. In compliance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Company has received confirmation from all independent directors as regards registration with the independent directors databank maintained by the Indian Institute of Corporate Affairs. As stipulated under Regulation 17(10) of the Listing Regulations, the Board carried out performance evaluation of independent directors without participation of the Director being evaluated. The performance evaluation was carried out based on different parameters like leadership qualities, contributions, knowledge, inter-personal relationships, initiative, understanding the strategic issues/business environment, independent judgement and analytical skills. There were no conflicts of interest of independent directors with the Company. The Board acknowledged the fact that independent directors are a diversified group of recognised professionals with wide horizon of knowledge, competence and integrity, who expressed their opinions freely and exercised their own judgements in decision-making. In the opinion of the Board, all independent directors fulfill the criteria of independence as specified in the Act and the Listing Regulations and are independent of the management. Particulars prescribed by Schedule V(C)(2) of the Listing Regulations for the year are given below: -

Sl. No.	Name of the Director	Whether Promoter/ Executive/ Independent	No. of Board Meetings during the year			Board Tenure (Years)	Attendance at the last AGM	Number of directorships of other companies##	Member/ Chairman of committees other than the Company
			Held	Attended	Attendance in %				
1.	Mrs. Manju D. Gupta, *Chairman*	P. & N-E.D.	10	9	90%	39.1	Yes	5	-
2.	Dr. Kamal K. Sharma,* *Vice Chairman*	N-E.D.	10	10	100%	18.6	Yes	7	1/-
3.	Ms. Vinita Gupta, *Chief Executive Officer*	P. & E.D.	10	10	100%	20.6	Yes	13	-
4.	Mr. Nilesh D. Gupta, *Managing Director*	P. & E.D.	10	10	100%	13.5	Yes	8	-
5.	Mr. Ramesh Swaminathan, *Executive Director, Global CFO & Head Corporate Affairs*	E.D.	10	10	100%	2.0	Yes	3	-
6.	Mr. Jean-Luc Belingard, *Independent Director*	I. N-E.D.	10	9	90%	6.4	No	6	-
7.	Ms. Christine Mundkur, *Independent Director*	I. N-E.D.	10	10	100%	3.0	Yes	4	1/-
8.	Mr. K. B. S. Anand,** *Independent Director*	I. N-E.D.	10	10	100%	1.6	Yes	2	1/-
9.	Dr. Punita Kumar-Sinha,*** *Independent Director*	I. N-E.D.	10	9	90%	1.6	Yes	9	10/3
10.	Mr. Robert Funsten,# *Independent Director (up to May 9, 2021)*	I. N-E.D.	1	1	100%	N.A.	N.A.	1	-
11.	Mr. Mark D. McDade, *Independent Director*	I. N-E.D.	10	10	100%	1.2	Yes	5	2/2
					Average:	**10.8**			

* Dr. Kamal K. Sharma is an Independent Director & Chairman of Sequent Scientific Limited.

** Mr. K. B. S. Anand is an Independent Director of Tata Chemicals Limited and Borosil Limited.

*** Dr. Punita Kumar-Sinha is an Independent Director of JSW Steel Limited, Rallis India Limited and Fino Payments Bank Limited.

Mr. Robert Funsten retired on May 9, 2021, on completion of his term as Independent Director of the Company.

Ms. Christine Mundkur, Mr. K. B. S. Anand and Mr. Robert Funsten, Independent Directors, hold four or less other board mandates. Mrs. Manju D. Gupta and Dr. Kamal K. Sharma, Non-Executive Directors, hold more than four other board mandates.

Notes:

(a) P. & N-E.D.: Promoter & Non-Executive Director; P. & E.D.: Promoter & Executive Director; N-E.D.: Non-Executive Director; E.D.: Executive Director; I. N-E.D.: Independent Non-Executive Director.

(b) Mrs. Manju D. Gupta is the mother of Ms. Vinita Gupta and Mr. Nilesh D. Gupta.

(c) No director holds directorships in more than ten public companies/seven listed companies and no independent director holds independent directorships in more than seven listed companies.

(d) No independent director is Member of more than ten committees or Chairman of more than five committees across all public limited companies whether listed or not in which they are directors. Membership/Chairmanship of committees include only Audit Committee and Stakeholders' Relationship Committee.

Core Skills/Expertise/Competencies identified by the Board

The Board has identified the following core skills/expertise/competencies for the efficient functioning of the Company: -

Corporate Governance	Nurturing the best standards of corporate governance to promote efficient conduct of business and maximize long-term value of stakeholders.
Leadership/ Management	Sharing leadership/management experience to seize business growth opportunities by taking strategic decisions and promoting ethical work culture.
Healthcare/ Pharma Science & Technology	Wide experience in Healthcare/pharma space, science and technology with domain expertise in complex generics, specialty and biosimilars.
Manufacturing, Quality & Supply Chain	Operational expertise and technical know-how in manufacturing, quality and supply chain.
Finance & Accounts	Proficiency in financial management & reporting, budgeting, treasury operations, audit and capex.

Mergers & Acquisitions	Ability to grow organically and inorganically through acquisitions and tactical business deals in line with the Company's business strategy.
Risk Management	Improve compliance with good corporate governance guidelines and practices as well as laws & regulations and ensure that the Senior Management is in a position to make informed business decisions based on risk assessment.
Environment, Social & Governance	Integrate ESG aspects in corporate decision making.

The skills which are currently available with the board members have been mapped below: -

Director Name	Whether Promoter/ Executive/ Independent	Corporate Governance	Leadership/ Management	Healthcare/ Pharma Science & Technology	Risk Management	Manufacturing, Quality & Supply Chain	Finance & Accounts	Environment Social and Goverance	Mergers & Acquisitions
Mrs. Manju D. Gupta	P. & N-E.D.	✔	✔		✔				
Dr. Kamal K. Sharma	N-E.D.	✔	✔	✔	✔	✔	✔		✔
Ms. Vinita Gupta	P. & E.D.	✔	✔	✔	✔	✔	✔	✔	✔
Mr. Nilesh D. Gupta	P. & E.D.	✔	✔	✔	✔	✔	✔	✔	✔
Mr. Ramesh Swaminathan	E.D.	✔	✔		✔		✔	✔	✔
Mr. Jean-Luc Belingard	I. N-E.D.	✔	✔	✔					✔
Ms. Christine Mundkur	I. N-E.D.	✔	✔	✔	✔		✔		✔
Mr. K. B. S. Anand	I. N-E.D.	✔	✔		✔	✔	✔		✔
Dr. Punita Kumar-Sinha	I. N-E.D.	✔	✔		✔		✔		✔
Mr. Mark D. McDade	I. N-E.D.	✔	✔	✔	✔				✔

Out of the above ten board members, six have relevant experience in the Company's line of business i.e. Healthcare & Pharma. Further, four board members who are non-executive/independent directors have experience in Healthcare & Pharma.

Board Meetings

The Board of Directors evaluate the effectiveness of the Company's management policies, sets corporate objectives, provides strategic directions and guides the senior management to create sustainable growth and enhance shareholder value. The Board is regularly apprised of the key business developments. Detailed business presentations are made at board meetings by the CEO, MD, CFO and functional heads which enables the Board to set goals and seek accountability for their fulfilment. The Board and its various Committees, provide direction and exercise control to ensure that stakeholders' aspirations and societal expectations are met. The Board believes in 'safety first' and health/safety concerns are deliberated in detail at its meetings.

Dates of Board meetings are finalised after ascertaining convenience of all directors. Tentative annual calendar of Board meetings is circulated to all directors in advance in order to enable them to plan their schedules. Board members, in consultation with the Chairman, bring up matters for consideration and discussions at its meetings. Board approvals, for urgent matters, are sought by way of circular resolutions, which are noted and confirmed at subsequent Board meetings. Directors intimate the Board about changes in their board/ committee positions (including chairmanships) held by them and their shareholdings in other companies.

In compliance with the Act and Rules made thereunder and Secretarial Standard-1 (SS-1), agendas (along with detailed notes), actions taken/status report (on decisions taken at Board/Committee meetings) and presentations to be made at meetings of the Board/Committee are circulated in advance. With the unanimous consent of the Board, information which is in the nature of unpublished price sensitive, is circulated to directors at a shorter notice. Draft minutes of the Board/Committees are circulated to directors within 15 days from the date of the meeting. Copies of minutes of Board meetings of subsidiaries, minutes of Committees of the Board and reports/certificates confirming compliance with various applicable laws are tabled at Board meetings.

Details of Board Meetings

During the year, ten Board meetings were held as mentioned below. In compliance with provisions of Section 173(1) of the Act and Regulation 17(2) of the Listing Regulations, the time-gap between two consecutive meetings was not more than 120 days. The Board approved three Resolutions by circulation, vide Circulars dated September 25, 2021, December 14, 2021 and March 23, 2022.

Board meeting wise attendance

09-Apr-21	12-May-21	01-June-21	08-Jul-21	10-Aug-21	15-Sep-21	27-Oct-21	17-Jan-22	03-Feb-22	17-Mar-22	Total Average
91%	100%	100%	100%	100%	90%	100%	100%	100%	90%	97%

Board Selection Process

Board Members of Lupin Limited are elected individually.

The Board has delegated the screening and selection process to the Nomination & Remuneration Committee, which comprises of Independent Directors.

The Nomination & Remuneration Committee, basis defined parameters, described in the Nomination & Remuneration Policy, recommends eligible candidates to the Board.

The Board appoints director subject to approval of shareholders within three months from date of appointment or in the next AGM whichever is earlier.

The proposal is placed before the shareholders for approval.

Brief profile, other directorships and committee memberships of director seeking re-appointment at the 40th Annual General Meeting.

Ms. Vinita Gupta

Ms. Vinita Gupta (DIN: 00058631), Chief Executive Officer, is a pharmacy graduate from the University of Mumbai and an MBA from the Kellogg School of Management at Northwestern University. She has been instrumental in formulating and executing the strategy that helped the Company to emerge as a global pharmaceutical powerhouse. Ms. Gupta has led the Company's global expansion through a combination of organic growth and strategic acquisitions. She is also a member of the Global Advisory Board at the Kellogg School of Management. Ms. Gupta has been conferred with various coveted awards in recognition of her contribution to pharma business and was named amongst 20 most Influential women in healthcare by BW Healthcare World in India for 2022.

List of other directorships	Chairman/Member of the Committees of the Board of the companies on which she is a director
Lupin Pharmaceuticals, Inc., USA Lupin Inc., USA Lupin Research Inc., USA Novel Laboratories, Inc., USA Lupin Management, Inc., USA Lupin Atlantis Holdings SA, Switzerland Lupin Oncology Inc., USA Precigen Inc., USA (formerly known as Intrexon Corporation) Avenue Coral Springs, LLC, USA Lupin Biologics Limited, India Lupin Investments Private Limited, India Synchem Properties Private Limited, India Zyma Properties Private Limited, India	Precigen Inc., USA - *Member of Nominating and Governance Committee.*

[3] Audit Committee:

The Audit Committee comprises Dr. Punita Kumar-Sinha, Independent Director, *Chairperson*, Dr. Kamal K. Sharma, Vice Chairman and Ms. Christine Mundkur, Independent Director. Mr. R. V. Satam, Company Secretary, acts as the Secretary of the Committee.

The composition of the Committee is in compliance with Section 177 of the Act and Regulation 18(1) of the Listing Regulations. As stipulated by Regulation 18(1)(c) of the Listing Regulations, all Members of the Committee have the ability to read and understand financial statements and have accounting and financial management expertise. Dr. Punita Kumar-Sinha attended the 39th AGM held on August 11, 2021. The Committee acts as a link between the statutory, internal, cost auditors and the Board. It is responsible for monitoring the internal financial controls, reliability of the financial statements, adequacy of provisions for liabilities, supervising the governance systems and evaluating appropriateness of audit test checks. Statutory auditors, internal auditor and senior executives from finance regularly attend meetings of the Committee. The internal auditor makes presentations on audit findings at the meetings of the Committee. The cost auditor attends the Audit Committee meeting at which the cost audit report is considered.

The Audit Committee performs functions enumerated in Section 177(4) of the Act and Regulation 18(3) of the Listing Regulations. Matters deliberated upon and reviewed by the Committee 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 auditors.

3) Approving payments to Statutory Auditors for any other additional services rendered by them except those enumerated under Section 144 of the Act.

4) 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.

5) Reviewing with the management, the quarterly unaudited financial results together with the Limited Review Report of the Auditors before submission to the Board for approval.

6) Reviewing and monitoring the auditors' independence, performance and effectiveness of audit process.

7) Approving or any subsequent modification of transactions of the Company with related parties.

8) Scrutinising inter-corporate loans and investments.

9) Valuation of undertakings or assets of the Company, wherever necessary.

10) Evaluating internal financial controls and risk management systems.

11) Reviewing with the management, the performance of statutory and internal auditors and adequacy of the internal control systems.

12) 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.

13) Discussion with the internal auditors on significant findings and follow-up thereon.

14) Reviewing the findings of internal auditors and reporting them to the Board.

15) 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, if any.

16) Reviewing the functioning of Whistleblower mechanism.

17) Approving the appointment of chief financial officer after assessing the qualifications, experience and background, etc., of the candidate.

18) Reviewing utilization of loans and/or advances from/investment in subsidiaries exceeding ₹ 1000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments.

19) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation, etc., on the Company and its shareholders.

20) Reviewing compliance with the provisions of Prohibition of Insider Trading Regulations and verifying that the systems for internal control for prohibition of insider trading are adequate and are operating effectively.

21) Recommending to the Board, the appointment and remuneration of Cost Auditor to conduct audit of cost records in compliance with the provisions of the Act and Rules made thereunder.

22) Reviewing the financial statements of subsidiary companies as also the consolidated financial statements, including investments made by the subsidiary companies.

23) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the board to take up steps in this matter.

24) To look into the reasons for substantial defaults, if any, in payments to depositors, debenture holders, shareholders (for non-payment of declared dividends) and creditors.

25) Carrying out such other functions as may be mentioned in the terms of reference of the Audit Committee.

In addition to the above, the Audit Committee reviews the management discussion and analysis, management letters/internal audit reports relating to observations on internal controls, etc.

Details of meetings

In compliance with the provisions of Regulation 18(2)(a) of the Listing Regulations, six Audit Committee meetings were held during the year and the time-gap between two consecutive meetings was not more than 120 days. Meetings were held on May 11, 2021, August 9, 2021, September 15, 2021, September 21, 2021, October 26, 2021 and February 2, 2022, attendance at which was as under: -

Sl. No.	Name of the Director	No. of Meetings	
		Held	Attended
a.	Dr. Punita Kumar-Sinha, *Chairperson*	6	6
b.	Dr. Kamal K. Sharma	6	6
c.	Ms. Christine Mundkur	6	6

[4] Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee comprises Mr. K. B. S. Anand, Independent Director, *Chairman,* Mr. Nilesh D. Gupta, Managing Director and Dr. Punita Kumar-Sinha, Independent Director. Mr. R. V. Satam, Company Secretary, acts as the Secretary of the Committee. The Committee evaluates activities covering all facets of operations pertaining to investors services including implementation and management of employee stock options plans and activities related to the Investor Education and Protection Fund.

In terms of Regulation 19 read with Part D of Schedule II of the Listing Regulations, the Committee deliberates and reviews on matters related to: -

1) Resolving grievances of shareholders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of dividends, issue of new/duplicate certificates, demat/remat certificates, general meetings etc.

2) Reviews measures taken for effective exercise of voting rights by shareholders.

3) Reviews adherence to the service standards adopted by the Company in respect of services being rendered by the Registrar and Share Transfer Agent.

4) Reviews various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

During the year, the Company received and resolved 20 complaints from shareholders regarding transfer of shares, non-receipt of dividend, non-receipt of annual report, etc. As on March 31, 2022, no complaint remained pending/unattended. No share transfer/complaint remained pending for more than 15 days.

Details of meetings

During the year, two meetings of the Stakeholders' Relationship Committee were held on December 16, 2021 and March 2, 2022, the attendance at which was as under: -

Sl. No.	Name of the Director	No. of Meetings	
		Held	Attended
a.	Mr. K. B. S. Anand, *Chairman*	2	2
b.	Mr. Nilesh D. Gupta	2	2
c.	Dr. Punita Kumar-Sinha	2	2

[5] Nomination and Remuneration Committee:

All members of the Nomination and Remuneration Committee are Independent Directors. While, Mr. Jean-Luc Belingard is the *Chairman* of the Committee, Ms. Christine Mundkur and Dr. Punita Kumar-Sinha are its members. Mr. R. V. Satam, Company Secretary, acts as the Secretary of the Committee.

The constitution of the Committee is in compliance with the provisions of Section 178(1) of the Act and Regulation 19(1) of the Listing Regulations. In terms of Regulation 19(2) of the Listing Regulations, the Chairman of the Committee is an Independent Director.

Role of the Committee:

Pursuant to Section 178 of the Act and Regulation 19(4) read with Part D of Schedule II of the Listing Regulations, the Committee performs the following functions: -

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) For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may: -

  a. use the services of an external agencies, if required;

  b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

  c. consider the time commitments of the candidates.

3) formulation of criteria for evaluation of performance of independent directors and the Board of Directors.

4) devising a policy on diversity of the Board of Directors.

5) 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.

6) whether to extend or continue the term of appointment of the Independent Director, based on the report of performance evaluation of Independent Directors.

7) remuneration payable to Executive Directors and Key Managerial Personnel.

8) specifying the manner for effective evaluation of performance of the Board, its Committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an Independent external agency and review its implementation and compliance.

9) administration of the employees stock option plans and Phantom stock plans.

Remuneration of Executive Directors:

The Committee reviews the performance of every director. It recommends to the Board, the remuneration of executive directors and key managerial personnel at the time of their appointment/re-appointment subject to approval of Members and in line with the Company's annual increment cycle. While fixing remuneration, the Committee considers factors viz. qualifications, leadership qualities, relevant experience, expertise, responsibilities shouldered, volume of business and profits of the Company. Remuneration limits of executive directors are prescribed by Section 197 and Schedule V of the Act and Rules made thereunder. The Committee also approves annual revisions and performance-linked incentives of executive directors and key managerial personnel. The Company follows a market-linked remuneration policy and benchmarks its remuneration/benefits with its industry peers. Executive directors are not paid sitting fees for attending Board and Committee meetings.

Details of remuneration paid to executive directors are as under: -

(₹ in million)

Name of the Director	Salary & Perquisites	Stock Options	Others (Performance-Linked Incentive)	Total
Ms. Vinita Gupta, *Chief Executive Officer*	144.92	-	-	**144.92**
Mr. Nilesh D. Gupta, *Managing Director*	70.88	-	-	**70.88**
Mr. Ramesh Swaminathan, *Executive Director, Global CFO & Head Corporate Affairs*	57.53	11.44	11.72	**80.69**

Note: Ms. Vinita Gupta is an employee of Lupin Management, Inc., (LMI), USA, wholly owned subsidiary of the Company. She receives remuneration from LMI and does not receive any remuneration from Lupin Limited.

Remuneration of non-executive directors:

Non-executive directors are paid sitting fees for attending Board/Committee meetings within the limits prescribed by the Act and Rules made thereunder. Apart from sitting fees, as approved by Members at the AGM held on August 12, 2020, they are paid commission in recognition of their contributions to the Company's business. In terms of the said approval, non-executive directors are eligible for commission not exceeding in the aggregate 0.5% per annum of the Company's standalone net profits, computed in the manner laid down by Sections 197, 198 and other applicable provisions of the Act, for a period of five years commencing April 1, 2020. An amount of ₹ 54.32 million has been approved by the Board towards commission to non-executive directors for FY22. In compliance with Regulation 17(6) of the Listing Regulations, annual remuneration of a single non-executive director did not exceed fifty per cent of the total annual remuneration payable to all non-executive directors.

Details of remuneration of non-executive directors are as under: -

Name of the Director	No. of Equity Shares held as on March 31, 2022	Remuneration for 2021-22 (₹ in million)			
		Sitting Fees	Commission	Value of Perquisites	Total
Mrs. Manju D. Gupta, *Chairman*	3871162	0.20	6.50	-	**6.70**
Dr. Kamal K. Sharma, *Vice Chairman*	139900	0.36	10.00	29.94	**40.30**
Mr. Jean-Luc Belingard, *Independent Director*	-	0.26	7.58	-	**7.84**
Ms. Christine Mundkur, *Independent Director*	-	0.44	7.58	-	**8.02**
Mr. K. B. S. Anand, *Independent Director*	-	0.30	7.50	-	**7.80**
Dr. Punita Kumar-Sinha, *Independent Director*	500	0.42	7.58	-	**8.00**
Mr. Robert Funsten, *Independent Director (up to May 9, 2021)*	-	0.02	-	-	**0.02**
Mr. Mark D. Mcdade, *Independent Director*	-	0.26	7.58	-	**7.84**

Details of meetings

In terms of Regulation 19(3A) of the Listing Regulations, the Committee shall meet at least once in a year. During the year, three meetings of the Committee were held on May 10, 2021, July 7, 2021 and November 30, 2021, attendance at which, was as under: -

Sl. No.	Name of the Director	No. of Meetings	
		Held	Attended
a.	Mr. Jean-Luc Belingard, *Chairman*	3	3
b.	Ms. Christine Mundkur	3	3
c.	Dr. Punita Kumar-Sinha	3	3

The Committee passed 13 Resolutions by circulation vide Circulars dated June 22, 2021, September 2, 2021, October 18, 2021 and March 1, 2022.

[6] Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee comprises, Mrs. Manju D. Gupta, Chairman, Dr. Kamal K. Sharma, Vice Chairman, Ms. Vinita Gupta, Chief Executive Officer, Mr. Nilesh D. Gupta, Managing Director and Mr. K. B. S. Anand, Independent Director, the composition of which is in compliance with Section 135(1) of the Act.

The Committee performs the following functions: -

- formulates and recommends to the Board, a CSR policy covering activities to be undertaken by the Company in areas/subjects specified in Schedule VII of the Act;
- recommends the amount of expenditure to be incurred on CSR activities;
- monitors the CSR policy of the Company; and
- formulates and recommends to the Board, an annual action plan in pursuance of the CSR policy, which shall include items mentioned in Rule 5(2) of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Details of meetings

Meetings of the Committee were held on October 6, 2021 and March 28, 2022, attendance at which was as under: -

Sl. No.	Name of the Director	No. of Meetings	
		Held	Attended
a.	Mrs. Manju D. Gupta, *Chairman*	2	1
b.	Dr. Kamal K. Sharma	2	-
c.	Ms. Vinita Gupta	2	2
d.	Mr. Nilesh D. Gupta	2	2
e.	Mr. K. B. S. Anand	2	2

The Committee passed one Resolution by circulation vide circular dated October 18, 2021.

[7] Risk Management Committee:

Risk Management Committee comprises Dr. Kamal K. Sharma, Vice Chairman, Ms. Vinita Gupta, Chief Executive Officer, Mr. Nilesh D. Gupta, Managing Director, Mr. Ramesh Swaminathan, Executive Director, Global CFO & Head Corporate Affairs, Ms. Christine Mundkur, Independent Director, Mr. Mark D. McDade, Independent Director and Mr. Sunil Makharia, President - Finance. While the composition of the Committee is in compliance with Regulations 21(2) and (3) of the Listing Regulations, it met twice in the year and the gap between two meetings was less than 180 days, which is in compliance with Regulation 21(3A) and (3C) of the Listing Regulations. The quorum at the Committee meetings was in compliance with Regulation 21(3)(B) of the Listing Regulations.

The roles, responsibilities and functions of the Committee are as under: -

1) To formulate a detailed Risk Management Policy which shall include: -

a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;

b) Measures for risk mitigation including systems and processes for internal control of identified risks; and

c) Business continuity plan.

2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

3) To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems.

4) To periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.

5) To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken.

6) To discuss and review the status and financial implications of major litigations in India and overseas.

7) To review the GMP compliances by manufacturing facilities of the Company in India and overseas.

8) To review the status of inspections/observations by regulatory bodies and remedial measures taken.

9) To review the financial impact of hedging, derivatives, forward contracts, etc., entered into by the Company.

10) To review and report to the Board, such other matters as may be delegated by the Board from time to time.

Details of the meeting

Meetings of the Committee were held on September 13, 2021 and March 1, 2022, attendance at which was as under: -

Sl. No.	Name of the member	No. of Meetings	
		Held	Attended
a.	Dr. Kamal K. Sharma	2	2
b.	Ms. Vinita Gupta	2	2
c.	Mr. Nilesh D. Gupta	2	2
d.	Mr. Ramesh Swaminathan	2	2
e.	Ms. Christine Mundkur (w.e.f. July 8, 2021)	2	2
f.	Mr. Mark D. Mcdade (w.e.f. July 8, 2021)	2	2
g.	Mr. Sunil Makharia	2	2

[8] Independent directors meeting:

In compliance with Regulation 17(1)(b) of the Listing Regulations, as on March 31, 2022, five independent directors were on the board of the Company. Section 149(8) read with Clause VII of Schedule IV of the Act, Regulation 25(3) of the Listing Regulations and Clause 2.3 of SS-1 mandate that independent directors shall hold atleast one meeting in a year, without the attendance of non-independent directors and members of management.

A meeting of the independent directors was held on January 17, 2022, without the presence of non-independent directors and members of management. All independent directors attended the meeting which was chaired by Ms. Christine Mundkur. The meeting reviewed the performance of non-independent directors and the Board as a whole as also the performance of the Chairman of the Company after taking into consideration, views of executive/non-executive directors. They assessed the quality, quantity, effectiveness and timeliness of flow of information between management and the Board. Detailed presentations made at Board meetings, by the CEO, MD and business heads inter-alia covering business operations across all geographies, quarterly/yearly financial results, budgets, capex, inorganic initiatives, growth plans, regulatory challenges, R & D activities, etc., were appreciated.

[9] Familiarisation program for independent directors:

Pursuant to Regulation 25(7) of the Listing Regulations, the Company provides independent directors an in-depth insight of the Company and the pharma industry. Letters of appointment explicitly cover the roles, functions, duties, responsibilities and terms and conditions of independent directors. Presentations on financial/business unit-wise performance, business strategies, operations, policies, risk assessment/ risk minimization, environment, health and safety measures made by business heads help independent directors understand the finer points and nuances of the pharma space. Independent directors are invited to annual investors meet which provide them an opportunity to interact with investors, analyst and financial advisors. Important press releases disseminated to the stock exchanges are shared with Directors and they are regularly appraised about material developments. Pursuant to Regulation 46 of the Listing Regulations, details of familiarisation programs are available on the Company's website www.lupin.com web link for which is https://www.lupin.com/wp-content/uploads/2021/04/familiarisation-programme.pdf

[10] General Body Meetings:

Details of the last three Annual General Meetings: -

Year	Day, Date and Time	Location	No. of Special Resolutions passed
2018-19	Wednesday, August 7, 2019, at 2.30 p.m.	Rang Sharda Natyamandir, Bandra Reclamation, Bandra (West), Mumbai - 400 050.	Two Special Resolutions were passed for: - **1)** modifying the Lupin Subsidiary Companies Employees Stock Option Plan 2014, to increase the maximum number of equity shares of the Company (of face value of ₹ 2/- each) that may be issued pursuant to exercise of options granted to eligible employees under this Plan by an additional 400000 equity shares (i.e. from 1125000 to 1525000 equity shares). **2)** modifying the Lupin Employees Stock Option Plan 2014, to reduce the maximum number of equity shares of the Company (of face value of ₹ 2/- each) that may be issued pursuant to exercise of options granted to eligible employees under this Plan by 400000 equity shares (i.e. from 3375000 to 2975000 equity shares).
2019-20	Wednesday, August 12, 2020 at 4.00 p.m.	Video conferencing/ other audio-visual means. Venue of the meeting was deemed to be the Registered Office of the Company, 3rd Floor, Kalpataru Inspire, Off Western Express Highway, Santacruz (East), Mumbai - 400 055.	One Special Resolution was passed for the re-appointment of Mr. Jean-Luc Belingard as an Independent Director of the Company for a second term of five years i.e. up to August 11, 2025.
2020-21	Wednesday, August 11, 2021 at 4.30 p.m.	Video conferencing/ other audio-visual means. Venue of the meeting was deemed to be the Registered Office of the Company, 3rd Floor, Kalpataru Inspire, Off Western Express Highway, Santacruz (East), Mumbai - 400 055.	One Special Resolution was passed for the re-appointment of Ms. Christine Mundkur as an Independent Director of the Company for a second term of five years i.e. up to August 10, 2026.

No business was required to be transacted through postal ballot at the above meetings.

No postal ballot was conducted during the financial year 2021-22.

[11] Related party transactions and other disclosures:

No related party transaction entered into by the Company conflicted with the interests of the Company. All transactions entered into during the year by the Company with related parties, were in accordance with the Act and Rules made thereunder and the Listing Regulations. All such contracts and arrangements were in the ordinary course of business and on an arm's length basis. The Audit Committee periodically reviews and approves related party transactions as mandated by Sections 177(4)(iv) and 188 of the Act and Regulation 23(2) of the Listing Regulations. Pursuant to Rule 6A of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23(3) of the Listing Regulations, the Audit Committee granted omnibus approvals to transactions which were likely to be entered into by the Company with related parties other than wholly owned subsidiaries during the year. The Audit Committee reviewed, on a quarterly basis, details of transactions entered into by the Company pursuant to each omnibus approval. Material related party transactions were entered into by the Company only with its subsidiaries. Apart from remuneration and sitting fees, there was no pecuniary transaction with any director, which had potential conflict of interest with the Company. As stipulated by Regulation 46(2)(g) of the Listing Regulations, the policy on 'Related Party Transactions and Materiality of Related Party Transactions', as approved by the Board has been hosted on the Company's website www.lupin.com web link of which is https://www.lupin.com/wp-content/uploads/2022/03/rpt-policy-03-02-2022.pdf.

Pursuant to Regulation 23(9) of the Listing Regulations, disclosures of related party transactions on a consolidated basis were electronically uploaded with the stock exchanges i.e. BSE-Listing Centre and NSE-NEAPS within 30 days from the date of publication of financial results for every half-year and were also hosted on the Company's website www.lupin.com. In compliance with Ind AS 24, details of transactions with related parties are disclosed in the notes forming part of the financial statements.

As stipulated by Section 189(1) of the Act and Rules made thereunder, particulars of transactions entered into by the Company with related parties, in which directors are interested, were recorded in Form No. MBP - 4 in the 'Register of Contracts with related party and contracts and bodies, etc.' and signed by Directors present at Board Meetings.

In compliance with Regulation 24(1) of the Listing Regulations, Ms. Christine Mundkur, Independent Director, is on the Boards of Lupin Pharmaceuticals, Inc., USA and Nanomi B.V., the Netherlands and Mr. Jean-Luc Belingard, Independent Director, is on the Boards of Lupin Atlantis Holdings SA, Switzerland and Lupin Pharmaceuticals, Inc., USA, wholly owned material subsidiaries of the Company. The policy for determining material subsidiaries has been hosted on the Company's website (web link: https://www.lupin.com/investors/policies).

[12] Fees paid to Statutory Auditors:

For FY22, the Company and its subsidiaries, paid a consolidated amount of ₹ 125.2 million (including out of pocket expenses) to B S R & Co. LLP, Chartered Accountants, statutory auditors and all other entities in its network globally (KPMG).

[13] Means of communication:

The Company recognises that proper communication is the key element to the overall corporate governance framework and therefore emphasizes on prompt, continuous and efficient communication to all stakeholders. The Company communicates with its stakeholders through multiple channels such as press releases and disclosure of material events which are disseminated on the stock exchanges and hosted on the website of the Company, annual reports, investor meets, etc. As stipulated by Regulation 33 of the Listing Regulations, unaudited quarterly/audited annual financial results are disseminated on the stock exchanges within 45 days of the end of the quarter and 60 days from the end of the financial year respectively. Quarterly/annual financial results are electronically submitted to the stock exchanges within 30 minutes of their approval by the Board, uploaded on the Company's website and published in 'The Economic Times' (all editions) and 'The Maharashtra Times' (Marathi translation - Mumbai edition) pursuant to Regulation 47 of Listing Regulations. The Company arranges earnings calls/meetings with investors immediately after declaring financial results and briefs them about the performance of the Company, transcripts of which, are uploaded on the Company's website and disseminated on the stock exchanges. Unpublished price sensitive information is not disclosed at investors meets and presentations made to analysts. Shareholding pattern and corporate governance reports are uploaded on a quarterly basis with the stock exchanges in XBRL mode. Video recording of AGMs have been hosted on the website of the Company.

Information pursuant to Regulation 30 read with Schedule III of the Listing Regulations is promptly disseminated on the websites of the stock exchanges. Policy for determining materiality of events for the purpose of making disclosures to the Exchanges as also disclosures made thereunder are available on the website of the Company. 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 observed, during which, directors/senior management personnel do not communicate with investors/analysts and media. The Company has complied with all the requirements of the MCA, stock exchanges, SEBI, RBI and other statutory authorities on matters relating to capital markets and that no penalty has been imposed nor any strictures passed against the Company. In compliance with Regulation 9 of the Listing Regulations, a policy on preservation of documents and archival policy has been hosted on the website of the Company.

[14] General Members' information:

INVESTORS' SERVICES

Link Intime India Pvt. Ltd. (Link Intime), Registrar and Share Transfer Agent (RTA), leaders in the corporate registry business, manage activities related to the shares of the Company. They have a modern infrastructure, experienced staff and have in place, best systems. Link Intime deploys the latest technology and have a professional team of domain experts.

Members can approach Link Intime for any query or assistance through e-mails, letters, over telephone or by visiting their office situate at C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083,
Tel: +91 22 4918 6270, Toll Free No. 1800 1020 878, E-mail: rnt.helpdesk@linkintime.co.in.

ANNUAL GENERAL MEETING

In compliance with MCA General Circular No. 2/2022 dated May 5, 2022 read with MCA General Circular Nos. 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021 and 21/2021 dated December 14, 2021, the 40th Annual General Meeting (AGM) will be held on Wednesday, August 3, 2022, through video conferencing/other audio-visual means. Kindly refer to the Notice of the 40th AGM for details.

FINANCIAL CALENDAR - FY23

First quarter results (Unaudited)	:	July/August 2022
Second quarter results (Unaudited)	:	October/November 2022
Third quarter results (Unaudited)	:	January/February 2023
Annual results (Audited)	:	April/May 2023
41st Annual General Meeting	:	July/August 2023

RECORD DATE

Friday, July 15, 2022, shall be the Record date for determining the entitlement of Members for dividend for the year ended March 31, 2022, if declared at the 40th AGM. Dividend shall be paid to: -

a) beneficial owners at the end of business hours on Friday, July 15, 2022, as per lists furnished by National Securities Depository Limited (NSDL) and Central Depository Services (I) Limited (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 business hours on Friday, July 15, 2022, in respect of shares held in physical form.

DIVIDEND PAYMENT

Dividend, if declared shall be remitted electronically i.e. through NACH/NEFT etc., wherever bank details of shareholders are available and in other cases, through demand drafts.

SHARES LISTED AT

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.

Annual Listing fees for the year 2022-23 have been paid to BSE and NSE.

STOCK CODES

The stock codes of the Company are: -
BSE: 500257
NSE: LUPIN

INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN)

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

CORPORATE IDENTITY NUMBER (CIN)

The CIN of the Company is **L24100MH1983PLC029442**.

EXCLUSIVE E-MAIL ID FOR COMMUNICATION OF INVESTORS' GRIEVANCES

The E-mail ID **rnt.helpdesk@linkintime.co.in** has been designated exclusively for communicating investors' grievances, if any.

MARKET PRICE DATA

The market price data covering the year April 2021 to March 2022 is given below: -

MONTH	BSE				NSE			
	High (₹)	Date	Low (₹)	Date	High (₹)	Date	Low (₹)	Date
Apr - 2021	1106.35	22.04.21	1007.05	05.04.21	1106.90	22.04.21	1007.25	05.04.21
May - 2021	1246.30	11.05.21	1050.00	04.05.21	1246.80	11.05.21	1049.50	04.05.21
Jun - 2021	1267.50	02.06.21	1131.50	24.06.21	1267.65	02.06.21	1131.35	24.06.21
Jul - 2021	1193.00	20.07.21	1078.00	29.07.21	1191.55	20.07.21	1077.55	29.07.21
Aug - 2021	1159.95	04.08.21	915.00	23.08.21	1159.30	05.08.21	914.95	23.08.21
Sep - 2021	995.00	15.09.21	913.00	20.09.21	995.00	15.09.21	912.00	20.09.21
Oct - 2021	979.25	13.10.21	877.70	28.10.21	979.90	13.10.21	878.00	28.10.21
Nov - 2021	959.55	15.11.21	863.55	23.11.21	959.90	15.11.21	863.15	23.11.21
Dec - 2021	972.50	14.12.21	854.00	20.12.21	972.40	14.12.21	853.50	07.12.21
Jan - 2022	971.30	13.01.22	882.00	27.01.22	971.45	13.01.22	881.95	27.01.22
Feb - 2022	922.50	01.02.22	691.70	21.02.22	923.30	01.02.22	711.00	24.02.22
Mar - 2022	782.00	25.03.22	678.65	07.03.22	779.05	25.03.22	678.80	07.03.22

DEMATERIALISATION OF SHARES AND LIQUIDITY

Trading in shares of the Company is permitted only in dematerialised form. Trading can be carried out through both the depositories, CDSL and NSDL. With a view to expedite the demat process, requests received for dematerialisation of shares are closely monitored.

Shareholders are advised to dematerialise shares held in physical form as also update details of their bank account, e-mail IDs etc. to ensure prompt disbursement of dividend amount and speedier assimilation of Company information.

During the year, demat requests received in respect of 63752 shares were electronically confirmed. As on March 31, 2022, 99.80% of the share capital of the Company was held in dematerialised form.

Shares of the Company are actively traded on BSE and NSE. Trading data for the year was as under: -

(Value in million ₹)

Month	BSE		NSE		Total	
	Shares	Value	Shares	Value	Shares	Value
Apr - 2021	2667955	2825.16	42919782	45607.04	45587737	48432.20
May - 2021	4408224	5245.04	85288097	101220.37	89696321	106465.41
Jun - 2021	2638093	3157.14	33939655	40924.23	36577748	44081.37
Jul - 2021	1887941	2180.47	21501168	24628.25	23389109	26808.72
Aug - 2021	4157180	4154.93	52518816	52476.63	56675996	56631.56
Sep - 2021	3145296	3049.62	33736139	32244.54	36881435	35294.16
Oct - 2021	2173449	2046.58	32152554	30151.00	34326003	32197.58
Nov - 2021	1050830	962.25	18802340	17210.51	19853170	18172.76
Dec - 2021	1599118	1458.02	34659767	31618.65	36258885	33076.67
Jan - 2022	1242412	1160.80	21796587	20284.90	23038999	21445.70
Feb - 2022	1550830	1243.77	42678066	34417.09	44228896	35660.86
Mar - 2022	1386713	1028.00	28876429	21490.34	30263142	22518.34
Total:	**27908041**	**28511.78**	**448869400**	**452273.55**	**476777441**	**480785.33**

PERFORMANCE IN COMPARISON WITH BROAD BASED INDICES

Share price of the Company compared with S&P BSE Sensex and Nifty 50 (Month-end closing) during the year was as under: -

MONTH	BSE		NSE	
	Lupin share price (₹)	S&P BSE Sensex	Lupin share price (₹)	Nifty 50
Apr - 2021	1069.75	48782.36	1069.50	14631.10
May - 2021	1219.10	51937.44	1219.50	15582.80
Jun - 2021	1149.25	52482.71	1149.10	15721.50
Jul - 2021	1107.15	52586.84	1107.40	15763.05
Aug - 2021	957.75	57552.39	957.85	17132.20
Sep - 2021	951.05	59126.36	951.60	17618.15
Oct - 2021	923.80	59306.93	922.90	17671.65
Nov - 2021	885.85	57064.87	884.40	16983.20
Dec - 2021	951.25	58253.82	950.75	17354.05
Jan - 2022	908.35	58014.17	908.10	17339.85
Feb - 2022	745.70	56247.28	745.85	16793.90
Mar - 2022	746.05	58568.51	747.05	17464.75

EVOLUTION OF SHARE CAPITAL

Particulars of 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) 40152494 shares as bonus (in the ratio of 1:1) 39576 shares under ESOP (Post - Bonus)	40203430	803445640
2007 - 08	1656100 shares upon conversion of FCCB 80231 shares under ESOP	1736331	820808950
2008 - 09	571069 shares upon conversion of FCCB 167586 shares under ESOP	738655	828195500
2009 - 10	5816742 shares upon conversion of FCCB 307541 shares under ESOP	6124283	889438330
2010 - 11	170691 shares under ESOP (Pre Sub-division) **Allotment of shares (of the face value of ₹ 2/- each)** 628569 shares under ESOP (Post Sub-division)	1482024	892402378
2011 - 12	440492 shares under ESOP	440492	893283362
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
2016 - 17	993900 shares under ESOP	993900	903153738
2017 - 18	505981 shares under ESOP	505981	904165700
2018 - 19	410847 shares under ESOP	410847	904987394
2019 - 20	504424 shares under ESOP	504424	905996242
2020 - 21	682012 shares under ESOP	682012	907360266
2021 - 22	794881 shares under ESOP	794881	908950028

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

SHARE TRANSFER SYSTEM

Shares of the Company are traded only in dematerialised form and are transferable through the depository system. Transfer of shares held in physical form are approved by Link Intime and confirmed at meetings of the Board of Directors of the Company.

As mandated by Regulation 40(9) of the Listing Regulations, a Company Secretary in practice undertakes yearly audit of share transfer related activities and the compliance certificate is submitted to BSE and NSE.

SHARE ALLOTMENT COMMITTEE

Share Allotment Committee comprises Mrs. Manju D. Gupta, *Chairman*, Dr. Kamal K. Sharma and Mr. Nilesh D. Gupta. The Committee approves allotment of fully paid-up equity shares of ₹ 2/- each to employees of the Company and its subsidiaries, upon exercising vested options granted under various employees stock option plans of the Company. The Committee met 12 times during the year and approved allotment of shares aggregating 794881. Persons authorised by the Committee complete the pre and post allotment formalities including listing of allotted shares on BSE and NSE.

UNCLAIMED SHARES

As on April 1, 2021, 800 shares of six shareholders were outstanding as unclaimed in the 'Unclaimed Suspense Account' of the Company.

During the year, no share was transferrable to the Investor Education and Protection Fund (IEPF) authority pursuant to the provisions of Section 124(6) of the Act.

As on March 31, 2022, 800 shares of the six shareholders, continued to remain outstanding in the Unclaimed Suspense Account, voting rights in respect of which, shall remain frozen till claims of the rightful shareholders are approved by the Company.

SHAREHOLDING PROFILE AS ON MARCH 31, 2022

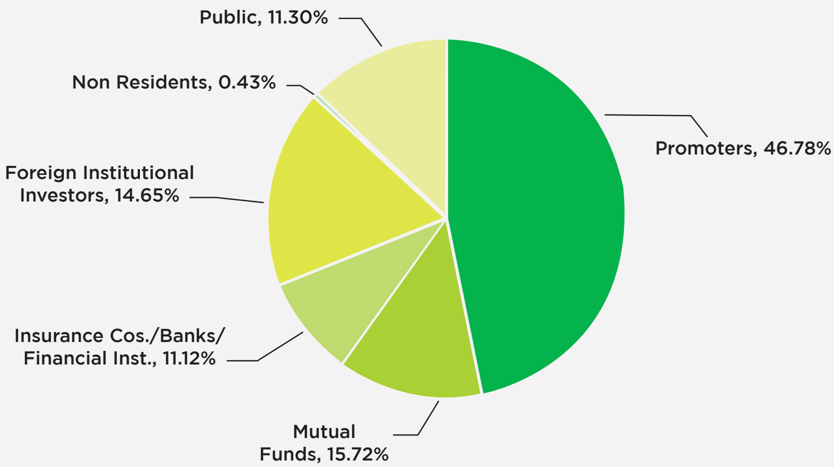
i. Distribution of Shareholding

Shareholding range (No. of shares)	Shareholders		Shareholding	
	Numbers	%	Numbers	%
1 - 500	375257	96.66	19133653	4.21
501 - 1000	6526	1.68	4916941	1.08
1001 - 2000	3928	1.01	5341023	1.18
2001 - 3000	816	0.21	2040766	0.45
3001 - 4000	320	0.08	1132503	0.25
4001 - 5000	214	0.06	992404	0.22
5001 - 10000	396	0.10	2837507	0.62
10001 and above	764	0.20	418080217	91.99
Total:	**388221**	**100.00**	**454475014**	**100.00**

ii. Shareholding Pattern

Category	As on 31.03.2022		As on 31.03.2021	
	No. of shares	%	No. of shares	%
Promoters	212605094	46.78	212597654	46.86
Mutual Funds	71429918	15.72	59216888	13.05
Insurance Cos./Banks/Financial Institutions	50530878	11.12	40963188	9.03
Foreign Institutional Investors (FIIs)	66596009	14.65	81080604	17.87
Foreign Bodies	5000	0.00	5000	0.00
Non Residents	1969007	0.43	1844766	0.41
Public	51339108	11.30	57972033	12.78
Total:	**454475014**	**100.00**	**453680133**	**100.00**

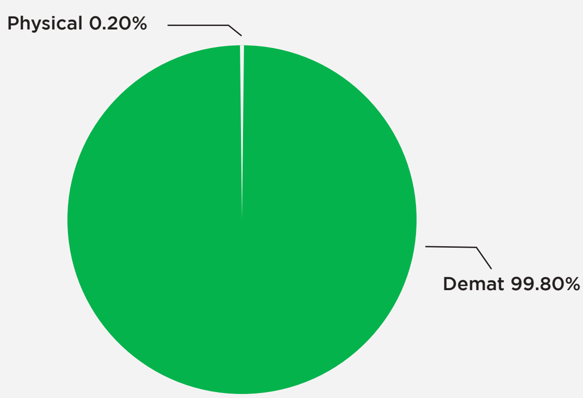
Shareholding Pattern as on March 31, 2022



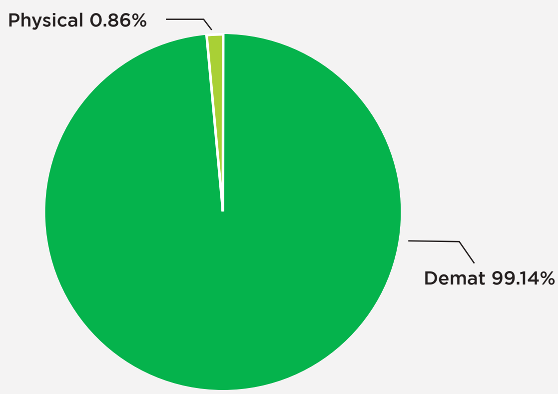
iii. Shareholding Profile

	Demat		Physical		Total
	(Nos.)	%	(Nos.)	%	(Nos.)
Shareholding	453562018	99.80	912996	0.20	454475014
Shareholders	384878	99.14	3343	0.86	388221

Shareholding



Shareholders



iv. Geographical spread of Shareholders

State	Shareholders		State	Shareholders	
	Nos.	%		Nos.	%
Andhra Pradesh	18387	4.74	Madhya Pradesh	13024	3.35
Assam	2238	0.58	Maharashtra	118009	30.40
Bihar	3931	1.01	North Eastern States	875	0.22
Chhattisgarh	2053	0.53	Orissa	4591	1.18
Delhi	22936	5.91	Punjab	7112	1.83
Goa	2026	0.52	Rajasthan	15525	4.00
Gujarat	41103	10.59	Tamil Nadu	21718	5.59
Haryana	10468	2.70	Telangana	1862	0.48
Himachal Pradesh	1209	0.31	Uttarakhand	9024	2.32
Jammu and Kashmir	1011	0.26	Uttar Pradesh	19587	5.05
Jharkhand	7760	2.00	West Bengal	24092	6.21
Karnataka	26739	6.89	Others	3350	0.86
Kerala	9591	2.47	**Total:**	**388221**	**100.00**

DIVIDEND PROFILE

Particulars of dividend declared by the Company: -

Financial year	Book closure/ Record date	Dividend %	Dividend per share (₹)	Date of declaration	Date of payment
2021 - 22	15.07.2022	200	4.00	03.08.2022	05.08.2022
2020 - 21	28.07.2021	325	6.50	11.08.2021	17.08.2021
2019 - 20	05.08.20 - 12.08.20	300	6.00	12.08.2020	18.08.2020
2018 - 19	31.07.19 - 07.08.19	250	5.00	07.08.2019	13.08.2019
2017 - 18	01.08.18 - 08.08.18	250	5.00	08.08.2018	13.08.2018
2016 - 17	26.07.17 - 02.08.17	375	7.50	02.08.2017	05.08.2017
2015 - 16	27.07.16 - 03.08.16	375	7.50	03.08.2016	06.08.2016
2014 - 15	16.07.15 - 23.07.15	375	7.50	23.07.2015	27.07.2015
2013 - 14 (Final)	23.07.14 - 30.07.14	150	3.00	30.07.2014	31.07.2014
2013 - 14 (Interim)	14.02.14	150	3.00	03.02.2014	21.02.2014
2012 - 13	31.07.13 - 07.08.13	200	4.00	07.08.2013	08.08.2013
2011 - 12	17.07.12 - 24.07.12	160	3.20	24.07.2012	25.07.2012
2010 - 11	20.07.11 - 27.07.11	150	3.00	27.07.2011	28.07.2011
2009 - 10	21.07.10 - 28.07.10	135	13.50	28.07.2010	29.07.2010
2008 - 09	22.07.09 - 29.07.09	125	12.50	29.07.2009	30.07.2009
2007 - 08	15.07.08 - 22.07.08	100	10.00	22.07.2008	23.07.2008
2006 - 07	12.07.07 - 19.07.07	50	5.00	19.07.2007	20.07.2007
2005 - 06	11.07.06 - 12.07.06	65	6.50	25.07.2006	26.07.2006
2004 - 05	19.07.05 - 20.07.05	65	6.50	28.07.2005	29.07.2005
2003 - 04	15.07.04 - 16.07.04	65	6.50	29.07.2004	30.07.2004
2002 - 03	17.07.03 - 18.07.03	50	5.00	06.08.2003	07.08.2003
2001 - 02 (Final)	20.08.02 - 21.08.02	25	2.50	02.09.2002	03.09.2002
2001 - 02 (Interim)	07.02.02	25	2.50	17.01.2002	15.02.2002

Notes: 1. Dividend for financial year 2006-07 onwards was on the enhanced share capital, consequent to the bonus issue in the ratio of 1:1.

2. Effective August 31, 2010, the face value of the share was reduced from ₹ 10/- each to ₹ 2/- each.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Code of Conduct adopted by the Company, as prescribed by SEBI (Prohibition of Insider Trading) Regulations, 2015, (Regulations), is designed to maintain the highest ethical standards. The Code is applicable to Designated Persons and their immediate relatives. It elaborately prescribes the procedures to be followed while dealing in shares of the Company. They are prohibited from dealing in shares of the Company during the period in which trading window is closed in compliance with the Regulations. To ensure easy access and increased awareness, the Code has been disseminated through the Company's intranet.

As envisaged by the Regulations, the Company has adopted 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information', which has been hosted on the Company's website. Designated Persons are restricted in dealing with the shares of the Company while in the possession of any unpublished price sensitive information.

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT

With a view to reconcile the total admitted capital with NSDL, CDSL and those held in physical form, with the total issued, paid-up and listed capital of the Company, as mandated by Clause 76(1) of SEBI (Depositories and Participants) Regulations, 2018, an audit of the share capital of the Company is conducted by a practising Company Secretary for each calendar quarter.

The Reconciliation of Share Capital Audit Report of the practising Company Secretary, inter-alia, confirms that the Register of Members is duly updated and that demat/remat requests were duly confirmed to the depositories within the stipulated time. The Report also covers details of changes in the share capital during each quarter. The Report is disseminated on BSE and NSE and is also placed at meetings of the Board of Directors and the Stakeholders' Relationship Committee of the Company.

UNCLAIMED DIVIDENDS

Pursuant to the provisions of Section 124(6) of the Act read with Rule 6 of the Investor Education & Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, dividends declared by the Company up to the financial year 2013-14, which remained unclaimed/unpaid were transferred to the IEPF authority, as and when the same were due.

The Company sends reminders to its esteemed shareholders requesting them to claim their unclaimed/unpaid dividends before transferring the same to IEPF authority. Unclaimed/unpaid dividends for the financial years 2014-15 onwards will be transferred to the IEPF authority, as under: -

Financial Year	Date of Declaration	Due date for transfer to IEPF
2014 - 15	23.07.2015	28.08.2022
2015 - 16	03.08.2016	08.09.2023
2016 - 17	02.08.2017	07.09.2024
2017 - 18	08.08.2018	13.09.2025
2018 - 19	07.08.2019	12.09.2026
2019 - 20	12.08.2020	17.09.2027
2020 - 21	11.08.2021	16.09.2028

Shareholders are advised to check their records and claim dividend before the due date of transfer to the IEPF authority, if not already encashed.

OUTSTANDING GDRs/ADRs/WARRANTS/ CONVERTIBLE INSTRUMENTS

Stock options have been granted by the Company to its employees and those of its subsidiaries under various employee stock option plans. In compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as also in terms and conditions of the respective plans, the Company allots shares from time to time, upon the employees exercising their vested options. The Company has not issued any GDR/ADR and that no warrants and convertible instruments are outstanding.

PLANT LOCATIONS

The Company's plants are located at: -

i)	T-142, MIDC Industrial Estate, Tarapur Industrial Area, Boisar, Dist. Thane, Maharashtra - 401 506.
ii)	198-202, New Industrial Area II, Mandideep, Dist. Raisen, Madhya Pradesh - 462 046.
iii)	124, GIDC Industrial Estate, Ankleshwar, Gujarat - 393 002.
iv)	A-28/1, MIDC Area, Chikalthana, Aurangabad, Maharashtra - 431 001.
v)	B-15, Phase I-A, Verna Industrial Area, Verna, Salcette, Goa - 403 722.
vi)	EPIP, SIDCO Industrial Complex, Bari Brahmana, Jammu - 181 133.
vii)	Gat No. 1156, Village Ghotawade, Taluka Mulshi, Dist. Pune, Maharashtra - 411 042.
viii)	Block 21, Dabhasa, Padra Taluka, Vadodara, Gujarat - 391 440.
ix)	Plots Nos. M-1, M-2, M-2A and M-3-A, Special Economic Zone, Phase - II, Misc. Zone, Apparel Park, Pithampur, Dist. Dhar, Madhya Pradesh - 454 775.
x)	Plot 6A1, 6A2 and 6B, Sector-17, Special Economic Zone, Mihan Notified Area, Nagpur, Maharashtra - 441 108.
xi)	Plot #130, Road #11, J. N. Pharma City Parwada, Visakhapatnam, Andhra Pradesh - 531 019.
xii)	4th Mile, Bhasmey, Karmarey-Bhasmey Block, Duga Ilaka, Dist- Pakyong, Sikkim - 737 132
xiii)	Novel Laboratories Inc., 400, Campus Drive, Somerset, New Jersey - 00873 - 1145, USA.
xiv)	Laboratorios Grin S.A. de C.V., Rodriguez Saro#630, Col Del Valle, Mexico DF, CP 03100, RFC LGR8309144M3.
xv)	Medquimica Industria Farmaceutica LTDA, RUA FERNANDO LAMARCA, 255 - Bairro Distrito Industrial Juiz de Fora, Minas Gerais, CEP 36092-030, Brazil.

ADDRESS FOR CORRESPONDENCE

Members may address their queries/communications to: -

Registrar and Share Transfer Agent
Link Intime India Pvt. Ltd.
Unit: Lupin Limited
C 101, 247 Park, LBS Marg,
Vikhroli (West), Mumbai - 400 083.
Tel: (022) - 4918 6270, Toll Free No. 1800 1020 878
E-mail: rnt.helpdesk@linkintime.co.in

For and on behalf of the Board of Directors

Nilesh D. Gupta
Managing Director
(DIN: 01734642)

Mumbai, May 18, 2022

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

We, Mr. Nilesh D. Gupta, Managing Director and Mr. Ramesh Swaminathan, Executive Director, Global CFO & Head of Corporate Affairs, 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, 2022 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; and
- **(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 D. Gupta
Managing Director
(DIN: 01734642)

For LUPIN LIMITED

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

Mumbai, May 18, 2022

DECLARATION FOR COMPLIANCE WITH THE CODES OF CONDUCT

I hereby declare that all the Directors and the Senior Management of the Company have affirmed compliance with the Codes of Conduct as applicable to them for the year ended March 31, 2022.

For LUPIN LIMITED

Nilesh D. Gupta
Managing Director
(DIN: 01734642)

Mumbai, May 18, 2022

INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Members of
Lupin Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 15 September 2021 with addendum to our Engagement letter dated 17 May 2022.
2. This report contains details of compliance of conditions of corporate governance by Lupin Limited ('the Company') for the year ended 31 March 2022, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2022.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. 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.

Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP
Chartered Accountants

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

Venkataramanan Vishwanath

Partner
Membership No: 113156

Bengaluru, May 18, 2022

ICAI UDIN: 22113156AJESFI9507

Business Responsibility & Sustainability Report (BRSR)

SECTION A: GENERAL DISCLOSURES

1. Details of the listed entity

Corporate Identity Number (CIN) of the Listed Entity	L24100MH1983PLC029442
Name of the Listed Entity	Lupin Limited
Year of incorporation	1983
Registered office address	Kalpataru Inspire, 3rd Floor, Off Western Express Highway, Santacruz (East), Mumbai - 400 055. India
Corporate address	Kalpataru Inspire, 3rd Floor, Off Western Express Highway, Santacruz (East), Mumbai - 400 055. India
E-mail	hosecretarial@lupin.com
Telephone	+ 91 22 6640 2323
Website	www.lupin.com
Financial year for which reporting is being done	FY 2021-22
Name of the Stock Exchange(s) where shares are listed	BSE, NSE
Paid-up Capital	INR 909.0 Mn
Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ramesh Swaminathan, Executive Director, Global CFO & Head – Corporate Affairs + 91 22 6640 2323 hosecretarial@lupin.com
Reporting Boundary	Standalone

2. Products/services

Details of business activities (accounting for 90% of the turnover):

S. no.	Description of main activity	Description of business activity	% of turnover of the entity (FY22)
1	Manufacture of Pharmaceuticals	Manufacturing and sales of Pharmaceuticals	90.82

3. Products/Services sold by the entity *(accounting for 90% of the entity's Turnover):*

S. no.	Product/Service	NIC Code	% of total turnover contributed
1	Manufacture of Pharmaceuticals	210 Medical and Healthcare	100

4. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	12	18	30
International	NA[64]	3	3

5. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28 and 8 Union territories
International (No. of Countries)	65

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Over 45.5% of the Company's total revenue (standalone) can be attributed to its earnings from exports.

c. A brief on types of customers

Our customers are key stakeholders in our operations. We have an extensive customer base and reach in the generics and the OTC drug markets. The company's medicines cater to several health segments, including cardiology, respiratory, gynaecology and gastrointestinal benefitting a diverse our range of patients. Health Care Providers (HCPs) and Government Institutions to whom we sell our products are also our critical customer groups.

[64] There are 3 International Plants owned by Lupin Subsidiaries. However, as the reporting boundary is standalone, this number has not been included in the BRSR

6. Employees (India)

Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
			EMPLOYEES			
1.	Permanent (D)	18,325	17,269	94.23	1,056	5.76
2.	Other than Permanent (E)	6,432	NA	NA	NA	NA
3.	Total employees (D+E)	**24,757**	**17,269**	**94.23**	**1,056**	**5.76**
			WORKERS			
4.	Permanent (F)	1,128	1,116	98.9	12	1.1
5.	Other than Permanent (G)	NA	NA	NA	NA	NA
6.	**Total workers (F+G)**	**1,128**	**1,116**	**98.9**	**12**	**1.1**
7.	**Total Permanent Workforce**	**19,453**				

b. Differently-abled Employees and workers

Being a diverse and inclusive organization is critical to the success of our operations. All efforts are made to ensure that we provide an inclusive working environment and are able to attract and retain diverse talent. We are proud to identify ourselves as 'Equal Opportunity Employer'. Our workforce comprises of individuals with diverse skill sets, varied backgrounds and abilities. We employ differently-abled people at our offices and plants in roles suitable for them.

7. Participation/Inclusion/Representation of women[65]

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	10	4	40
Key Management Personnel	4	1	25

8. Turnover rate for permanent employees and workers

Category	India
Number of Employees at the beginning of FY22	18,925
Number of Employees at the end of FY22	19,453
Average number of Employees	19,189
Number of Employees left	3,389
Number of New Employees Hired	3,917
Turnover Rate	17.7%

9. Holding, Subsidiary and Associate Companies (including joint ventures)

(a) Names of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the holding/subsidiary/ associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/Associate/Joint Venture	% of shareholding
1.	Lupin Inc., USA	Subsidiary	100%
2.	Lupin Pharmaceuticals, Inc., USA	Subsidiary	100%
3.	Pharma Dynamics (Proprietary) Limited, South Africa	Subsidiary	100%
4.	Hormosan Pharma GmbH, Germany	Subsidiary	100%
5.	Multicare Pharmaceuticals Philippines, Inc., Philippines	Subsidiary	51%
6.	Generic Health Pty Limited, Australia	Subsidiary	100%
7.	Nanomi B.V., Netherlands	Subsidiary	100%
8.	Lupin Atlantis Holdings SA, Switzerland	Subsidiary	100%

[65] 3 KMPs are also part of the Board of Directors.

S. No.	Name of the holding/subsidiary/ associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/Associate/Joint Venture	% of shares held by listed entity
9.	Lupin Healthcare (UK) Limited, UK	Subsidiary	100%
10.	Lupin Australia Pty Limited, Australia	Subsidiary	100%
11.	Lupin Pharma Canada Limited, Canada	Subsidiary	100%
12.	Lupin Mexico S.A. de C.V., Mexico	Subsidiary	100%
13.	Bellwether Pharma Pty Limited, Australia	Subsidiary	100%
14.	Lupin Philippines Inc., Philippines	Subsidiary	100%
15.	Lupin Healthcare Limited, India	Subsidiary	100%
16.	Generic Health SDN. BHD., Malaysia	Subsidiary	100%
17.	Laboratoris Grin S.A. de C.V., Mexico	Subsidiary	100%
18.	Medquimica Industria Farmaceutica LTDA, Brazil	Subsidiary	100%
19.	Novel Laboratories, Inc., USA	Subsidiary	100%
20.	Lupin Research Inc., USA	Subsidiary	100%
21.	Avenue Coral Springs, LLC, USA	Subsidiary	100%
22.	Lupin Management, Inc., USA	Subsidiary	100%
23.	Lupin Europe GmbH, Germany	Subsidiary	100%
24.	Lupin Biologics Limited, India	Subsidiary	100%
25.	Lupin Oncology Inc., USA	Subsidiary	99.3%
26.	Lupin Digital Health Limited, India	Subsidiary	100%
27.	Southern Cross Pharma Pty Limited, Australia	Subsidiary	100%
28.	YL Biologics Limited, Japan	Joint Venture	45%
29.	Lupin Foundation, India	Subsidiary	100%

10. CSR Details

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover - INR 117,716.7 Mn

(iii) Net worth - INR 181,501.4 Mn

11. Transparency and Disclosures Compliances

Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Lupin stakeholders include our communities, investors, customers, employees, channel partners/franchises, regulators, and research analyst. A strong whistle-blower policy and non-retaliation clause is available to all our stakeholders. Our whistle-blower policy is available at https://www.lupin.com/pdf/Whistleblower-Policy.pdf. For details on investor complaints, refer to the 'Investor contacts' on our website

12. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Please refer to the chapter "Our Materiality Assessment-FY22" on page 22

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

S. No.	Principle Description	Reference of LUPIN Policies
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.	Refer to our Code of Conduct web page https://www.lupin.com/investors/code-of-conduct/
P2	Businesses should provide goods and services in a manner that is sustainable and safe	Refer to Third party Code of Conduct on https://www.lupin.com/investors/policies/
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains	Refer to the EHS&S Policy on https://www.lupin.com/investors/policies/
P4	Businesses should respect the interests of and be responsive to all its stakeholders	Refer to Whistleblower policy on https://www.lupin.com/investors/policies/
P5	Businesses should respect and promote human rights	Refer to the Human Rights Policy on https://www.lupin.com/investors/policies/
P6	Businesses should respect and make efforts to protect and restore the environment	Refer to the Corporate Social Responsibility Policy on https://www.lupin.com/investors/policies/
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	Details of our interaction with industry associations have been provided in Principle 7
P8	Businesses should promote inclusive growth and equitable development	Refer to the Human Rights Policy on https://www.lupin.com/investors/policies/
P9	Businesses should engage with and provide value to their consumers in a responsible manner	The safety of all our products is managed and monitored using strong systems and processes by the Pharmacovigilance function. We have also launched a Global Quality Action Plan to ensure that the highest standards of product safety and quality are adhered to within our operations. Additionally, our team tracks and addresses customer grievances brought forth by stakeholders such as regulators and customers.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available**	P1 – P9 - Lupin Code of Conduct on https://www.lupin.com/investors/code-of-conduct/ P1 - Whistleblower Policy on https://www.lupin.com/investors/policies/ P2 – Refer to Third Party Code of Conduct https://www.lupin.com/investors/policies/ P3 – P5 – Refer to Human Rights Policy https://www.lupin.com/investors/policies/ P4 – Refer to Corporate Social Responsibility Policy https://www.lupin.com/investors/policies/ P7 – P8 – Refer to Corporate Social Responsibility Policy https://www.lupin.com/investors/policies/ P9 – Refer to EHS&S Policy https://www.lupin.com/investors/policies/								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y

3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Refer to Third Party Code of Conduct https://www.lupin.com/investors/policies/								

4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle.

The following certifications have been received by the company:

1. Information Security System (ISO 27001:2013)
2. ISO 8 Class 100,000 Cleanrooms Standards
3. Good Manufacturing Practice (GMP) compliance across facilities
4. Several facilities have received US FDA, UK MHRA, WHO and Japanese PDMA accreditations
5. Our Goa facility received clearance from the US FDA in FY22

5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Environmental targets: • Project Plan for Rooftop Installation by FY23: • Nagpur: 1500 KW • Ankleshwar: 400 KW • Scope 1 and 2 emissions reduction by 2030: 15% • 50% of the total water withdrawn in Indian sites to be recycled and reused in own operations by 2025 • 60% of total hazardous waste generated in operations in India to be sent for co-processing to cement plants Supply chain targets: • Implementation of Lupin's Third-Party Code of Conduct for all suppliers and vendors by 2022 • Undertaking detailed ESG audits of 100% of our Tier 1 and Tier 2 suppliers by 2025 • Incorporation of ESG aspects in the evaluation criteria for onboarding all new vendors by 2025 Social targets • Diversity target: 15% women employees across all business units by 2027 • CSR target: Plant 1,600,000 trees by 2025 • 10% year on year reduction in the Lost Time Injury Frequency Rate (LTIFR), Severity Rate, Accident Frequency Rate, and Incident Frequency Rate, taking FY20 as the base year
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Our performance across various environmental and social parameters have been mentioned in the Natural Capital, Human Capital and Social Capital chapters of the IR
Governance, leadership and oversight	

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

"Lupin is committed to make the business sustainable and socially responsible. The Company's ESG targets are outlined on page 55, 85-86, 91, 102 and 111-113. We are partnering with some of our stakeholders to shape solutions for sustainable future."

Ramesh Swaminathan,
Executive Director, Global CFO & Head – Corporate Affairs

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies	Ramesh Swaminathan, Executive Director, Global CFO & Head – Corporate Affairs
9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes. The ESG Core Committee is responsible for decision-making on sustainability related issues. It is chaired by the CFO of the Company and meets once a month to discuss progress and actions on ESG initiatives, targets and implementation.

10. Details of Review of NGRBCs by the Company:

<table>
<tr><th>Subject for Review</th><th colspan="9">Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee</th><th colspan="9">Frequency (Annually/Half yearly/Quarterly/ Any other – please specify)</th></tr>
<tr><td></td><td>P 1</td><td>P 2</td><td>P 3</td><td>P 4</td><td>P 5</td><td>P 6</td><td>P 7</td><td>P 8</td><td>P 9</td><td>P 1</td><td>P 2</td><td>P 3</td><td>P 4</td><td>P 5</td><td>P 6</td><td>P 7</td><td>P 8</td><td>P 9</td></tr>
<tr><td>Performance against above policies and follow up action</td><td colspan="18">The ESG Core Committee at Lupin and the Board reviews the Company's performance across all aspects of the nine principles of the NGRBC periodically. Certain targets have also been taken on the environmental and social aspects of our business, which is further elaborated upon in the IR section of this report.</td></tr>
<tr><td>Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances</td><td colspan="18">Lupin strives to maintain the highest degree of conformance and compliance with the laws of the land in all locations of our operations. Any statutes and legislation pertaining to the nine principles of the NGRBC are complied with.

We have been publishing our Business Responsibility Report annually and starting this year, we have voluntarily adopted the BRSR mandate to disclose our performance on the nine principles of the BRSR.</td></tr>
</table>

<table>
<tr><td rowspan="3">11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.</td><td>P</td><td>P</td><td>P</td><td>P</td><td>P</td><td>P</td><td>P</td><td>P</td><td>P</td></tr>
<tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td><td>8</td><td>9</td></tr>
<tr><td colspan="9">No.</td></tr>
</table>

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated: NA

<table>
<tr><th rowspan="2">Questions</th><th>P</th><th>P</th><th>P</th><th>P</th><th>P</th><th>P</th><th>P</th><th>P</th><th>P</th></tr>
<tr><th>1</th><th>2</th><th>3</th><th>4</th><th>5</th><th>6</th><th>7</th><th>8</th><th>9</th></tr>
<tr><td>The entity does not consider the principles material to its business (Yes/No)</td><td colspan="9">The entity has conducted a materiality assessment to identify the ESG issues relevant to the business and we have defined our management approach for each of these. Please refer to the chapter "Our Materiality Assessment-FY 22" on page 22</td></tr>
</table>

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

Principle 1 :

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principlescovered under the training and its impact	%age of persons in respective category covered by the awareness Programmes
Board of Directors	This data has not been recorded for FY22. Efforts are underway to record and report this data from the next financial year.		
Key Managerial Personnel			
Employees other than BoD and KMPs			
Workers			

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 3 - of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary

	NGRBC Principle	Name of the regulatory/ Enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	Nil				
Settlement					
Compounding fee					

Non-Monetary

	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil			
Punishment				

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
N.A.	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Corporate Governance has been an integral part of the Company's rich legacy which goes beyond mere legal compliances. The Codes of Conduct for Directors, Independent Directors and Senior Management Personnel, adopted by the Company, have been hosted on the website of the Company (www.lupin.com). The Company encourages and promotes a culture of intensive deliberations, transparency and impartiality in its dealings with stakeholders and the public at large. As a testament of its robust corporate governance practices, the Company enforces Code of Business Conduct and Ethics (CODE) and empowers employees to report concerns on actual or suspected violations of the CODE. Employees are at liberty to raise their concerns without any fear of retaliation or retribution and even report their concerns anonymously. The Company adheres to uncompromising integrity in conduct of business and does not tolerate corrupt and immoral practices. Company's operations are guided by strong control systems which are reviewed by both internal and external auditors at regular intervals.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption.

	FY22 Current Financial Year	FY21 Previous Financial Year
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

	FY22 Current Financial Year		FY21 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not applicable

Principle 2 :
Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

<table>
<tr><th></th><th>FY22</th><th>Details of improvements in environmental and social impacts</th></tr>
<tr><td>R&D</td><td colspan="2">Percentage of R&D investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D will be made available from FY 2023 -

-</td></tr>
<tr><td>Capex</td><td>3.88%
<table><tr><th>CAPEX initiative Details</th><th>Investment (INR Mn)</th></tr><tr><td>Automation projects – all projects which lead to process improvement</td><td>83.0</td></tr><tr><td>Digitization projects – initiatives such as Electronic batch records and Labware LIMS</td><td>46.4</td></tr><tr><td>Environmental projects – installation of solar rooftops at various sites, air and water pollution control equipment and energy saving technologies</td><td>137.2</td></tr></table></td><td></td></tr>
</table>

Note: Percentage of Capex investments in specific technologies to improve the environmental and social impacts of product and processes to total capex investments has been made available from FY22

2. Does the entity have procedures in place for sustainable sourcing? (Yes/No) b. If yes, what percentage of inputs were sourced sustainably?

Yes, suppliers are classified into categories — Strategic, Critical, Leverage and Routine — to improve our relationship with them and minimize the supply risk. We also ensure that periodic evaluations are undertaken for each of the categories:

- Strategic and Critical suppliers are evaluated on a quarterly basis
- Leverage suppliers are evaluated on a half-yearly basis
- Routine suppliers are evaluated on a yearly basis

In FY21, we established a target of implementing a Supplier Code of Conduct (CoC) for all our suppliers and vendors by 2022. This year, we are proud to state that we achieved this by developing our own Third-Party Code of Code which is applicable to the following stakeholders:

- Supplier
- Vendors
- Distributors
- Wholesalers
- Agents
- Technology Partners
- Contract Manufacturing Organizations (CMO's)
- Contract Research Organizations (CRO's)

The CoC covers aspects such as labour rights, anti-bribery and corruption, health and safety, environment, ethics, data privacy, confidentiality, and information protection.

For more details, please refer to our website: https://www.lupin.com/wp-content/uploads/2022/05/third-party-coc.pdf

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste

- Post-consumer plastic waste is collected and sent for recycling or co-processing. This is being done through authorised third parties.
- We disposed our e-wastes as per in country/local regulations.
- Hazardous wastes are being disposed as per the Hazardous Wastes Management Rules.
- The other wastes are disposed as per the local regulatory bodies and the regulations.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, as part of our Extended Producer Responsibility obligations around post-consumer plastic waste management, we are recovering an equivalent quantity of the post-consumer plastic waste generated from our products in India and the plastic waste is being channelized to create recycled products or being utilised as an alternate energy source. Further, we have eliminated patient information leaflets from our products by digitising them. In addition to reducing costs, this has also reduced paper consumption and waste.

5. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed off:

As part of our Extended Producer Responsibility obligations around post-consumer plastic waste management, we are recovering an equivalent quantity of the post-consumer plastic waste generated from our products in India and the plastic waste is being channelized to create recycled products or being utilized as an alternate energy source. Further, we have eliminated patient information leaflets from our products by digitizing them. In addition to reducing costs, this has also reduced paper consumption and waste.

6. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Nil	Not applicable in any category

Principle 3 :

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees.

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	17,269	17,155	99.3	17,198	99.5	NA	NA	14,191	82.2%	-	-
Female	1056	994	94.1	991	93.8	1,056	100	NA	NA	-	-
Total	18,325	18,149	-	18,819	-	1,056	-	14,191	-	-	-
Other than Permanent employees											
Male	Other than Permanent Employees data has not been recorded in a gender disaggregated manner for FY22. This will be made available from FY23.										
Female											
Total	6432										

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	1,116	This data will be made available from FY 2023.		872	78.1	-	-	461	83.1	-	-
Female	12			11	91.7	12	100	-	-	-	-
Total	1,128			883	-	12	-	431	-	-	-
Other than Permanent workers											
Male	NA										
Female											
Total											

2. Details of retirement benefits.

Benefits	FY22			FY21		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	11	39	Y	12	34	Y
Others (Superannuation)	4	0	Y	3	0	Y
Others (NPS)	3	0	Y	2	0	Y

3. Accessibility of workplaces

Please refer to page number 97 withing the “Diversity and Inclusion” sub section under the “Human Capital Chapter”.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Please refer to page number 97 withing the “Diversity and Inclusion” subsection under the “Human Capital Chapter”.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

	Permanent employees		Permanent workers	
Gender	**Return to work rate**	**Retention rate**	**Return to work rate**	**Retention rate**
Male	100%	89%	100%	94%
Female	100%	95%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Please refer to page number 104 within the “Grievance Redressal” under the “Influencing Culture” sub-section of the Human Capital” chapter.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY22			FY21		
	Total employees/ workers in respective category (A)	**No. of employees/ workers in respective category, who are part of association(s) or Union (B)**	**% (B/A)**	**Total employees/ workers in respective category (C)**	**No. of employees/ workers in respective category, who are part of association(s) or Union (D)**	**% (D/C)**
Total Permanent Employees	0	0	0	0	0	0
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0
Total Permanent Workers	1,128	772	68.4	1,378	913	66
Male	1,116	769	68.9	1,366	909	65
Female	12	3	25	12	4	25

8. Details of training given to employees and workers:

Continuous learning and reskilling have always been central to Lupin culture.

Workforce	FY22				
	Total (A)	**On Health and safety measures**		**On Skill upgradation**	
		No. (B)	**% (B/A)**	**No. (C)**	**% (C/A)**
Male	Gender disaggregated data on training will be made available from FY 2023.				
Female					
Total	19,453	Ensuring that our workforce is effectively trained on safety issues is crucial for the success of our operations, It also aids in preserving a work environment that prioritizes and protects the health and wellbeing of our workforce. In line with this, for FY22, 650,698 hours were imparted on safety training. Gender-disaggregated participant training data will be made available from FY 2023.		11,843	60.9%

9. Details of performance and career development reviews of employees and worker:

Category	FY22 Current Financial Year			FY21 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	17,269	17,269	100%	Gender disaggregated data has been made available from FY22.		
Female	1,056	1,056	100%			
Total	**18,325**	**18,325**	**100%**			**100%**
Workers						
Male	NA					
Female						
Total						

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, what is the coverage of such a system?

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services?

Please refer to page 101 within the "Ensuring Employee Health and Safety" under the "Human Capital" chapter.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY22 Current Financial Year	FY21 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.21	0.11
	Workers	-	-
Total recordable work-related injuries	Employees	210	258
	Workers	-	-
No. of fatalities	Employees	Nil	Nil
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	4.37	5.67
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Please refer to page 101 within the "Ensuring Employee Health and Safety" under the "Human Capital" chapter.

13. Number of complaints on the following made by employees and workers

	FY22 Current Financial Year			FY21 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil					
Health & Safety						

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	Customer audits & PSCI audits are conducted at majority of sites
Working Conditions	Customer audits & PSCI audits are conducted at majority of sites

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

Overall, there was a reduction in the number of accidents and incidents during FY22 as compared to FY21, 21% and 10% respectively.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the company extends life insurance or any compensatory package in the event of death for it workforce.

Principle 4 :
Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Any individual or group of individuals or institution that adds value to the business chain of the Company is identified as a core stakeholder. This inter alia includes employees, shareholders and investors, suppliers, customers, channel partners and key partners, regulators, lenders, research analysts, communities, and non-governmental organisations, amongst others. We are privileged to share a strong relationship with our stakeholders based on our deep understanding of their expectations and our commitment to fulfil them

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Key Stakeholders	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Direct & other communication mechanisms including mailers, Intranet, employee committees, engagement initiatives, newsletters	Continuous	Learning opportunities, building a safety culture, and inculcating safe work practices among employees, and improving diversity and inclusion.
Shareholders/ Investors	No	Press Releases, Social Media, Website, Analyst meets, Analyst briefings, quarterly results, Annual General Meetings, Integrated Report, Financial Reports, email advisories, Intimation to stock exchanges, annual/ quarterly financials, and investor meetings/ conferences	Frequent and need based	Educating them about Lupin's business strategy for the long-term, to stay abreast of developments in the Corporation and its subsidiary companies and understanding their expectations
Customers	Yes, if they qualify based on specified criteria such as income, etc.	Customer meets, mailers, news bulletins, brochures, social media, website	Frequent and need based	For stronger customer relationships. To enhance business. Stay in touch with them to understand the industry and business challenges and address any issues that the customers may have
Channel Partners, franchises, and key partners	No	Partner meets and events, mailers, news bulletins, brochures, social media, website	Frequent and need based	Stroger partnerships, helps to increase reach and enhance business, ethical business, and fair business practices and governance

Key Stakeholders	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Regulators	No	Working committee meetings, email, one-on-one meetings, conceals, conferences, seminars, and forums	Need based	For good governance and compliance. Discussions with regards to various regulations and amendments, inspections, and approvals.
Research Analysts	No	Website, social media, Email, one-on-one meetings, conceals, videoconference, and forums	Frequent and need based	Keep abreast of developments of the Corporation and its subsidiaries
Communities and NGOs	Yes	Site visits, meetings, press releases, project meetings, consultative sessions, social media, participation in events, case studies, brochures, and emails	Frequent and need based	Understand areas of sustainable development, manage Lupin's brand and reputation, work in partnership to develop solutions to challenging areas, improve livelihood, access to healthcare and education. Support socially high impact projects

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Consultation with stakeholders on E, S and G topics are delegated to the departments within the Company who are also responsible for engaging with stakeholders continually. The Company has always maintained that a constant and proactive engagement with our key stakeholders enables Lupin to better communicate its strategies and performance. A continuous engagement helps align expectations, thereby enabling Lupin to better serve its stakeholders. Material topics were shortlisted and prioritized based on their impact on our stakeholders and our business. The monthly ESG core committee meetings provide us an opportunity to share feedback on these consultations.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

We have framed our ESG agenda on material topics from stakeholder consultations. Material topics were shortlisted and prioritized based on their impact on our stakeholders and our business. Our ESG priorities are determined through data-driven and consultative exercise.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

Lupin Human Welfare and Research Foundation (LHWRF) was set up with the mission to provide an alternative model of rural development which is sustainable, replicable, and ever evolving, essentially empowering underprivileged and marginalised sections of society and providing basic infrastructure and balanced ecological base to the villages. The foundation engages with the community in a variety of areas that serve the vulnerable/marginalised stakeholder groups.

Read about our foundation on https://www.lupinfoundation.in/

Principle 5 :
Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(is) of the entity, in the following format:

This data is not being reported for FY22.

2. Details of minimum wages paid to employees and workers, in the following format

Category	Permanent Employees		Permanent Workers	
	Male	Female	Male	Female
Getting wage equal to minimum wage	35	2	0	0
Getting wage more than minimum wage	17,234	1,054	1,116	12

3. Details of remuneration/salary/wages, in the following format:

Category	Male		Female	
	Number	Median remuneration/ salary/wages (INR Mn)	Number	Median remuneration/ salary/wages (INR Mn)
Executive Directors	2	75.79	1	144.92
Board of Directors (Non-Executive and Non-Independent)	1	40.30	1	6.70
Board of Directors (Non-Executive and Independent)	3	7.83	2	8.01
Key Managerial Personnel (Company Secretary)	1	9.13	-	-
Employees other than BoD and KMP	17,262	0.50	1,052	0.52
Workers	1,116	0.44	12	0.57

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Please refer to page number 105 within the "Global HR Policies" subsection of the "Human Capital" Chapter.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Please refer to page number 105 within the "Global HR Policies" subsection of the "Human Capital" Chapter.

6. Number of Complaints on the following made by employees and workers:

	FY22 Current Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	NA
Discrimination at workplace	2	0	NA
Child Labour	0	0	NA
Forced Labour/Involuntary Labour	0	0	NA
Wages	0	0	NA
Other human rights related issues	0	0	NA

Note: This data has been made available from FY22

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Please refer to page number 104 within the "Inculcating a Culture of Talent Engagement" under the "Human Capital" chapter.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes.

9. Assessments of the year

Lupin internally monitors compliance for all relevant laws and policies pertaining to these Human Right issues. There have been no observations by local statutory/third parties in India in FY22.

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Not Applicable

Principle 6 :
Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter		**FY 2021-22** ***(Current Financial Year)***	***FY 2020-21*** ***(Previous Financial Year)***
Total electricity consumption (A)		1,289,682 GJ	1,343,827 GJ
Total fuel consumption (B)	Diesel	64,173 GJ	65,349 GJ
	Furnace Oil	408,105 GJ	669,918 GJ
	Natural Gas	372,486 GJ	233,878 GJ
	Low Sulphur Heavy Stock (LSHS) fuel	23,296 GJ	-
Energy consumption through other sources (C)	Solar Captive generation	5,713 GJ	5,688 GJ
	Steam generated from agro-waste	110,538 GJ	105,175 GJ
	Coal based steam purchase	710,657 GJ	975,105 GJ
	Wind – grid	46,874 GJ	37,228 GJ
	Agro-waste based steam purchase	91,694 GJ	227,605 GJ
Total energy consumption (A+B+C)		3,123,218 GJ	3,663,773 GJ
Energy intensity per million rupees of turnover *(Total energy consumption/turnover in million rupees)*		26.53	33.61

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.
No

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	**FY 2021-22** ***(Current Financial Year)***	***FY 2020-21*** ***(Previous Financial Year)***
(i) Surface water	130,614 KL	120,077 KL
(ii) Groundwater	173,300 KL	201,708 KL
(iii) Third party water (Municipal water supplies, etc.)	1,357,253 KL	1,492,112 KL
Total volume of water withdrawal (in kilolitres) (i + ii + iii)	1,661,168 KL	1,813,897 KL
Total volume of water consumption (in kilolitres)	2,369,480 KL	2,559,253 KL
Water intensity per rupee of turnover *(Water consumed/turnover)*	20.13 KL/INR Mn turnover	

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Lupin has achieved Zero Liquid Discharge status in almost 50% of Indian manufacturing sites in accordance with the standards prescribed by regulatory authorities.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

We are currently not tracking this information at a Group level. We will make this data available from FY 2023.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

N/A

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	***Unit***	***FY 2021-22 (Current Financial Year)***	***FY 2020-21 (Previous Financial Year)***
Total Scope 1 emissions (includes emissions from energy consumption, fugitive emissions and emissions from owned vehicles)	Metric tonnes of CO2 equivalent	85,845	100,525
Total Scope 2 emissions	Metric tonnes of CO2 equivalent	359,447	387,151
Total Scope 1 and Scope 2 emissions per rupee of turnover	tonnes of CO2 equivalent/ Million INR	3.78	4.47

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details: -

Our GHG emission reduction initiatives have been enlisted in the manufacturing capital and natural capital section of the Integrated Report. We have also adopted an ambitious target to reduce our Scope 1 and Scope 2 GHG emissions by 15% by 2030. Our GHG emission reductions include:

- Transition to natural gas in Tarapur and Pithampur, which is less emission intensive than furnace oil.
- The contribution of renewable power at our Ankleshwar and Dabhasa site in FY22 has increased by 5.30 MW by switching to a hybrid renewable power model comprising wind and solar.
- The procurement of renewable electricity is critical for us to reduce our dependence on the grid electricity generated from fossil fuels. We are exploring ways to increase the procurement of renewable energy from the grid.
- We also replaced old conventional luminaries by energy-efficient LED lights. A total of 4,404 lights were replaced at Mandideep, Ankleshwar, Vizag and Dabhasa.
- We have replaced AC motors with DC electronically commuted motors in AHU's, which has resulted in energy efficiency and power cost savings

Our commitment to climate stewardship also contributes to product innovation in the development phase. Lupin Healthcare UK's product, Luforbec has recently achieved Carbon neutrality certification. Lupin Healthcare offsets the total emissions from the production, use and disposal of the inhaler, thus achieving carbon neutrality. This is expected to significantly augment the NHS' green agenda to achieve net zero emissions.

8. Provide details related to waste management by the entity, in the following format:

For each category of waste generated, total waste disposed by nature of disposal metho (in metric tonnes)

Category of waste	**FY 2021-22 Hazardous waste (MT)**	**FY 2020-21 Hazardous waste (MT)**
(i) Pre-processing/co-processing to cement kilns/incineration	6,954	8,653
(ii) Landfilling	12,940	17,397
(iii) Other disposal operations - sent for co-processing to cement kilns	3,099	4,917
(iv) Recycling/Recovery/Utilisation	14,229	14,862
Total (i + ii + iv)	34,123	40,912

Category of waste	**FY 2021-22 Non-hazardous waste (MT)**	**FY 2020-21 Non-hazardous waste (MT)**
(i) Canteen waste and Mycelia waste sent for recycling – feed for piggeries/composting	5,844	3,515
(ii) Agro-waste boiler ash sent for brick manufacturing, soil enrichment and landfilling	1,500	1,946
Total	7,344	5,461

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Lupin strives to embed principles of circularity and waste recycling to reduce waste disposal to landfills or incineration. The incinerable hazardous waste generated at the site is sent for co-processing/ pre-processing in cement plants instead of incineration.

Spent solvents generated in the API manufacturing processes are either recovered and reused in-situ or sent to the authorized recyclers or registered disposal facilities. Further as a part of our resource conservation initiatives the spent calcium sulphate is sent to the cement plants for utilizing this as alternate fuel and raw material in their operations.

Non-hazardous waste from our operations, such as canteen wastes, and mycelia wastes are either sent to piggeries or composted to convert it into usable organic fertilizer. The agro-waste boiler ash was sent for brick manufacturing, soil enrichment and landfilling.

We are committed to minimizing waste by:

- Encouraging non-hazardous and less toxic materials during the inventory/purchase process
- Sourcing equipment that produces zero waste or minimal hazardous waste
- Using longer life chemical products
- Training employees on safe handling, labelling and storage of hazardous products

All of our waste management practices have been detailed in the Natural Capital section of the Integrated Report

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Not Applicable		

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)
Not Applicable				

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).

Yes

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter		FY 2021-22 *(Current Financial Year)*	FY 2020-21 *(Previous Financial Year)*
From renewable sources			
Total electricity consumption (A)	Solar – captive generation	5,713 GJ	5,688 GJ
	Wind – grid	46,874 GJ	37,228 GJ
Total fuel consumption (B)		-	-
Energy consumption through other sources (C)	Steam generated from agro-waste	110,538 GJ	105,175 GJ
	Agro-waste based steam purchase	91,694 GJ	227,605 GJ
Total energy consumed from renewable sources (A+B+C)		254,819 GJ	375,696 GJ

From non-renewable sources		FY 2021-22 *(Current Financial Year)*	FY 2020-21 *(Previous Financial Year)*
Total electricity consumption (D)		1,289,682 GJ	1,343,827 GJ
Total fuel consumption (E)	Diesel	64,173 GJ	65,349 GJ
	Furnace Oil	408,105 GJ	669,918 GJ
	Natural Gas	372,486 GJ	233,878 GJ
	Low Sulphur Heavy Stock (LSHS) fuel	23,296 GJ	-
Energy consumption through other sources (F)	Coal based steam purchase	710,657 GJ	975,105 GJ
Total energy consumed from non-renewable sources (D+E+F)		2,868,398 GJ	3,288,076 GJ

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Five of companies operating locations – Indore, Nagpur, Jammu, Aurangabad and Ankleshwar - are in regions of Extremely High-Water Risk by WRI Aqueduct water risk atlas tool. Company's strategy for ensuring business continuity and water risk mitigation includes technical interventions such as the installation of water recycling plants, reusing AHU condensate and rainwater, water efficiency mechanisms, and raising awareness about water conservation among their stakeholders.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

The details have been provided in manufacturing capital chapter and natural capital chapter.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

None

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

None

Principle 7 :

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. **a. Number of affiliations with trade and industry chambers/associations:** 12

   b. List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
2	Confederation of Indian Industry (CII)	National
3	Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
4	Indian Drug Manufacturers Association (IDMA)	National
5	Foundation of Pharma Entrepreneurs (FOPE)	National

2. Provide details of corrective action taken or underway on any issues related to anti competitive conduct by the entity, based on adverse orders from regulatory authorities.

Not applicable

Principle 8 :
Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not applicable					

2 Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

The communities we work with are treated as equal partners in development and are engaged in the implementation of the projects from the very beginning. The work is monitored by the community and upon its completion, the Panchayat takes responsibility for the same. To redress grievances that may arise, we have developed rules and procedures at village institution levels for timely resolutions.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY22 Current Financial Year	FY21 Previous Financial Year
Directly sourced from MSMEs/small producers	2,664	3,136
Sourced directly from within the district and neighboring districts	Not available	

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

None

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR lakhs)
1	Assam	Amoni - TDF Amoni - The Tribal Development Fund WADI project started at Amoni on 30th March 2016. It is 7 years project funded by NABARD and involve orchrd development and livelihood support through vegetable cultivation. The project supports 500 farmer families and 50 landless families.	438.53
2	Maharashtra	Padalpur - TDF Padalpur - The Tribal Development Fund WADI project started at Padalpur on 30th March 2016 too like Amoni. It is also 7 years project funded by NABARD and have same number of families covered.	447.27
3	Maharashtra	Akkalkuwa - TDF Akkalkuwa - This is recently started Tribal Development Fund WADI project that covers 600 families	415.54

S. No.	State	Aspirational District	Amount spent (In INR lakhs)
4	Maharashtra	IWMS Moramba - This Integrated water Management System Project is supported by NABARD The Project covers 5 villages (Moramba, Mahukhadi, Kakdiamba,Khadkuna,Umarkuwa) of Akkalkuwa block. The project treats about 100 acres of land in each of the five villages, thus covering total 500 Acres area. Currently, Capacity Building Phase (CBP) of the project has began. Key project components are : 1. Soil and water conversion (2) Crop and land development (3) Capacity building and demonstration. The project has NRM focus and the total spent includes beneficiary contribution and share from LHWRF	40.42
5	Maharashtra	IWMS Khadkuna	40.73
6	Maharashtra	IWMS Mahukhadi	41.59
7	Maharashtra	IWMS Kakdiamba	40.54
8	Maharashtra	CCA Shendhavan - This Climate Change Adaptation project funded by NABARD has components of Soil and water conservation, soil health for productivity enhancement, Sustainable NRM, CCA farming practices & nutritional security. It aims to build the adaptive capacity of farmers through livelihood development. The project also includes provision of weather and crop based agricultural advisories to farmers to cope with climate change	59.54
9	Maharashtra	Nandurbar - FPO Astamba - Agricultural inputs for farmers through bulk purchasing and marketing of agricultural produce are the focus of the FPOs	11.44
10	Maharashtra	Nandurbar - FPO Akkarani	11.13
11	Maharashtra	Nandurbar - FPO Ranikajal	11.13
12	Maharashtra	Nandurbar Skill Development Training Programs for Livelihood Promotion of Tribal Youths & Women —Lupin Human Welfare and Research Foundation (LHWRF)(NABSKILL Programme) The project duration is of two years.	44.46
13	Maharashtra	Nandurbar E-shakti - CBO/ NGO Capacity Building through digitalisation of SHG accounts.	25
14	Maharashtra	ACCF-This project funded by Atlas Copco entails livelihood development of tribal families through the Group Well Irrigation system in Nandurbar district of Maharashtra at Akkalkuwa Block	411
15	Maharashtra	BRLF-This Integrated water Management System Project is supported by NABARD The Project covers 5 villages (Moramba, Mahukhadi, Kakdiamba,Khadkuna,Umarkuwa) of Akkalkuwa block. The project treats about 100 acres of land in each of the five villages, thus covering total 500 Acres area.	55.63
16	Maharashtra	Better Cotton Initiative- The Better Cotton Initiative (BCI) aims to make global cotton production better for the people who produce it, better for the environment it grows in and better for the sector’s future, by developing Better Cotton as a sustainable mainstream commodity. It involves training and capacity building of farmers for sustainable cotton production by promotion of best package of practices on integrated pest management, integrated nutrient management, and selection of variety by conducting training, exposure of farmers and demonstrations at village level. Lupin Human Welfare and Research Foundation (LHWRF) is implementing this BCI project with small landholder cotton growers in Dhule and Nandurbar districts since 2017-18.	800

S. No.	State	Aspirational District	Amount spent (In INR lakhs)
17	Rajasthan	Dholpur - Health and Nutrition Program	27.50
18	Rajasthan	Dholpur - Agriculture/Animal Husbandry & WRD	36.60
19	Rajasthan	Dholpur - Infrastructure Development	48
20	Rajasthan	Dholpur - Livelihood support	1.98
21	Rajasthan	Dholpur - Skill Development and Financial Inclusion	15
22	Madhya Pradesh	Vidisha - Health & Nutrition	53.48
23	Madhya Pradesh	Vidisha - Education	11.14
24	Madhya Pradesh	Vidisha - Agriculture and water resources	145.19
25	Madhya Pradesh	Vidisha - Skill Development	65.80
26	Madhya Pradesh	Vidisha - Financial inclusion	8.30
27	Madhya Pradesh	Vidisha - Basic infrastructure	5.28

6. Details of beneficiaries of CSR Projects:

Details of the number of beneficiaries of CSR projects has been provided in the Social & Relationship capital section of the IR.

Principle 9 :
Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

To address customer grievances, we have instituted robust mechanisms and processess. Our Pharmacovigilance function is the nodal agency to monitor the quality and safety of our products. We also have our dedicated team to track and address customer grievances and complaints.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

Lupin's products are Pharmaceutical medicines and drugs, therefore all our products contain information such as guidance on Storage Conditions, handling, dosage, expiry, etc. Some of the products also contain information on lifestyle management and a WhatsApp Number/QR code for the benefit of patients to get their queries answered in various languages for different therapies. Some of our packaging material is manufactured out of recycled papers to reduce impact on the environment.

3. Number of consumer complaints in respect of the following:

	FY22 (Current Financial Year)		Remarks	FY21 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil			Nil		
Advertising	Nil			OTC: ASCI queried on data source of Lupizyme claim in its TV advertisement.	OTC: Resolved successfully	OTC: Provided robust 3rd party data source and allowed a stronger claim

	FY22 (Current Financial Year)		Remarks	FY21 (Previous Financial Year)		Remarks
	Received during the year	**Pending resolution at end of year**		**Received during the year**	**Pending resolution at end of year**	
Cyber-security[7]	Nil			Nil		
Delivery of essential services	Nil			Nil		
Restrictive Trade Practices	Nil			Nil		
Unfair Trade Practices	Nil			Nil		
Other - Drug Safety	30,000	All Adverse drug reports with Lupin products received at DSRM are appropriately handled, i.e., the reports are processed in the global company safety database, thoroughly reviewed, medically assessed, and submitted to global regulatory authorities (wherever applicable)		19,500	All Adverse drug reports with Lupin products received at DSRM are appropriately handled, i.e., reports are processed in the global company safety database, thoroughly reviewed, medically assessed, and submitted to global regulatory authorities (wherever applicable)	

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	12	The products were recalled to ensure our alignment to the highest standards of quality.
Forced recalls	Nil	Nil

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. Company has defined and implemented a global Privacy Policy that is applicable to all its legal entities and businesses. This can be accessed on our website: https://www.lupin.com/privacy-policy/

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

The details are provided across our IR sections on the relevant topics.

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available)[8].

https://www.lupin.com/our-products/product-finder/

Lupin has a website which provide all necessary information on the company. For further information visit the link, https://www.lupin.com/about-us

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services[8].

https://www.lupin.com/our-products/over-the-counter-otc/

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services[8].

We inform regulatory authorities before discontinuation of any drugs falling into National List of Essential Medicines. If regulatory authorities ask us to continue any such medicine, we continue to manufacture until we get permission to discontinue.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)[8]

Not applicable, we publish all information required under law on the product.

6. Provide the following information relating to data breaches[9]:

a. **Number of instances of data breaches along-with impact -** Zero

b. **Percentage of data breaches involving personally identifiable information of customers -** Not applicable

For and on behalf of the Board of Directors

Nilesh D. Gupta
Managing Director
(DIN: 01734642)

Mumbai, May 18, 2022

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Consolidated Financial Statements

Independent Auditor's Report

To the Members of Lupin Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Lupin Limited and its employee welfare trust (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its joint venture, which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements/financial information of such subsidiaries and joint venture as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and joint venture as at 31 March 2022, of its consolidated loss and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group and joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of audit reports of other auditors on separate financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period.
These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters:

The key audit matter	How the matter was addressed in our audit
1. Revenue Recognition: Refer note 1 B(m) of significant accounting policies and note 38 in consolidated financial statements.	
Revenue from the sale of pharmaceutical products is recognized when control over goods is transferred to a customer. The actual point in time when revenue is recognised varies depending on the specific terms and conditions of the sales contracts entered into with customers. The Group has a large number of customers operating in various geographies and sales contracts with customers have distinct terms relating to the recognition of revenue, the right of return and price adjustments. We identified the recognition of revenue from sale of products as a key audit matter considering: • Revenue is a key performance indicator for the Group. Accordingly, there could be pressure to meet the expectations of investors/other stakeholders and/or to meet revenue targets stipulated in performance incentive schemes for a reporting period. We have considered that there is a risk of fraud related to revenue being overstated by recognition in the wrong period or before control has passed.	To obtain sufficient and appropriate audit evidence, our principal audit procedures and procedures performed by component auditors amongst others included the following: – Compared the accounting policies in respect of revenue recognition with applicable accounting standards to ensure compliance; – Tested the design, implementation and operating effectiveness of the Group's internal controls including general IT controls and key IT application controls over recognition of revenue; – Performed substantive testing of selected samples of revenue transactions recorded during the year; – For a sample of year-end sales, verified contractual terms of sales invoices/contracts, shipping documents and acknowledged delivery receipts for those transactions including management assessment and quantification of any sales reversal for undelivered goods; and – Tested any unusual non-standard manual journal entries impacting revenue recognized during the year.

The key audit matter	How the matter was addressed in our audit
2. Intangible Assets: Refer note I B(d)&(g) of significant accounting policies and note 53 in consolidated financial statements.	
The carrying value of Intangible Assets including In Process Research and Development (IPR&D) aggregate to Rs. 10,065 million as at 31 March 2022. IPR&D are tested for impairment annually and other intangible assets are evaluated for any indicators of impairment annually at each cash generating unit (CGU) level. The recoverable amount of the CGUs, being the higher of the value in use and fair value less costs of disposal, is compared with the carrying value to identify any impairment. Value in use is usually derived from discounted future cash flows. The discounted cash flow model uses several assumptions. These include long term growth rate, discount rate, terminal value growth rates, potential product obsolescence, new product launches and the weighted average cost of capital. Considering the inherent uncertainty, subjectivity and judgment involved and the significance of the value of the assets and impairment recorded with respect to certain intangible assets during the year, impairment assessment of intangible assets has been considered as a key audit matter.	To obtain sufficient and appropriate audit evidence, our principal audit procedures and procedures performed by component auditors amongst others included the following: – Tested the design and operating effectiveness of controls over impairment assessment including approval of forecasts and valuation models used; – Assessed the valuation methodology used and testing the mathematical accuracy of the impairment models; – Assessed identification of CGUs with reference to the guidance in the applicable accounting standards; – Evaluated valuation assumptions with macro-economic factors, such as discount rates, growth in sales, probability of success of new products, operating and selling costs used, in consultation with valuation specialist where required; – Performed sensitivity analysis of key assumptions. These include future revenue growth rates, related costs and the discount rate applied in the valuation models; – Evaluated past performances where relevant and historical accuracy of the forecasts made;
3. Uncertain tax positions (UTPs): Refer note I B (k) & (r) of significant accounting policies and notes 36 & 44 in consolidated financial statements.	
The Group is subject to complexities arising from various tax positions on deductibility of expenses as well as allowability of tax incentives/exemptions. These are subject to periodic challenges by local tax authorities leading to protracted litigations. There are a number of open tax matters under litigation with tax authorities over a number of years. The range of possible outcomes for provisions and contingencies can be wide. Judgement is required to estimates the tax exposures and contingencies. Provision for current tax, assessment/judgment of UTPs have been identified as a key audit matter due to the inherent complexity in the underlying tax laws and the extent of judgement involved in developing these estimates.	To obtain sufficient and appropriate audit evidence, our principal audit procedures included, amongst others, the following: – Tested the design and operating effectiveness of the management review control over ascertaining completeness and adequacy of provision/disclosures of UTPs; – Evaluated the adequacy of related provisions in consultation with tax specialists by considering changes to business and tax legislation, – Made relevant enquires and read correspondence with authorities where relevant; – Verified the calculation for current tax provision. Analyzed the rationale for any release, increase or continued provision during the year; and – Examined Management's judgments with respect to probability of outflow arising from outstanding litigations after considering the status of recent tax assessments, audits and enquiries, recent judicial pronouncements and judgments in similar matters. Also consider developments in the tax environment and outcome of past litigations.

The key audit matter	How the matter was addressed in our audit
4. Goodwill: Refer note no. 1 B(g) of significant accounting policies and note 49 in consolidated financial statements.	
The carrying value of goodwill aggregate to Rs. 21,241 million as at 31 March 2022. Goodwill is evaluated for any indicators of impairment annually as required under Ind AS 36. The group assesses impairment triggers with respect to goodwill annually, at each cash generating unit (CGU) level. The recoverable amount of the CG Us, being the higher of the value in use and fair value less costs of disposal, is compared with the carrying value to identify any impairment. Value in use is usually derived from discounted future cash flows. The discounted cash flow model uses several assumptions. These include estimates of long term growth rate, discount rate, terminal value growth rates, potential product obsolescence, new product launches and the weighted average cost of capital. Considering the inherent uncertainty, subjectivity and judgment involved and the significance of the value of the goodwill, impairment assessment of goodwill has been considered as a key audit matter.	To obtain sufficient and appropriate audit evidence, our principal audit procedures and procedures performed by component auditors amongst others included the following: – Tested the design and operating effectiveness of controls over impairment assessment including approval of forecasts and valuation models used; – Assessed the valuation methodology used and testing the mathematical accuracy of the impairment models; – Assessed identification of CGUs with reference to the guidance in the applicable accounting standards; – Evaluated valuation assumptions with macro-economic factors, such as discount rates, growth in sales, probability of success of new products, operating and selling costs used, in consultation with valuation specialist; – Performed sensitivity analysis of key assumptions. These include future revenue growth rates, related costs and the discount rate applied in the valuation models; and – Evaluated past performances where relevant and historical accuracy of the forecasts made.
5. Contingencies and Litigations: Refer note I B(r) of significant accounting policies and note 36 in consolidated financial statements.	
The preparation of the estimate of the provision for outstanding litigation, claims and assessments involves subjective judgments or uncertainties , which requires special audit consideration because of the likelihood and potential magnitude of misstatements of the provision, claims and assessments. These litigations are inherent to the business of the Group. Based on company's assessment of the possible outcome of these litigations, the same has been recognized as liability or disclosed as contingent Liability.	We assessed the appropriateness of the provisions for litigations and claims and to obtain sufficient and appropriate audit evidence, our principal audit procedures will include the following: – Tested the design and operating effectiveness of the Group's controls over assessment of contingencies, claims and litigations; – We have assessed the summary of litigation matters provided by management and held discussions with the Group's legal counsel where required for gaining an understanding of the outstanding matters; – Verified management's judgments with respect to probability of outflow arising out of litigation after considering the status of litigation, recent judicial pronouncements and judgments in similar matters etc. – We have obtained and substantively tested evidence to support the decisions and rationale for provisions held or the decisions not to record provisions, including correspondence with legal counsel and with relevant regulatory authorities; – We have assessed the assumptions against third party data (legal opinions), where available, and will assess the estimates against historical trends; and - Evaluated adequacy of disclosures given in the consolidated financial statements.

Other Information

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

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

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

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

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for overseeing the financial reporting process of each company.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the

Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

(a) We did not audit the financial statements/financial information of 26 subsidiaries, whose financial statements/financial information reflect total assets (before consolidation adjustments) of Rs.230,932.15 million as at 31 March 2022, total revenues (before consolidation adjustments) of Rs.114,536.39 million and net cash flows (before consolidation adjustments) amounting to Rs.1,582.34 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (and other comprehensive income) of Rs. 15.77 million for the year ended 31 March 2022, in respect of one joint venture, whose financial statements/financial information have not been audited by us. 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, joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of the other auditors.

Certain of these subsidiaries and joint venture are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements/financial information of such subsidiaries and joint venture located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and joint venture located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

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 matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

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

2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate/ consolidated financial statements of such subsidiaries and joint venture as were audited by other auditors, as noted in the "Other Matters" paragraph, 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 (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows 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 Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2022, 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 31 March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and joint venture, as noted in the "Other Matters" paragraph:

a) The consolidated financial statements disclose the impact of pending litigations as at 31 March, 2022, on the consolidated financial position of the Group and its joint venture. Refer Note 36 to the consolidated financial statements.

b) Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 61 to the consolidated financial statements in respect of such items as it relates to the Group, its joint venture.

c) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March, 2022.

d) (i) The management has represented that, to the best of its knowledge and belief as disclosed in note 67(K) to the consolidated accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies, incorporated in India or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in note 67(K) to the consolidated accounts, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies, incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material misstatement.

e) The dividend declared and paid during the year by the Holding Company incorporated in India is in compliance with Section 123 of the Act.

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

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies incorporated in India, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Venkataramanan Vishwanath
Partner
Membership No. 113156
UDIN: 22113156AJEPLC4225

Place: Mumbai
Date: May 18, 2022

Annexure A to the Independent Auditor's Report on Consolidated Financial Statements - 31 March 2022

(Referred to our report of even date)

1. In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualifications or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Lupin Digital Health Limited	U74999MH2021PLC360783	Subsidiary	3 (xvii)
2	Lupin Healthcare Limited	U24100MH2011PLC214885	Subsidiary	3 (xvii)
3	Lupin Biologics Limited	U24299MH2021PLC354211	Subsidiary	3 (xvii)

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

Venkataramanan Vishwanath
Partner
Membership No. 113156
UDIN: 22113156AJEPLC4225

Place: Mumbai
Date: May 18, 2022

Annexure B to the Independent Auditors' report on the consolidated financial statements of Lupin Limited for the year ended 31 March 2022

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

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of Lupin Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary company, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 (hereinafter referred to as "the Act").

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated 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 relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

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

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

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one subsidiary company, which is incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

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

Venkataramanan Vishwanath
Partner
Membership No. 113156
UDIN: 22113156AJEPLC4225

Place: Mumbai
Date: May 18, 2022

Consolidated Balance Sheet

as at March 31, 2022

(₹ in million)

	Note	**As at 31.03.2022**	As at 31.03.2021
ASSETS			
Non-Current Assets			
a. Property, Plant and Equipment	2	45,498.3	43,829.0
b. Capital Work-in-Progress		8,474.7	8,515.4
c. Goodwill	49	21,241.0	19,624.2
d. Other Intangible Assets	3	7,076.9	15,354.4
e. Intangible Assets Under Development		2,988.1	2,147.2
f. Investments accounted for using equity method	4	303.3	319.1
g. Financial Assets			
(i) Non-Current Investments	5	472.7	461.6
(ii) Non-Current Loans	6	2.1	0.9
(iii) Other Non-Current Financial Assets	7	817.8	702.6
h. Deferred Tax Assets (Net)	44(d)	1,697.3	1,802.1
i. Non-Current Tax Assets (Net)		3,687.6	2,691.3
j. Other Non-Current Assets	8	1,375.6	792.9
		93,635.4	96,240.7
Current Assets			
a. Inventories	9	46,307.3	40,920.1
b. Financial Assets			
(i) Current Investments	10	8,224.0	23,768.1
(ii) Trade Receivables	11	42,619.4	44,743.2
(iii) Cash and Cash Equivalents	12	9,913.7	9,206.3
(iv) Other Bank Balances	13	1,067.6	8,218.3
(v) Current Loans	14	22.9	15.1
(vi) Other Current Financial Assets	15	3,987.0	4,517.4
c. Current Tax Assets (Net)		385.1	56.9
d. Other Current Assets	16	12,049.8	8,418.3
		124,576.8	139,863.7
TOTAL		**218,212.2**	**236,104.4**
EQUITY AND LIABILITIES			
Equity			
a. Equity Share Capital	17	909.0	907.4
b. Other Equity		120,623.7	137,124.0
Equity attributable to Owners of the Company		121,532.7	138,031.4
c. Non-Controlling Interest	51(a)	687.1	549.7
		122,219.8	138,581.1
Liabilities			
Non-Current Liabilities			
a. Financial Liabilities			
(i) Non-Current Borrowings	18	1,418.6	161.2
(ii) Lease Liabilities	41	2,219.6	2,586.9
(iii) Other Non-Current Financial Liabilities	19	2,509.2	3,384.8
b. Non-Current Provisions	20	3,329.9	3,294.9
c. Deferred Tax Liabilities (Net)	44(d)	2,408.3	2,297.7
d. Other Non-Current Liabilities	21	1,342.4	1,436.9
		13,228.0	13,162.4
Current Liabilities			
a. Financial Liabilities			
(i) Current Borrowings	22	37,023.0	47,668.6
(ii) Lease Liabilities	41	922.6	874.1
(iii) Trade Payables			
- Total outstanding dues of Micro Enterprises and Small Enterprises	23	860.7	912.3
- Total outstanding dues of other than Micro Enterprises and Small Enterprises	23	21,968.4	19,232.1
(iv) Other Current Financial Liabilities	24	5,939.0	4,624.9
b. Other Current Liabilities	25	7,079.5	4,993.5
c. Current Provisions	26	4,830.1	4,687.2
d. Current Tax Liabilities (Net)		4,141.1	1,368.2
		82,764.4	84,360.9
TOTAL		**218,212.2**	**236,104.4**
See accompanying notes forming part of the consolidated financial statements			

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

Venkataramanan Vishwanath
Partner
Membership No. 113156

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

Manju D. Gupta
Chairman
DIN: 00209461

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh D. Gupta
Managing Director
DIN: 01734642

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

R. V. Satam
Company Secretary
ACS - 11973

Place: Mumbai
Dated: May 18, 2022

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in million)

	Note	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
INCOME:			
Revenue from Operations	27	164,054.8	151,629.6
Other Income	28	1,416.9	1,362.9
Total Income		**165,471.7**	**152,992.5**
EXPENSES:			
Cost of Materials Consumed	29	32,357.1	31,697.9
Purchases of Stock-in-Trade		34,438.5	26,773.1
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade [(Increase)/Decrease]	30	(1,983.2)	(4,848.6)
Employee Benefits Expense	31	29,893.0	28,259.0
Finance Costs	32	1,427.7	1,406.4
Depreciation, Amortisation and Impairment Expense	2, 3 & 53	16,587.1	8,874.1
Other Expenses	33	48,377.4	43,170.1
Net (gain)/loss on Foreign Currency Transactions		(684.0)	909.3
Business Compensation Expense	55	18,783.8	-
Total Expenses		**179,197.4**	**136,241.3**
Profit/(Loss) before Share of Profit of Jointly Controlled Entity and Tax		**(13,725.7)**	**16,751.2**
Share of Profit from Jointly Controlled Entity (net of tax)		3.6	13.3
Profit/(Loss) before Tax		**(13,722.1)**	**16,764.5**
Tax Expense:	44		
- Current Tax (net)		1,611.5	4,384.7
- Deferred Tax (net)		(240.0)	100.5
Total Tax Expense		**1,371.5**	**4,485.2**
Profit/(Loss) for the year		**(15,093.6)**	**12,279.3**
Share of profit/(loss) attributable to Non-Controlling Interest		186.8	114.0
Profit/(Loss) for the year attributable to Owners of the Company		**(15,280.4)**	**12,165.3**
Other Comprehensive Income/(Loss)			
(A) (i) Items that will not be re-classified subsequently to profit or loss:			
(a) Remeasurements of Defined Benefit Liability		46.6	(92.9)
(ii) Income tax relating to items that will not be re-classified to profit or loss	44	(14.4)	40.6
(B) (i) Items that will be re-classified subsequently to profit or loss:			
(a) The effective portion of gain & losses on hedging instruments in a cash flow hedge		(3.3)	834.6
(b) Exchange differences in translating the financial statements of foreign operations		1,006.8	2,078.4
(ii) Income tax relating to items that will be re-classified to profit or loss	44	4.4	(240.6)
Other Comprehensive Income/(Loss) for the year, net of tax		**1,040.1**	**2,620.1**
Less: Share of Other Comprehensive Income/(Loss) attributable to Non-Controlling Interest		(18.7)	11.7
Other Comprehensive Income/(Loss) for the year attributable to Owners of the Company		**1,058.8**	**2,608.4**
Total Comprehensive Income/(Loss) attributable to:			
Owners of the Company		(14,221.6)	14,773.7
Non-Controlling Interest		168.1	125.7
Total Comprehensive Income/(Loss) for the year		**14,053.5**	**14,899.4**
Earnings per equity share (of ₹ 2/- each)	40		
Basic		(33.65)	26.84
Diluted		(33.65)	26.72
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 **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W - 100022

Venkataramanan Vishwanath
Partner
Membership No. 113156

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

Manju D. Gupta
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DIN: 00209461

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

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Managing Director
DIN: 01734642

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

R. V. Satam
Company Secretary
ACS - 11973

Place: Mumbai
Dated: May 18, 2022

Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

A. Equity Share Capital [Refer note 17]

	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	**₹ in million**	No. of Shares	₹ in million
Balance at the beginning of the reporting year	453,680,133	907.4	452,998,121	906.0
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	453,680,133	907.4	452,998,121	906.0
Changes in equity share capital during the year	794,881	1.6	682,012	1.4
Balance at the end of the reporting year	**454,475,014**	**909.0**	**453,680,133**	**907.4**

B. Other Equity

(₹ in million)

Particulars	Reserves and Surplus								Share Application Money Pending Allotment	Other items of Other Comprehensive Income		Non-Controlling Interest	Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Legal Reserve	Securities Premium	Employees Stock Options Outstanding	General Reserve	Retained Earnings	Amalgamation Reserve		Foreign Currency Translation Reserve	Effective portion of Cash Flow Hedges		
Balance as at 31.03.2020	**263.9**	**126.5**	**0.3**	**9,175.4**	**2,146.2**	**16,767.1**	**101,689.0**	**317.9**	**0.8**	**(5,783.2)**	**(242.9)**	**444.6**	**124,905.6**
Profit/(Loss) for the year	-	-	-	-	-	-	12,165.3	-	-	-	-	114.0	12,279.3
Remeasurements of defined benefit plans (net of tax)	-	-	-	-	-	-	(52.3)	-	-	-	-	-	(52.3)
Total comprehensive income for the year	-	-	-	-	-	-	**12,113.0**	-	-	-	-	**114.0**	**12,227.0**
Movement in other comprehensive income for the year	-	-	-	-	-	-	-	-	-	2,076.2	592.4	11.7	2,680.3
Reclassification to Profit or Loss on disposal of subsidiaires	-	-	-	-	-	-	-	-	-	(9.5)	-	-	(9.5)
Received during the year	-	-	-	-	-	-	-	-	0.5	-	-	-	0.5
Final dividend on Equity Shares	-	-	-	-	-	-	(2,718.8)	-	-	-	-	-	(2,718.8)
Dividend to Non-Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	(20.6)	(20.6)
Issue of equity shares on exercise of employee stock options	-	-	-	711.7	-	-	-	-	-	-	-	-	711.7
Amortised/Exercised during the year	-	-	-	-	(101.7)	-	-	-	-	-	-	-	(101.7)
Reduction on allotment of shares	-	-	-	-	-	-	-	-	(0.8)	-	-	-	(0.8)
Transfer from share based payments	-	-	-	-	(149.7)	149.7	-	-	-	-	-	-	-
Balance as at 31.03.2021	**263.9**	**126.5**	**0.3**	**9,887.1**	**1,894.8**	**16,916.8**	**111,083.2**	**317.9**	**0.5**	**(3,716.5)**	**349.5**	**549.7**	**137,673.7**
Profit/(Loss) for the year	-	-	-	-	-	-	(15,280.4)	-	-	-	-	186.8	(15,093.6)
Remeasurements of defined benefit plans (net of tax)	-	-	-	-	-	-	32.2	-	-	-	-	-	32.2
Total comprehensive income for the year	-	-	-	-	-	-	**(15,248.2)**	-	-	-	-	186.8	**(15,061.4)**
Share in equity capital	-	-	-	-	-	-	-	-	-	-	-	8.0	8.0
Movement in other comprehensive income for the year	-	-	-	-	-	-	-	-	-	1,025.5	0.6	(18.7)	1,007.4
Received during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Final dividend on Equity Shares	-	-	-	-	-	-	(2,950.8)	-	-	-	-	-	(2,950.8)
Dividend to Non-Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	(38.7)	(38.7)
Issue of equity shares on exercise of employee stock options	-	-	-	733.3	-	-	-	-	-	-	-	-	733.3
Amortised/Exercised during the year	-	-	-	-	(60.2)	-	-	-	-	-	-	-	(60.2)
Reduction on allotment of shares	-	-	-	-	-	-	-	-	(0.5)	-	-	-	(0.5)
Transfer from share based payments	-	-	-	-	(217.3)	217.3	-	-	-	-	-	-	-
Balance as at 31.03.2022	**263.9**	**126.5**	**0.3**	**10,620.4**	**1,617.3**	**17,134.1**	**92,884.2**	**317.9**	**-**	**(2,691.0)**	**350.1**	**687.1**	**121,310.8**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

Nature of Reserves

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

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

c) **Legal Reserve**
This reserve represents appropriation of certain percentage of profit as per the local statutory requirement of few subsidiaries.

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

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

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

g) **Amalgamation Reserve**
This reserve represents creation of amalgamation reserve pursuant to the scheme of amalgamation between erstwhile Lupin Laboratories Ltd. and the Company.

h) **Share Application Money Pending Allotment**
Share Application money represents amount received towards share application money which were pending for allotment as on reporting date.

i) **Foreign Currency Translation Reserve**
This reserve represents exchange differences arising on account of conversion of foreign operations to Company's functional currency.

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

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

Venkataraman Vishwanath
Partner
Membership No. 113156

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

Manju D. Gupta
Chairman
DIN: 00209461

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh D. Gupta
Managing Director
DIN: 01734642

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

R. V. Satam
Company Secretary
ACS - 11973

Place: Mumbai
Dated: May 18, 2022

Consolidated Statement of Cash Flows

for the year ended March 31, 2022

(₹ in million)

		For the Current Year Ended 31.03.2022	For the Previous Year Ended 31.03.2021
A.	**Cash Flow from Operating Activities**		
	Profit/(Loss) before Tax	**(13,722.1)**	**16,764.5**
	Adjustments for:		
	Depreciation, Amortisation and Impairment Expense	16,587.1	8,874.1
	(Profit)/Loss on sale/write-off of Property, Plant and Equipment/ Intangible Assets (net)	29.3	(9.3)
	Finance Costs	1,427.7	1,406.4
	Net Gain on Sale of Mutual Fund Investments	(332.6)	(245.8)
	Interest on Deposits with Banks and Others	(328.1)	(396.9)
	Interest on Income Tax Refund	(631.9)	(201.5)
	Bad Trade Receivables/Advances written off	46.2	426.9
	Unrealised Gain on Mutual Fund Investments (net)	(23.2)	(284.9)
	Unrealised Gain on Non-Current Investment	(2.6)	-
	Impairment Allowances for Doubtful Trade Receivables/Deposits/ Advances (net)	(35.8)	188.1
	Provisions/Credit balances no longer required written back	-	(8.7)
	Share Based Payment Expense	513.9	504.3
	Net Loss on Financial Liabilities Measured at Fair Value Through Profit or Loss	282.7	131.1
	Share of Profit from Jointly Controlled Entity	(3.6)	(13.3)
	Unrealised Exchange Gain on Revaluation (net)	(452.3)	(38.9)
	Operating Cash flows before Working Capital Changes	**3,354.7**	**27,096.1**
	Changes in working capital		
	Adjustments for (increase)/decrease in operating assets		
	Non-Current Loans	(1.2)	10.1
	Other Non-Current Financial Assets	(95.7)	464.2
	Other Non-Current Assets	1.1	454.4
	Inventories	(4,993.3)	(6,574.2)
	Trade Receivables	2,753.6	8,950.1
	Current Loans	28.1	9.9
	Other Current Financial Assets	487.8	(137.2)
	Other Current Assets	(3,576.0)	3,954.7
	Adjustments for increase/(decrease) in operating liabilities		
	Other Non-Current Financial liabilities	(397.7)	(144.6)
	Non-Current Provisions	55.9	297.6
	Other Non-Current liabilities	(99.0)	(191.8)
	Trade Payables	2,341.6	(3,734.5)
	Other Current Financial liabilities	1,155.8	(3,466.1)
	Other Current liabilities	2,062.0	(2,012.3)
	Current Provisions	126.6	194.8
	Cash Generated from Operations	**3,204.3**	**25,171.2**
	Net Income tax paid	468.8	(6,953.6)
	Net Cash Flow generated from/(used in) Operating Activities	**3,673.1**	**18,217.6**
B.	**Cash Flow from Investing Activities**		
	Payment for acquisition of subsidiary, net of cash acquired	(1,468.0)	-
	Capital expenditure on Property, Plant and Equipment, including capital advances	(9,050.8)	(6,776.2)
	Proceeds from sale of Property, Plant and Equipment/Intangible Assets	70.9	62.2
	Proceeds from/(Purchase of) Non-Current Investments	(8.5)	(400.0)
	Purchase of Current Investments	(113,493.4)	(123,775.2)
	Proceeds from sale of Current Investments	129,393.3	123,920.3
	Bank balances not considered as Cash and Cash Equivalents (net)	7,150.7	(5,823.8)
	Interest on Deposits with Banks and Others	328.1	396.9
	Net Cash Flow generated from/(used in) Investing Activities	**12,922.3**	**(12,395.8)**

Consolidated Statement of Cash Flows

for the year ended March 31, 2022

(₹ in million)

	For the Current Year Ended 31.03.2022	For the Previous Year Ended 31.03.2021
C. Cash Flow from Financing Activities		
Proceeds from/(Repayment of) Non-Current Borrowings (net)	1,257.3	(17,207.7)
Proceeds from/(Repayment of) Current Borrowings (net)	(12,044.3)	3,530.6
Proceeds from issue of equity shares (ESOPs) and Share application money	1.6	1.9
Securities Premium Received (ESOPs)	159.2	105.7
Payment of Lease liabilities (net off interest)	(906.2)	(1,042.0)
Finance Costs	(1,239.9)	(1,518.0)
Dividend paid	(2,950.9)	(2,723.2)
Net Cash Flow generated from/(used in) Financing Activities	**(15,723.2)**	**(18,852.7)**
Net increase/(decrease) in Cash and Cash Equivalents	**872.2**	**(13,030.9)**
Cash and Cash Equivalents as at the beginning of the year	9,262.2	22,293.1
Cash and Cash Equivalents as at the end of the year	**10,134.4**	**9,262.2**
Reconciliation of Cash and Cash Equivalents with the Balance Sheet		
Cash and Cash Equivalents as per Balance Sheet [Refer note 12]	9,913.7	9,206.3
Unrealised loss/(gain) on foreign currency Cash and Cash Equivalents	220.7	55.9
Cash and Cash Equivalents as at the end of the year	**10,134.4**	**9,262.2**

Notes:

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

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

3. Refer Note No. 65 for Non Cash Changes in Cash Flows from Financing Activities.

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

Venkataramanan Vishwanath
Partner
Membership No. 113156

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

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DIN: 00209461

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DIN: 01734642

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

R. V. Satam
Company Secretary
ACS - 11973

Place: Mumbai
Dated: May 18, 2022

Notes

Forming part of the Consolidated Financial Statements

1A. OVERVIEW:

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

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

1B. SIGNIFICANT ACCOUNTING POLICIES:

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

Basis of preparation

i) These Consolidated Financial Statements (hereinafter referred to as 'Consolidated Financial Statements') of Lupin Limited ('the Company') and its subsidiaries and its Jointly controlled entity (hereinafter referred to as 'the Group'), have been prepared in all material aspects in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under section 133 of the Companies Act, 2013 ('the Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India. These consolidated financial statements were authorized for issue by the Company's Board of Directors on May 18, 2022.

Functional and Presentation Currency

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

Basis of measurement

iii) These Consolidated Financial Statements are prepared under the historical cost convention unless otherwise indicated.

Use of Significant Estimates and Judgements

iv) The preparation of the Consolidated Financial Statements in conformity with Ind AS requires 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. Management believes that the estimates used in 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 recognized in the periods in which the results are known/materialized. Estimates and underlying assumptions are reviewed on an ongoing basis

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

- Measurement and likelihood of occurrence of provisions and contingencies (Refer note r)
- Impairment of non- financial assets (Refer note g)
- Goodwill impairment (Refer note g)
- Provision for Income Taxes and uncertain tax Positions (Refer note k)
- Impairment of financial assets (Refer note i)

b) Principles of Consolidation:

Subsidiaries

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Company is exposed to or has rights, to variable returns from its involvement with the entity, and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights

Notes

Forming part of the Consolidated Financial Statements

are substantive. The financial statements of subsidiaries are included in these Consolidated Financial Statements from the date that control commences until the date that control ceases. The financial statements of the Company, its subsidiaries and a jointly controlled entity have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances as mentioned in those policies.

Upon loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in the Consolidated Statement of Profit and Loss. If the Company retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee depending on the level of influence retained.

Joint ventures (equity accounted investees)
A joint venture is an arrangement in which the Company has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Investments in jointly controlled entity is accounted for using the equity method (equity accounted investees) and are initially recognized at cost. The carrying value of the Company's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The Company does not consolidate entities where the non-controlling interest ("NCI") holders have certain significant participating rights that provide for effective involvement in significant decisions in the ordinary course of business of such entities. Investments in such entities are accounted by the equity method of accounting. When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing these Consolidated Financial Statements. Unrealized gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Company's interest in the investee.

Non-controlling interests ("NCI")
NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

c) Property, Plant and Equipment & Depreciation:

I. Recognition and Measurement

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

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Group incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.
- income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognized in Consolidated Statement of Profit and Loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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

Freehold land is carried at Historical cost.

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

II. **Subsequent Expenditure**
Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

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

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

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

Depreciation on property, plant and equipment of the Company's foreign subsidiaries and a jointly controlled entity has been provided on straight-line method as per the estimated useful life of such assets as follows:

Particulars	Estimated Useful Life
Buildings	5 to 50 years
Improvements on Leased Premises	Over the period of lease
Plant and Equipment[1]	3 to 20 years
Furniture and Fixtures	2 to 20 years
Vehicles[1]	3 to 7 years
Office Equipment	2 to 21 years

1. Assets acquired on lease are depreciated based on straight line method over their respective lease periods.

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

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

d) Intangible assets:

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

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.

II. **Subsequent Expenditure**
Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

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

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IV. Amortization

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

Particulars	Estimated Useful Life
Computer Software	2 to 6 years
Trademark and Licenses	3 to 13 years
Dossiers/Marketing Rights	5 to 20 years

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

e) Non-current assets held for sale:

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

f) 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 Consolidated Statement of Profit and Loss in the year it is incurred.
The amount capitalised comprises of expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use. Property, Plant and Equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment.

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

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

g) Impairment of non-financial assets:

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

If the carrying amount of Property, Plant and Equipment and Intangible assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount.
The impairment loss is recognized as an expense in the 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 rate.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the 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 recognized.

Goodwill impairment

Goodwill is tested for impairment annually.
If events or changes in circumstances indicate a potential impairment, as part of the review process, the carrying amount of the Cash Generating Units (CGUs) (including allocated goodwill) is compared with its recoverable amount by the Group. The recoverable amount is the higher of fair value less costs to sell and value in use, both of which are calculated by the

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Group using a discounted cash flow analysis. Calculating the future net cash flows expected to be generated to determine if impairment exists and to calculate the impairment involves significant assumptions, estimation and judgment. The estimation and judgment involves, but is not limited to, industry trends including pricing, estimating long-term revenues, revenue growth and operating expenses.

Impairment of CMPs/ANDA filings/Acquired In-Process Research & Development
Intangible assets with definite useful lives are subject to amortization. Intangibles Assets are reviewed at the end of each reporting period to determine whether there is any indication that the carrying value of these assets may not be recoverable and have suffered an impairment loss. If any such indication exists, the recoverable amounts of the intangible assets are estimated in order to determine the extent of the impairment loss, if any. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Such impairment loss is recognized in the Consolidated Statement of Profit and Loss.

Intangible Assets under development are reviewed at the end of each reporting period to determine whether there is any indication that the carrying value of these assets may not be recoverable and have suffered an impairment loss.

Management judgement is required in the area of intangible asset impairment, particularly in assessing: (1) whether an event has occurred that may indicate that the related asset values may not be recoverable; (2) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs to sell or net present value of future cash flows which are estimated based upon the continued use of the asset in the Group.

h) Foreign Currency Transactions/Translations:

i) Transactions in foreign currencies are translated to the respective functional currencies of entities within the Group at exchange rates at the dates of the transactions.

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

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

iv) In case of foreign operations whose functional currency is different from the parent company's functional currency, the assets and liabilities of such foreign operations, including goodwill and fair value adjustments arising upon acquisition, are translated to the reporting currency at exchange rates at the reporting date. The income and expenses of such foreign operations are translated to the reporting currency at the monthly average exchange rates prevailing during the year. Resulting foreign currency differences are recognized in other comprehensive income and presented within equity as part of FCTR. When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is reclassified to the Consolidated Statement of Profit and Loss as a part of gain or loss on disposal.

i) Financial Instruments:

I. Financial Assets

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

Initial recognition and measurement
All financial assets (not measured subsequently at fair value through profit or loss) are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery

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of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

Financial assets at amortized cost

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

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

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

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

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

Equity investments

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

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

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

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Group's financial statements) when:

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

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

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

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is

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measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

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

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

ii) Trade receivables.

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

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

II. Financial Liabilities

Classification

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

Initial recognition and measurement

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

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

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

Financial liabilities at fair value through profit or loss

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

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

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

Loans and borrowings

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

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

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

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

Embedded derivatives
If the hybrid contract contains a host that is a financial asset within the scope Ind-AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in Consolidated Statement of Profit and Loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows.

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

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

Hedge Accounting
The 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. 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 recognized directly in Other Comprehensive Income ('OCI') and accumulated in "Cash Flow Hedge Reserve Account" under Other Equity, net of applicable deferred income taxes and the ineffective portion is recognized 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 Consolidated Statement of Profit and Loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognized 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 recognized in "Cash Flow Hedge Reserve Account" is immediately transferred to the Consolidated Statement of Profit and Loss.

III. Measurement

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

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

(b) Level 2: The fair value of financial instruments that are not traded in an

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active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.

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

j) Business combinations:

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

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

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

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

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

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

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

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

ix) Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders. The difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.

k) Income tax:

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

Current tax

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

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

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

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

Deferred tax

Deferred taxes are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (including those arising from consolidation adjustments such as unrealised profit on inventory etc.).

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

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

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

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

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

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

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

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

Deferred tax assets and liabilities are offset only if:

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

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

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

l) Inventories:

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

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

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

m) Revenue Recognition:

Sale of Goods

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

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

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

The Group disaggregates revenue from contracts with customers by Major products/service line, geography and timing of the revenue recognition.

Income from research services

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

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

Services Income

Revenue is measured based on the consideration specified in a contract with a customer. Revenue is recognised at a point in time when the Company satisfies performance obligations by transferring the promised services to its customers.
Generally, each test represents a separate performance obligation for which revenue is recognised when the test report is generated i.e. when the performance obligation is satisfied.

The Group has assessed that it is primarily responsible for fulfilling the performance obligation collection centers/channel partners. Accordingly, the revenue has been recognised based on the services rendered to collection centers/channel partners.

Revenues in excess of invoicing are classified as contract assets (referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred to as "unearned revenue").

Interest income

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

Dividend income

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

Income from Export Benefits and Other Incentives

Export benefits available under prevalent schemes are accrued as revenue in the year in which the goods are exported and/or services are rendered only when there reasonable assurance that the

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conditions attached to them will be complied with, and the amounts will be received.

n) **Employee Benefits:**

Short term employee benefits

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

Defined contribution plans

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

Defined benefit plans

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

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

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

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

Other long-term employee benefits

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

o) **Share-based payment transactions:**

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

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

p) **Discontinued Operations:**

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;

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- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year.

q) Leases:

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

Group as a lessee

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

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

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate cannot be readily determined, the Group uses incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

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

r) Provisions and Contingent Liabilities:

A provision is recognized 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. If effect of the time value of money is material, provisions are discounted using an appropriate discount rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provision for asset retirement obligations is measured at the present value of the best estimate of the cost of restoration at the time of asset retirement.

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

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

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

s) Cash and Cash equivalents:

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

t) Borrowing costs:

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

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

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

u) Government Grants:

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

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

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.

v) Earnings per share:

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for

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deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. The calculation of diluted earnings per share does not assume conversion, exercise, or other issue of potential ordinary shares that would have an antidilutive effect on earnings per share.

w) 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.

x) Goods and Services tax input credit:

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

y) 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 as set out in Schedule III of the Act.

1C. Recent Accounting Pronouncements:

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

Ind AS 103 – Reference to Conceptual Framework

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

Ind AS 103 – Business Combination

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

Ind AS 16 – Proceeds before intended use

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

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

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

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

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

Ind AS 41 – Taxation in fair value measurements

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

Ind AS 101 - Subsidiary as a first time adopter

First time Adoption of Ind AS – Measurement of Foreign Currency Translation Difference in case of subsidiary/associate/JV's date of transition to Ind AS is subsequent to that of Parent – FCTR in the books of subsidiary/associate/JV can be measured based Consolidated Financial Statements.

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

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2. Property, Plant and Equipment

(₹ in million)

Particulars	Gross Block						Accumulated Depreciation and Impairment Loss						Net Block
	As at 01.04.2021	Taken over on Acquisition	Additions	Translation Adjustments	Deductions	As at 31.03.2022	As at 01.04.2021	For the period	Impairment Loss	Translation Adjustments	Deductions	As at 31.03.2022	As at 31.03.2022
Freehold Land	**1,921.7**	-	**9.3**	**92.0**	-	**2,023.0**	-	-	-	-	-	-	**2,023.0**
	1,904.7	-	-	*17.0*	-	*1,921.7*	-	-	-	-	-	-	*1,921.7*
Buildings	**18,034.3**	-	**2,352.3**	**212.2**	**43.1**	**20,555.7**	**3,124.2**	**716.1**	-	**32.5**	**18.0**	**3,854.8**	**16,700.9**
	16,996.8	-	*1,071.7*	*(33.1)*	*1.1*	*18,034.3*	*2,466.4*	*655.3*	-	*2.9*	*0.4*	*3,124.2*	*14,910.1*
Improvements on Leased Premises	**2,189.7**	-	**138.2**	**79.3**	-	**2,407.2**	**1,385.5**	**253.9**	-	**68.3**	-	**1,707.7**	**699.5**
	2,124.5	-	*120.6*	*(52.0)*	*3.4*	*2,189.7*	*1,112.6*	*301.9*	-	*(26.7)*	*2.3*	*1,385.5*	*804.2*
Plant and Equipments	**40,168.3**	-	**4,015.4**	**325.3**	**392.5**	**44,116.5**	**19,401.7**	**3,844.3**	-	**164.4**	**345.6**	**23,064.8**	**21,051.7**
	36,495.1	-	*3,871.9*	*(118.4)*	*80.3*	*40,168.3*	*15,743.2*	*3,792.0*	-	*(69.9)*	*63.6*	*19,401.7*	*20,766.6*
Furniture and Fixtures	**1,574.3**	-	**72.5**	**79.7**	**60.5**	**1,666.0**	**895.2**	**143.8**	-	**68.9**	**56.2**	**1,051.7**	**614.3**
	1,576.3	-	*62.2*	*(1.7)*	*62.5*	*1,574.3*	*766.7*	*175.3*	-	*(5.7)*	*41.1*	*895.2*	*679.1*
Vehicles	**361.9**	-	**97.4**	**0.2**	**41.8**	**417.7**	**194.0**	**71.9**	-	**2.0**	**41.4**	**226.5**	**191.2**
	364.5	-	*47.4*	*15.8*	*65.8*	*361.9*	*168.1*	*72.4*	-	*8.6*	*55.1*	*194.0*	*167.9*
Office Equipments	**2,542.6**	-	**227.2**	**109.7**	**90.7**	**2,788.8**	**2,034.2**	**286.1**	-	**99.1**	**90.7**	**2,328.7**	**460.1**
	2,487.3	-	*168.7*	*(9.1)*	*104.3*	*2,542.6*	*1,791.9*	*349.5*	-	*(8.9)*	*98.3*	*2,034.2*	*508.4*
Right of use Assets:													
- Leasehold Land	**1,132.1**	-	**5.3**	-	-	**1,137.4**	**59.6**	**15.3**	-	-	-	**74.9**	**1,062.5**
	1,104.6	-	*27.5*	-	-	*1,132.1*	*46.6*	*13.0*	-	-	-	*59.6*	*1,072.5*
- Leasehold Buildings	**3,387.8**	-	**557.9**	**54.9**	**360.9**	**3,639.7**	**947.0**	**711.2**	-	**19.0**	**295.9**	**1,381.3**	**2,258.4**
	2,666.4	-	*1,266.5*	*(9.4)*	*535.7*	*3,387.8*	*725.8*	*684.4*	-	*(1.6)*	*461.6*	*947.0*	*2,440.8*
- Leasehold Furniture & Fixtures	**443.1**	-	**29.2**	-	**76.0**	**396.3**	**211.5**	**89.2**	-	-	**76.0**	**224.7**	**171.6**
	443.1	-	-	-	-	*443.1*	*105.5*	*106.0*	-	-	-	*211.5*	*231.6*
- Leasehold Vehicles	**451.2**	-	**171.0**	**6.9**	**161.2**	**467.9**	**167.6**	**136.5**	-	**4.3**	**95.0**	**213.4**	**254.5**
	469.0	-	*235.6*	*(5.3)*	*248.1*	*451.2*	*134.1*	*189.3*	-	*(2.3)*	*153.5*	*167.6*	*283.6*
- Leasehold Office Equipments	**87.1**	-	-	**1.5**	**30.9**	**57.7**	**57.8**	**23.4**	-	**1.2**	**30.9**	**51.5**	**6.2**
	100.6	-	-	*0.2*	*13.7*	*87.1*	*38.5*	*33.0*	-	-	*13.7*	*57.8*	*29.3*
- Leasehold Plant & Equipment	**26.4**	-	-	-	-	**26.4**	**13.2**	**8.8**	-	-	-	**22.0**	**4.4**
	26.4	-	-	-	-	*26.4*	*4.4*	*8.8*	-	-	-	*13.2*	*13.2*
Total	**72,320.5**	-	**7,675.7**	**961.7**	**1,257.6**	**79,700.3**	**28,491.5**	**6,300.5**	-	**459.7**	**1,049.7**	**34,202.0**	**45,498.3**
	66,759.3	-	*6,872.1*	*(196.0)*	*1,114.9*	*72,320.5*	*23,103.8*	*6,380.9*	-	*(103.6)*	*889.6*	*28,491.5*	*43,829.0*

a) Cost of Buildings includes cost of shares in co-operative societies of ₹ 1,000/- (previous year ₹ 1,000/-).
b) For details of Right-of-use asset [Refer note 41].
c) Previous year figures are given in italics below current year figures in each class of assets.
d) Additional disclosure persuant to amendment of revised schedule III are in note 67.

3. Other Intangibles Assets - Acquired

(₹ in million)

Particulars	Gross Block						Accumulated Amortisation and Impairment Loss						Net Block
	As at 01.04.2021	Taken over on Acquisition (Refer Note 47)	Additions	Translation Adjustments	Deductions	As at 31.03.2022	As at 01.04.2021	For the period	Impairment Loss	Translation Adjustments	Deductions	As at 31.03.2022	As at 31.03.2022
Computer Software	**791.7**	-	**169.3**	**123.0**	**36.7**	**1,047.3**	**425.5**	**120.3**	-	**81.7**	**32.0**	**595.5**	**451.8**
	558.3	-	*264.1*	*(9.3)*	*21.4*	*791.7*	*350.4*	*95.8*	-	*(3.4)*	*17.3*	*425.5*	*366.2*
Trademarks and Licences	**1,388.3**	-	**60.0**	**91.4**	**98.8**	**1,440.9**	**575.3**	**137.1**	-	**5.5**	**87.0**	**630.9**	**810.0**
	1,094.3	-	*242.2*	*76.1*	*24.3*	*1,388.3*	*416.1*	*128.8*	-	*52.1*	*21.7*	*575.3*	*813.0*
Dossiers/Marketing rights	**53,142.8**	-	**36.2**	**1,985.7**	**20.5**	**55,144.2**	**38,967.6**	**1,607.8**	**8,402.1**	**1,674.5**	**13.5**	**50,638.5**	**4,505.7**
	54,678.3	-	*238.9*	*(1,752.9)*	*21.5*	*53,142.8*	*38,353.6*	*1,928.6*	*43.1*	*(1,336.2)*	*21.5*	*38,967.6*	*14,175.2*
Customer Relationships	-	**851.2**	-	**29.0**	-	**880.2**	-	**12.8**	-	**0.4**	-	**13.2**	**867.0**
	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplier Contracts	-	**434.3**	-	**14.8**	-	**449.1**	-	**6.5**	-	**0.2**	-	**6.7**	**442.4**
	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**55,322.8**	**1,285.5**	**265.5**	**2,243.9**	**156.0**	**58,961.7**	**39,968.4**	**1,884.5**	**8,402.1**	**1,762.3**	**132.5**	**51,884.8**	**7,076.9**
	56,330.9	-	*745.2*	*(1,686.1)*	*67.2*	*55,322.8*	*39,120.1*	*2,153.2*	*43.1*	*(1,287.5)*	*60.5*	*39,968.4*	*15,354.4*

a) For details of Impairment Loss [Refer note 53]
b) Accumulated Amortization and Impairment Loss includes impairment loss in opening balance of ₹ 22,130.5 million (previous year ₹ 22,796.2 million) and in closing balance of ₹ 31,447.7 million (previous year ₹ 22,130.5 million).
c) Previous year figures are given in italics below current year figures in each class of assets.
d) Additional disclosure persuant to amendment of revised schedule III are in note 67.

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4. Investment Accounted For Using Equity Method

[Refer note 51(b)]

(₹ in million)

	Number	Face Value	As at 31.03.2022	As at 31.03.2021
Unquoted				
In Jointly Controlled Entity:				
- YL Biologics Ltd., Japan	450	JPY	303.3	319.1
	(450)	*		
Total			**303.3**	**319.1**

* Shares do not have face value

i)	Investment in shares are fully paid up		
ii)	Aggregate amount of unquoted investments	303.3	319.1
iii)	Aggregate amount for impairment in value of investments	-	-
iv)	Previous year numbers are within brackets below current year numbers		

5. Non-Current Investments

(₹ in million)

	Number	Face Value	As at 31.03.2022	As at 31.03.2021
a) In Equity Instruments (at Fair value through Profit or Loss): Unquoted				
- Biotech Consortium India Ltd., India	50,000 (50,000)	₹ 10	0.5	0.5
- Enviro Infrastructure Co. Ltd., India	100,000 (100,000)	₹ 10	1.0	1.0
- BEIL Infrastructure Ltd., India [31.03.2022 - ₹ 44,100/-, 31.03.2021 - ₹ 44,100/-] (formally known as Bharuch Enviro Infrastructure Ltd., India)	4,410 (4,410)	₹ 10		
- Narmada Clean Tech Ltd., India	1,100,388 (1,100,388)	₹ 10	11.0	11.0
- Tarapur Environment Protection Society, India	72,358 (72,358)	₹ 100	7.2	7.2
- nReach One (Pty) Ltd, South Africa	96,50,000 (85,00,000)	ZAR 1	50.4	41.9
			70.1	61.6
b) In Bonds/Debentures/Securities (at Amortised Cost)				
Unquoted				
- Government securities				
- National Saving Certificates [Deposited with Government Authority] [31.03.2022 - ₹ 5,500/-, 31.03.2021 - ₹ 5,500/-]				
c) In Membership Share in LLP, Unquoted (at Fair Value through Profit or Loss)				
- ABCD Technologies LLP, India [As at 31.03.2022, the Company had a 6.45% (31.03.2021 - 12.5%) share of profit/loss and voting rights. The investment is locked upto April 24, 2024]			402.6	400.0
Total			**472.7**	**461.6**

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i)	All investments in shares are fully paid up		
ii)	Aggregate amount of quoted investments and market value thereof		
	Book value	-	-
	Market value	-	-
iii)	Aggregate amount of unquoted investments	472.7	461.6
iv)	Previous year numbers are within brackets below current year numbers		

6. Non-Current Loans

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unsecured, considered good		
Loans to Employees	2.1	0.9
Total	**2.1**	**0.9**

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

7. Other Non-Current Financial Assets

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unsecured, considered good unless otherwise stated		
Security Deposits		
- with Related Parties [Refer note 64 C]	29.0	29.0
- with Others	730.0	638.7
Mark to Market Derivative Assets	19.5	-
Earmarked Bank Deposits against guarantees & other commitments	9.1	10.5
Other Non-Current Financial Assets (includes miscellaneous receivables, etc.)	30.2	24.4
Total	**817.8**	**702.6**

8. Other Non-Current Assets

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Capital Advances	929.6	350.5
Advances other than Capital Advances		
- With Government Authorities (Drawback/Customs and Excise duties receivable)	77.1	83.2
- Advance against investments	40.8	31.1
Prepaid Expenses	100.2	94.9
Other Advances	227.9	233.2
Total	**1,375.6**	**792.9**

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9. Inventories

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Raw Materials	10,750.3	9,003.9
Packing Materials	2,811.2	1,967.3
Work-in-Progress	6,119.1	5,945.1
Finished Goods	7,888.1	7,455.9
Stock-in-Trade	12,857.6	10,255.5
Consumable Stores and Spares	2,334.3	2,034.2
Goods-in-Transit		
- Raw Materials	785.4	685.7
- Packing Materials	28.0	65.7
- Stock-in-Trade	2,708.1	3,474.2
- Consumable Stores and Spares	25.2	32.6
Total	**46,307.3**	**40,920.1**

During the period, the Group recorded inventory write-downs of ₹ 4,831.8 million (previous year ₹ 2,281.5 million). These adjustments were included in cost of material consumed and changes in inventories.

10. Current Investments

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
- Measured at Amortised Cost		
Quoted		
In Non Convertible Debentures	505.9	-
In Commercial Papers	988.7	957.8
Unquoted		
In Deposits with financial institutions	515.9	1,022.5
- Measured at Fair Value through Profit and Loss Unquoted		
In Mutual Funds	6,213.5	21,787.8
Total	**8,224.0**	**23,768.1**

a)	Aggregate amount of quoted investments and market value thereof		
	Book value	1,494.6	957.8
	Market value	1,494.4	958.9
b)	Aggregate amount of Unquoted Investments	6,729.4	22,810.3
c)	Unrealised Loss on Mutual Fund Investments (net) as adjusted above	-	-

11. Trade Receivables

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unsecured		
- Considered Good	42,722.5	44,800.4
- Credit Impaired	342.8	583.6
	43,065.3	45,384.0
Less: Allowances for credit losses	445.9	640.8
Total	**42,619.4**	**44,743.2**

Additional disclosure persuant to amendment of revised schedule III are in note 67.

[There are no other trade receivables which have significant increase in credit risk. Refer note 59(C) for information about credit risk and market risk for reference]

Notes

Forming part of the Consolidated Financial Statements

12. Cash and Cash Equivalents

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Cash and Cash Equivalents (as per Ind AS-7 - "Statement of Cash Flows")		
Bank Balances		
- In Current Accounts (including money-in-transit)	6,320.0	6,799.5
- In EEFC Account	90.0	360.8
- In Deposit Accounts	3,471.9	2,008.9
Cheques on hand	20.8	25.5
Cash on hand	11.0	11.6
Total	**9,913.7**	**9,206.3**

13. Other Bank Balances

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Earmarked Balances with Banks		
- Unpaid dividend accounts	48.5	48.6
- Deposits against guarantees and other commitments	33.6	29.9
Bank Deposits with original maturity of more than 3 months but less than 12 months from the balance sheet date	985.5	8,139.8
Total	**1,067.6**	**8,218.3**

14. Current Loans

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unsecured, considered good		
Other Loans and Advances (includes Loans to employees, etc.)	22.9	15.1
Total	**22.9**	**15.1**

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

15. Other Current Financial Assets

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unsecured, considered good		
Mark to Market Derivative Assets	223.3	272.4
Export Benefits receivable	1,290.2	2,573.1
With Government Authorities (VAT/Cenvat/Service tax/GST credit/refund receivable)	496.3	707.6
Security Deposits	57.9	137.9
Other Current Financial Assets (includes Interest receivables, etc.)	1,919.3	826.4
Total	**3,987.0**	**4,517.4**

Notes

Forming part of the Consolidated Financial Statements

16. Other Current Assets

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Advances other than Capital Advances		
Prepaid Expenses	997.0	950.7
Advance to Employees	100.7	109.6
Advance to Vendors		
- Considered Good	1,965.2	1,867.0
- Credit Impaired	129.9	133.7
	2,095.1	2,000.7
Less: Impairment Allowances for Credit Impaired	129.9	133.7
	1,965.2	1,867.0
Export Benefits receivable	841.1	893.2
With Government Authorities (VAT/Cenvat/Service tax/GST credit/refund receivable)	8,096.5	4,544.7
Assets Recoverable From Customers	49.3	53.1
Total	**12,049.8**	**8,418.3**

17. Equity Share Capital

a) Equity Share Capital

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	₹ in million	No. of Shares	₹ in million
Authorised				
Equity Shares of ₹ 2 each	1,000,000,000	2,000.0	1,000,000,000	2,000.0
Issued, Subscribed and Paid up				
Equity Shares of ₹ 2 each fully paid	454,475,014	909.0	453,680,133	907.4
Total	**454,475,014**	**909.0**	**453,680,133**	**907.4**

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

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	₹ in million	No. of Shares	₹ in million
Equity Shares outstanding at the beginning of the year	453,680,133	907.4	452,998,121	906.0
Equity Shares issued during the year pursuant to exercise of ESOPs	794,881	1.6	682,012	1.4
Equity Shares outstanding at the end of the year	**454,475,014**	**909.0**	**453,680,133**	**907.4**

c) Rights attached to Equity Shares

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

During the year ended March 31, 2022, the amount of dividend per equity share distributed to equity shareholders is ₹ 6.5 (Previous year ended March 31, 2021, ₹ 6.0)

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

Notes

Forming part of the Consolidated Financial Statements

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

Name of Shareholder	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	**Percentage of Holding**	No. of Shares	Percentage of Holding
Lupin Investments Pvt. Limited	205,608,135	45.24	205,608,135	45.32

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

Promoter name	As at 31.03.2022		As at 31.03.2021		% Change during the year
	No. of Shares	**% of total shares**	No. of Shares	% of total shares	
Desh Bandhu Gupta HUF	647,580	0.14	647,580	0.14	-
Manju D. Gupta	3,871,162	0.85	3,871,162	0.85	-
Nilesh D. Gupta	901,064	0.20	901,064	0.20	-
Kavita Gupta	200,170	0.04	200,170	0.04	-
Veda Nilesh Gupta	65,979	0.01	61,189	0.01	7.83
Neel Deshbandhu Gupta	21,858	0.00	19,208	0.00	13.80
Shefali Nath Gupta	1,752	0.00	1,752	0.00	-
Lupin Investments Pvt Ltd	205,608,135	45.24	205,608,135	45.32	-
Manju D. Gupta (As a Trustee of Gupta Family Trust)	1,000	0.00	1,000	0.00	-
Vinita Gupta	327,424	0.07	327,424	0.07	-
Anuja Gupta	725,705	0.16	725,705	0.16	-
Richa Gupta	233,265	0.05	233,265	0.05	-

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

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	**₹ in million**	No. of Shares	₹ in million
Lupin Employees Stock Option				
Plan 2003	95,030	0.2	100,030	0.2
Plan 2005	8,350	0.0	29,045	0.1
Plan 2011	1,142,798	2.3	1,162,443	2.3
Plan 2014	1,357,799	2.7	1,512,269	3.0
Lupin Subsidiary Companies				
Employees Stock Options				
Plan 2011	615,408	1.2	672,750	1.3
Plan 2014	878,513	1.8	1,441,937	2.9

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

(₹ in million)

Particulars	**As at 31.03.2022 Aggregate No. of Shares**	As at 31.03.2021 Aggregate No. of Shares
Equity Shares issued under various Stock Option Plans of the Company	2,898,145	3,097,164

h) 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.

Notes

Forming part of the Consolidated Financial Statements

18. Non-Current Borrowings
[Refer note 22]

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Secured		
Term Loans from Banks	1,418.6	3.3
	1,418.6	3.3
Unsecured		
Term Loans from Banks	-	156.4
Deferred Sales Tax Loan from Government of Maharashtra	-	1.5
	-	157.9
Total	**1,418.6**	**161.2**

a) Term Loan of ₹ 1,418.6 million of a subsidiary located in Australia carries interest rate of 1.55% p.a. plus Bank Bill Swap Bid Rate (BBSY) is secured against property of that subsidiary company. This loan is repayable in 12 equal quarterly installments commencing from April 23, 2023 and ending January 14, 2026.

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

19. Other Non-Current Financial Liabilities

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Payable for Capital Expenditure	1,681.4	2,159.3
Payable for Purchase of Non-Current Investment	651.9	1,098.6
Employee Benefits Payables	62.0	40.7
Other Payables	113.9	86.2
Total	**2,509.2**	**3,384.8**

20. Non-Current Provisions

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Provisions for Employee Benefits [Refer note 26]		
Gratuity [Refer note 43 (ii)]	1,930.2	1,814.5
Retirement Benefits	231.2	214.7
Compensated Absences	993.6	1,073.3
Provident Fund	174.9	192.4
Total	**3,329.9**	**3,294.9**

21. Other Non-Current Liabilities

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Deferred Revenue [Refer note 38(d)]	1,342.4	1,436.9
Total	**1,342.4**	**1,436.9**

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Forming part of the Consolidated Financial Statements

22. Current Borrowings

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Secured		
Loans from Banks	2,566.2	2,425.9
Unsecured		
Loans from Banks	34,456.8	28,068.5
Current Maturities of Non-Current Borrowings [Refer note 18]		
- Term Loans from Banks	-	17,172.6
- Deferred Sales Tax Loan from Government of Maharashtra	-	1.6
Total	**37,023.0**	**47,668.6**

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

b) Secured Loans of ₹ 2,566.2 million availed by a subsidiary company located in Brazil carries fixed interest rate in the range of 6.39 % to 13.58% and this loan is guaranteed by the Company.

c) Unsecured Loans of ₹ 7,904.7 million comprise of Working Capital Loan carrying market driven interest rates.

d) Unsecured Loans of ₹ 26,552.1 million availed by a subsidiary company located in USA carries market driven interest rate and this loan is guaranteed by the Company.

e) The Group has not defaulted on repayment of loan and interest during the year.

23. Trade Payables

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Acceptances	591.5	397.1
Other than Acceptances		
- Total outstanding dues of Micro Enterprises and Small Enterprises [Refer note 58]	860.7	912.3
- Total outstanding dues of other than Micro Enterprises and Small Enterprises	21,376.9	18,835.0
Total	**22,829.1**	**20,144.4**

Additional disclosure persuant to amendment of revised schedule III are in note 67.

24. Other Current Financial Liabilities

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Interest Accrued but not due on Borrowings	-	48.6
Unpaid Dividend *	48.5	48.6
Mark to Market Derivative Liabilities	281.8	2.4
Payable for Capital Expenditure	1,429.4	1,516.9
Payable for Purchase of Non-Current Investment	801.8	-
Trade Deposits received	119.0	98.6
Employee Benefits Payables	3,116.5	2,711.8
Other Payables	142.0	198.0
Total	**5,939.0**	**4,624.9**

* During the year ₹ 3.7 million has been credited to Investor Education and Protection Fund relating to FY 13-14.

Notes

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25. Other Current Liabilities

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Statutory Dues Payables (includes GST, Provident Fund, Withholding Taxes etc.)	1,227.4	1,128.9
Sales Returns	2,761.4	3,156.6
Deferred Revenue [Refer note 38(d)]	230.1	323.1
Deferred Government Grant	-	62.2
Advances from customers	155.9	260.7
Other Payables	2,704.7	62.0
Total	**7,079.5**	**4,993.5**

26. Current Provisions

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Provisions for Employee Benefits [Refer note 19]		
Gratuity [Refer note 43(ii)]	364.9	344.0
Retirement Benefits	18.4	49.4
Compensated Absences	662.9	497.7
Other Provisions		
For European Commission Fine [Refer note 56]	3,783.9	3,796.1
Total	**4,830.1**	**4,687.2**

27. Revenue From Operations

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Sale [Refer note 38]		
Goods	158,069.8	149,139.0
Service Income	34.8	-
Research Services	3,823.3	130.9
	161,927.9	149,269.9
Other Operating Revenue		
Export Benefits and Other Incentives	757.7	1,173.5
Service Charges	88.9	25.0
Insurance Claims	87.3	206.6
Business Compensation and Settlement Income [Refer note 36(f)]	1,044.9	827.2
Miscellaneous Income	148.1	127.4
	2,126.9	2,359.7
Total	**164,054.8**	**151,629.6**

Notes

Forming part of the Consolidated Financial Statements

28. Other Income

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Income on Financial Assets carried at amortised cost		
Interest on Deposits with Banks	122.4	200.2
Other Interest	205.7	196.7
Income on Financial Assets carried at fair value through Profit or loss		
Net gain on Sale of Mutual Fund Investments	332.6	245.8
Unrealised Gain on Mutual Fund Investments (net)	23.2	284.9
Unrealised Gain on Non-Current Investment	2.6	-
Provisions no longer required written back	-	8.7
Profit on Sale of Property, Plant & Equipment/Intangible Assets (net)	-	9.3
Interest on Income Tax Refund	631.9	201.5
Miscellaneous Income	98.5	215.8
Total	**1,416.9**	**1,362.9**

29. Cost Of Materials Consumed

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Raw Materials Consumed	25,353.1	26,618.3
Packing Materials Consumed	7,004.0	5,079.6
Total	**32,357.1**	**31,697.9**

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

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Opening Stock:		
Finished Goods	7,455.9	6,727.7
Stock-in-Trade	13,729.7	9,329.7
Work-in-Progress	5,945.1	6,111.2
	27,130.7	22,168.6
Less:		
Closing Stock:		
Finished Goods	7,888.1	7,455.9
Stock-in-Trade	15,565.7	13,729.7
Work-in-Progress	6,119.1	5,945.1
	29,572.9	27,130.7
Changes In Inventories:		
Finished Goods	(432.2)	(728.2)
Stock-in-Trade	(1,836.0)	(4,400.0)
Work-in-Progress	(174.0)	166.1
Foreign Currency Translation Difference	459.0	113.5
Total	**(1,983.2)**	**(4,848.6)**

Notes

Forming part of the Consolidated Financial Statements

31. Employee Benefits Expense

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Salaries and Wages	25,835.2	24,439.8
Contribution to Provident/Other Funds	2,116.1	2,009.8
Retirement Benefits Expense	193.7	172.7
Share based payment expense [Refer note 42]	573.0	508.1
Staff Welfare Expenses	1,175.0	1,128.6
Total	**29,893.0**	**28,259.0**

32. Finance Costs

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Interest on Financial Liabilities - borrowings carried at amortised cost	592.9	759.7
Net Interest on net defined benefit liability	236.4	215.3
Interest cost on finance lease obligation [Refer note 41]	207.3	199.8
Other Borrowing Costs (includes bank charges, etc.)	355.1	231.6
Interest on Income Tax	36.0	-
Total	**1,427.7**	**1,406.4**

33. Other Expenses

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Processing Charges	1,289.5	1,350.9
Stores and Spares Consumed	6,068.1	5,543.1
Repairs and Maintenance:		
- Buildings	373.7	416.9
- Plant and Machinery	1,736.1	1,515.8
- Others	2,078.5	1,889.9
Rent and Other Hire Charges	680.8	671.7
Rates and Taxes	1,795.2	1,318.4
Insurance	950.9	932.8
Power and Fuel	4,439.6	4,144.8
Contract Labour Charges	1,505.1	1,633.5
Selling and Promotion Expenses	7,117.0	6,671.4
Commission and Brokerage	1,149.1	1,172.9
Freight and Forwarding	2,694.9	2,419.7
Postage and Telephone Expenses	421.6	435.9
Travelling and Conveyance	2,312.0	1,271.6
Legal and Professional Charges	7,781.8	7,265.3
[Net of recoveries of ₹ 113.2 million (previous year ₹ 593.5 million)]		
Donations	44.7	113.2
Clinical and Analytical Charges	1,824.9	2,027.0
Loss on Sale/Write-off of Property, Plant & Equipment/Intangible Assets (net)	29.3	-
Bad Trade Receivables/Advances written off	46.2	426.9
[Net of provision of earlier years adjusted ₹ 175.7 million (previous year ₹ 5.7 million)]		
Impairment Allowances for Doubtful Trade Receivables/Deposits/Advances (net)	(35.8)	188.1

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(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Corporate Social Responsibility Expenses [Refer note 57]	385.7	243.6
Directors Sitting Fees	2.3	1.8
Business Compensation and Settlement Expenses	2,177.8	286.7
Miscellaneous Expenses	1,508.4	1,228.2
Total	**48,377.4**	**43,170.1**

34. The Consolidated Financial Statements present the consolidated accounts of Lupin Limited ("the Company") and its following subsidiaries and its jointly controlled entity ("the Group"):

Name of Subsidiaries/Jointly controlled entity	Country of Incorporation	Proportion of Ownership Interest	
		As at 31.03.2022	As at 31.03.2021
Lupin Pharmaceuticals, Inc.	USA	100%[1]	100%[1]
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%
Nanomi B.V.	Netherlands	100%	100%
Lupin Atlantis Holdings SA	Switzerland	100%	100%
Multicare Pharmaceuticals Philippines Inc.	Philippines	51%[2]	51%[2]
Generic Health Pty Limited	Australia	100%[2]	100%[2]
Bellwether Pharma Pty Limited	Australia	100%[3]	100%[3]
Lupin Healthcare (UK) Limited	UK	100%[4]	100%[4]
Lupin Pharma Canada Limited	Canada	100%[4]	100%[4]
Lupin Healthcare Limited	India	100%	100%
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 Inc.	USA	100%[2]	100%[2]
Laboratorios Grin S.A. de C.V.	Mexico	100%[8]	100%[8]
Medquímica Indústria Farmacêutica LTDA	Brazil	100%[5]	100%[5]
Novel Laboratories, Inc.	USA	100%[6]	100%[6]
Lupin Research Inc.	USA	100%[6]	100%[6]
YL Biologics Limited (under liquidation)	Japan	45%[7]	45%[7]
Lupin Latam, Inc. #	USA	-	100%[4]
Lupin Europe GmbH	Germany	100%[4]	100%[4]
Lupin Management Inc.	USA	100%[6]	100%[6]
Lupin Biologics Limited	India	100%	100%
Lupin Oncology Inc.	USA	99.3%	100%
Lupin Foundation	India	100%	100%
Lupin Digital Health Limited (w.e.f. 21 May 2021)	India	100%	-
Avenue Coral Springs LLC (w.e.f. 29 November 2021)	USA	100%[9]	-
Southern Cross Pharma Pty Ltd (w.e.f. 3 February 2022)	Australia	100%[3]	-

[1] 97% Ownership interest held through Lupin Inc., USA.

[2] Ownership interest held through Nanomi B.V., Netherlands.

[3] Wholly owned subsidiary of Generic Health Pty Limited, Australia.

[4] Ownership interest held through Lupin Atlantis Holdings SA, Switzerland.

[5] Ownership interest held through Lupin Atlantis Holdings SA, Switzerland and Nanomi B.V., Netherlands.

[6] Wholly owned subsidiaries of Lupin Inc., USA.

[7] Jointly Controlled Entity of Lupin Atlantis Holdings SA, Switzerland (with Yoshindo Inc., Japan having 55% share of interest).

[8] Ownership interest held through Lupin Atlantis Holdings SA, Switzerland and Lupin Mexico S.A.de.C.V., Mexico.

[9] Wholly owned subsidiary of Lupin Research Inc, USA.

Lupin Latam Inc. USA which was wholly owned subsidiary of Lupin Atlantis Holdings SA, (Switzerland) got merged with Lupin Management Inc. USA, on August 30, 2021.

Notes

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35. Commitments:

a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances, Tangible assets ₹4052.0 million (previous year ₹ 1897.6 million) and Intangible assets ₹ 71.4 million (previous year ₹ 19.0 million) and other purchase related commitments ₹ 646.7 million (previous year ₹ Nil).

b) Other commitments – Non-cancellable short-term leases is ₹ 23.6 million (previous year ₹ 53.2 million) and low value leases is ₹ 249.4 million (previous year ₹ 290.2 million).

c) There are no capital commitments at the jointly controlled entity as at 31.03.2022.

d) Dividends proposed of ₹ 4/- (previous year ₹ 6.50) per equity share before the financial statements were approved for issue, but not recognised as a liability in the financial statements is ₹ 1818.0 million (previous year ₹ 2949.2 million).

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

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

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

36. Contingent Liabilities:

(₹ in million)

	Particulars	**As at 31.03.2022**	As at 31.03.2021
a)	Income tax demands/matters on account of deductions/allowances in earlier years, pending in appeals and potential tax demands in future years in respect of some uncertain tax issues [₹ 370.1 million (previous year ₹ 439.4 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 "Non-Current Tax Assets (Net)" ₹ 1878.6 million (previous year ₹ 1239.9 million)	1765.1	2258.7
b)	Customs Duty, Excise duty, Service tax and Sales tax demands for input tax credit disallowances and demand for additional Entry Tax arising from dispute on applicable rate are in appeals and pending decisions. Amount paid there against and included under note 8 "Other Non-Current Assets" ₹ 23.9 million (previous year ₹ 23.9 million)	121.8	122.6
c)	Claims against the Company not acknowledged as debts [excluding interest (amount unascertained) in respect of a claim] for transfer charges of land, octroi duty, local body tax, employee claims, power*, trademarks, pricing and stamp duty and price reported under Medicaid for one subsidiary. Amount paid there against without admitting liability and included under note 8 "Other Non-Current Assets" ₹ 201.8 million (previous year ₹ 206.8 million). *Demand raised by Maharashtra State Electricity Development Corporation Limited (MSEDCL) challenging Group Captive Generating Plant (GCGP) status of power supplier's plant at Tarapur and Pune location.	1830.2	1814.9
d)	Financial guarantee aggregating to ₹ 5075.1 million (previous year ₹ 3399.6 million) given to third party on behalf of subsidiaries for contractual obligations.	-	-
e)	Lupin Pharmaceuticals, Inc. (LPI) a step-down wholly owned subsidiary of the Company, is involved in government investigations and litigation arising from the marketing and promotion of its pharmaceutical products in the United States. In January 2017, LPI and one of its employees were issued subpoenas by Department of Justice (DOJ) requesting documents as part of DOJ's investigation into possible antitrust violations within the generic drug industry. LPI has been cooperating in the ongoing investigation. In April 2018, LPI was named in both class action and individual cases based on allegations of anticompetitive behavior related to certain products. LPI and one of its employees received a non-party subpoena from the state of Connecticut Attorney General (CAG) related to a civil antitrust case they filed in 2016, requesting documents and other information. In May 2019, 43 state attorneys general, led by the CAG, filed a second lawsuit against 19 companies (including Lupin Pharmaceuticals, Inc.) and 15 individuals (including the Lupin employee) with allegations of violations of federal and state antitrust laws. The states claim to have been injured by paying supra-competitive prices for the products they purchased or reimbursed. These civil lawsuits were combined into the collection of similar cases referred to as In Re Generic Pharmaceuticals Antitrust Litigation, located in Philadelphia, Pennsylvania. As the case is still in the early stage, an estimate of the possible loss or range of loss, if any, cannot be made.		

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f) In March 2016, Lupin Inc. (LI), a step down subsidiary of the Company, acquired 100% of the equity interest in Gavis and Novel Laboratories, Inc. ("Novel") under a Share Purchase Agreement (SPA). As part of the SPA, LI placed USD 48.4 million in an indemnity escrow account in case the sellers of Novel (Sellers) breach certain representations and warranties. Under the terms of the SPA, LI is indemnified for the damages from such breaches under certain conditions. LI and the Sellers disputed whether the escrowed funds should be released. In November 2020, the dispute was resolved amicably by all parties.

In March 2017, AMRI Global, Inc., ("AMRI"), a pharmaceutical research and manufacturing organization filed a lawsuit against Novel for pre-acquisition behaviours. LI recorded an accrued legal settlement and indemnification asset of USD 8.75 million. During the third quarter of fiscal year 2020, LI settled the case with AMRI for USD 8.75 million. In addition to the AMRI case, LI believes that there have been several other breaches of the SPA. As a result, LI did not consent to release the funds from the indemnity escrow account.

In November 2020, LI entered into a Settlement Agreement with the Sellers to resolve the disputes between the parties. Pursuant to the Settlement Agreement, LI received USD 25.0 million dispersed from the indemnity escrow account, with the remaining balance dispersed to the Sellers. Upon receipts of the funds, LI and the Sellers withdrew and dismissed the disputes between the parties. LI recorded USD 16.25 million gain, net of the indemnification asset of USD 8.75 million, related to the case, of which USD 10.25 million (₹ 760.6 million) was accounted as Business Compensation and Settlement Income and USD 6.0 million (₹ 445.3 million) netted-off in legal and professional charges as pertains to reimbursement of legal expenses.

g) From time to time, Lupin Inc. (LI) and its subsidiaries are involved in various intellectual property claims and legal proceedings, which are considered normal to its business, the liability, if any, may fall on Lupin Limited. Some of these litigations has been resolved through settlement agreements with the plaintiffs.

There are no contingent liabilities at the jointly controlled entity as at 31.03.2022 and 31.03.2021.

Future cash outflows in respect of the above, if any, is determinable only on receipt of judgment/ decisions pending with the relevant authorities. The Company does not expect the outcome of the matters stated above to have a material adverse impact on the Company's financial condition, results of operations or cash flows. The Group believes that the probability of outflow is low to moderate considering the merits of the case and the ultimate disposition of these matters may not have material adverse effect on its Financial Statements.

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

The Group is involved in various legal proceedings, including claims against the Group pertaining to Income tax, Excise, Customs, Sales/VAT tax, product liability related claims, employment claims and other regulatory matters relating to conduct of its business. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liability where applicable, in the Consolidated Financial Statements. 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 that the probability of outflow is low to moderate considering the merits of the case and the ultimate disposition of these matters may not have material adverse effect on its Consolidated Financial Statements.

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

(₹ in million)

Particulars	**2021-2022**	2020-2021
Opening balance	378.0	392.8
Incurred during the year:		
Salaries, allowances and contribution to funds	98.5	87.7
Legal and Professional Charges	0.2	-
Travelling and Conveyance	5.6	6.2
Power and fuel	-	1.6
Others	13.1	9.4
Total incurred during the year	117.4	104.9
Less: Capitalised during the year	106.8	119.7
Closing balance	**388.6**	**378.0**

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38. Revenue (Ind AS 115)

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

The Group has assessed that it is primarily responsible for fulfilling the performance obligation of collection centers/channel partners. Accordingly, the service income has been recognised based on the services rendered to collection centers/channel partners.

Income from research services including sale of technology/know-how (rights, licenses and other intangibles) is recognized in accordance with the terms of the contract with customers when the related performance obligation is completed.

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

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

b) Disaggregation of revenue:

(₹ in million)

Nature of segment	**2021-2022**	2020-2021
A. Service line:		
- Sale of pharmaceutical goods	158069.8	149139.0
- Service Income	34.8	-
- Income from research services and sale of IPs	3823.3	130.9
Total revenue from contracts with customers	**161927.9**	**149269.9**
B. Primary geographical market:		
- India	63729.2	57833.1
- USA	55241.7	53222.2
- Others	42957.0	38214.6
Total revenue from contracts with customers	**161927.9**	**149269.9**
C. Timing of the revenue recognition:		
- Goods/Services transferred at a point in time	158104.6	149172.0
- Services transferred over time	3823.3	97.9
Total revenue from contracts with customers	**161927.9**	**149269.9**

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

(₹ in million)

Particulars	**2021-2022**	2020-2021
Revenue as per contracted price	312505.3	283017.2
Adjusted for:		
- Sales Return	6236.7	5277.2
- Discounts/Chargebacks/Rebates	132709.1	125718.2
- Others	11631.6	2751.9
Total revenue from contracts with customers	**161927.9**	**149269.9**

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d) Reconciliation of revenue recognised from Contract liability

(₹ in million)

Particulars	**2021-2022**	2020-2021
Balance in contract liability at the beginning of the year that was not recognized as revenue	1760.0	1740.5
Add: Increases due to cash received during the year excluding amounts recognized as revenue during the year	255.5	463.5
Less: Decreases due to cash paid during the year upon termination of contracts	5.8	7.5
Less: Revenue recognized that was included in the contract liability balance at the beginning of the year	437.2	436.5
Balance in contract liability at the end of the year that is not recognized as revenue	**1572.5**	**1760.0**

39. Operating Segments:

A. Basis for segmentation

The operations of the Group are primarily related to Pharmaceutical and related products. The products being sold under this segment are of similar nature and comprises of pharmaceutical products only. During the year, Group has started with Diagnostic business (service income) which is not material to the group.

The Company's Chief Operating Decision Maker (CODM) reviews the internal management reports prepared based on aggregation of financial information for all entities in the Group (adjusted for intercompany eliminations, adjustments etc.) on a periodic basis, for the purpose of allocation of resources and evaluation of performance. Accordingly, management has identified pharmaceutical segment as the primary operating segment for the group.

B. Geographic information

The geographic information analyses the Group's revenues and non-current assets by the Company's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

a) Revenue from operations

(₹ in million)

Particulars	**Year ended 31.03.2022**	Year ended 31.03.2021
India	64596.0	59316.9
USA	56351.9	54023.1
Others	43106.9	38289.6
	164054.8	**151629.6**

b) Non-current assets (other than financial instruments and deferred tax assets)

(₹ in million)

Particulars	**As at 31.03.2022**	As at 31.03.2021
India	51373.7	48854.9
USA	18170.8	26420.5
Others	22031.6	18809.2
	91576.1	**94084.6**

C. Major customer

Revenue from the largest customer based in USA represented ₹ 8635.8 million (previous year ₹ 9551.0 million) out of the Group's total revenues.

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

Particulars	**Year ended 31.03.2022**	Year ended 31.03.2021
Profit/(Loss) before non-controlling interest attributable to equity shareholders (₹ in million)	(15280.4)	12165.3
Weighted average number of Equity Shares:		
- Basic	454042888	453280606
Add: Dilutive effect of employees stock options (ESOPs) - converted during the year and ESOPs outstanding as at the year end	1197409	1956031
- Diluted	455240297	455236627
Earnings per Share (in ₹)		
- Basic	(33.65)	26.84
- Diluted	(33.65)	26.72

41. Leases

The Group leases land, buildings, plant & equipment, furniture & fixtures , vehicles and office equipments. The leases typically run for the period between 12 months to 60 months with an option to renew the lease after that date.

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

i) Right of use assets

(Refer note 2)

(₹ in million)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Total
Cost							
Balance at April 1, 2021	1132.1	3387.8	26.4	443.1	451.2	87.1	**5527.7**
Additions	5.3	557.9	-	29.2	171.0	-	**763.4**
Disposal/Derecognized during the year	-	360.9	-	76.0	161.2	30.9	**629.0**
Translation adjustments	-	54.9	-	-	6.9	1.5	**63.3**
Balance at March 31, 2022	**1137.4**	**3639.7**	**26.4**	**396.3**	**467.9**	**57.7**	**5725.4**
Accumulated depreciation							
Balance at April 1, 2021	59.6	947.0	13.2	211.5	167.6	57.8	**1456.7**
Depreciation expense	15.3	711.2	8.8	89.2	136.5	23.4	**984.4**
Disposal/Derecognized during the year	-	295.9	-	76.0	95.0	30.9	**497.8**
Translation adjustments	-	19.0	-	-	4.3	1.2	**24.5**
Balance at March 31, 2022	**74.9**	**1381.3**	**22.0**	**224.7**	**213.4**	**51.5**	**1967.8**
Net Balance at March 31, 2022	**1062.5**	**2258.4**	**4.4**	**171.6**	**254.5**	**6.2**	**3757.6**
Net Balance at April 1, 2021	**1072.5**	**2440.8**	**13.2**	**231.6**	**283.6**	**29.3**	**4071.0**

(₹ in million)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Total
Cost							
Balance at April 1, 2020	1104.6	2666.4	26.4	443.1	469.0	100.6	**4810.1**
Additions	27.5	1266.4	-	-	235.6	-	**1529.6**
Disposal/Derecognized during the year	-	535.7	-	-	248.1	13.7	**797.5**
Translation adjustments	-	(9.4)	-	-	(5.3)	0.2	**(14.5)**
Balance at March 31, 2021	**1132.1**	**3387.8**	**26.4**	**443.1**	**451.2**	**87.1**	**5527.7**
Accumulated depreciation							
Balance at April 1, 2020	46.6	725.8	4.4	105.5	134.1	38.5	**1054.9**
Depreciation expense	13.0	684.4	8.8	106.0	189.3	33.0	**1034.5**
Disposal/Derecognized during the year	-	461.6	-	-	153.5	13.7	**628.8**
Translation adjustments	-	(1.6)	-	-	(2.3)	-	**(3.9)**
Balance at March 31, 2021	**59.6**	**947.0**	**13.2**	**211.5**	**167.6**	**57.8**	**1456.7**
Net Balance at March 31, 2021	**1072.5**	**2440.8**	**13.2**	**231.6**	**283.6**	**29.3**	**4071.0**
Net Balance at April 1, 2020	**1058.0**	**1940.6**	**22.0**	**337.6**	**334.9**	**62.1**	**3755.2**

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Lease liabilities

(₹ in million)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Total
Balance at April 1, 2021	**111.4**	**2757.2**	**14.1**	**253.1**	**293.4**	**31.8**	**3461.0**
Addition	-	550.7	-	29.2	171.0	-	**750.9**
Accretion of interest (refer note 32)	8.8	163.0	0.8	18.9	14.9	0.9	**207.3**
Payments	(7.3)	(819.9)	(10.0)	(109.6)	(140.9)	(25.8)	**(1113.5)**
Adjustments for Disposals	-	(65.0)	-	-	(66.2)	-	**(131.2)**
Translation adjustment	-	(26.7)	-	-	(7.4)	1.8	**(32.3)**
Balance at March 31, 2022	**112.9**	**2559.3**	**4.9**	**191.6**	**264.7**	**8.7**	**3142.2**
Current	**4.7**	**693.3**	**4.9**	**86.5**	**129.2**	**4.0**	**922.6**
Non-current	**108.2**	**1865.8**	**-**	**105.1**	**136.8**	**3.7**	**2219.6**

(₹ in million)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Total
Balance at April 1, 2020	110.0	2301.4	22.5	357.9	338.8	67.4	**3198.0**
Addition	-	1266.5	-	-	235.6	-	**1502.1**
Accretion of interest (refer note 32)	8.7	142.4	1.6	26.3	17.9	2.9	**199.8**
Payments	(7.3)	(851.3)	(10.0)	(131.1)	(203.6)	(38.5)	**(1241.8)**
Adjustments for Disposals	-	(61.0)	-	-	(86.2)	-	**(147.2)**
Translation adjustment	-	(40.8)	-	-	(9.1)	-	**(49.9)**
Balance at March 31, 2021	**111.4**	**2757.2**	**14.1**	**253.1**	**293.4**	**31.8**	**3461.0**
Current	**4.9**	**614.1**	**9.2**	**86.2**	**134.4**	**25.3**	**874.1**
Non-current	**106.5**	**2143.1**	**4.9**	**166.9**	**158.9**	**6.5**	**2586.9**

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

Amounts recognised in profit and loss

(₹ in million)

Particulars	**Year ended 31.03.2022**	Year ended 31.03.2021
Depreciation expense of right-of-use assets (Refer Note No. 2)	984.4	1034.5
Interest expense on lease liabilities (Refer Note No. 32)	207.3	199.8
Expense relating to short-term leases	34.5	25.4
Expense relating to low value assets	181.6	126.0
Total	**1407.9**	**1385.7**

ii) Financial risk management

(A) Maturities of financial liabilities

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

(₹ in million)

Contractual maturities of financial liabilities	Less than 1 Year	More than 1 Year	Total
As at March 31, 2022			
Lease liabilities	1067.9	3811.5	4879.4
As at March 31, 2021			
Lease liabilities	1047.9	4312.2	5360.1

iii) Commitments and contingencies

The Group has not entered into lease contract that have not yet commenced as at March 31, 2022. Commitment in respect of Non-cancellable short term leases is ₹ 23.6 million (previous year ₹ 53.2 million). Commitment in respect of low value leases is ₹ 249.4 million (previous year ₹ 290.2 million).

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42. Share-based payment arrangements:

i) Employee stock options – equity settled

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

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

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

Current Year

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	1953420	455.7-2037.5	1165.8	2.7
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	389526	455.7-2037.5	1335.7	NA
Less: Options exercised during the year	176526	455.7-864.8	583.6	NA
Options outstanding at the year end	1387368	556.1-2037.5	1191.6	2.8
Exercisable at the end of the year	1389971	556.1-1505.8	1191.5	2.8

Previous Year

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	2368280	455.7-2037.5	1155.1	4.7
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	298941	455.7-1563	1290.6	NA
Less: Options exercised during the year	115919	455.7-864.8	462.4	NA
Options outstanding at the year end	1953420	455.7-2037.5	1167.0	3.7
Exercisable at the end of the year	1955056	455.7-2037.5	1165.3	3.7

The weighted average grant date fair value of the options granted under Category A during the years ended March 31, 2022 and 2021 was ₹ nil and ₹ nil per option, respectively.

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

Current Year

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	2166977	2.0	2.0	7.4
Add: Options granted during the year	566540	2.0	2.0	9.7
Less: Options lapsed during the year	198081	2.0	2.0	NA
Less: Options exercised during the year	518355	2.0	2.0	NA
Options outstanding at the year end	2017081	2.0	2.0	8.1
Exercisable at the end of the year	504096	2.0	2.0	6.6

Previous Year

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

The weighted average grant date fair value of the options granted under Category B during the years ended March 31, 2022 and 2021 was ₹ 861.7 and ₹ 1006.8 per option, respectively.

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

Current Year

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	150000	720.5-891.5	675.9	4.6
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	-	-	-	NA
Less: Options exercised during the year	100000	415.7-720.5	568.1	NA
Options outstanding at the year end	50000	891.5-891.5	891.5	3.6
Exercisable at the end of the year	50000	891.5-891.5	891.5	3.6

Previous Year

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

The weighted average grant date fair value of options granted under Category C during the years ended March 31, 2022 and 2021 was ₹ nil and ₹ nil per option, respectively.

The weighted average share price during the years ended March 31, 2022 and 2021 was ₹ 981.1 and ₹ 943.8 per share respectively.

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Valuation of stock options

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

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

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

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

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

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

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

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

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

Weighted average information – 2021-2022

Category	Grant date	Exercise price	Risk free rate (%)	Expected life (years)	Expected Volatility (%)	Dividend yield (%)	Weighted average share price	Weighted Option Fair Value
B	May 10, 2021	2.00	5.1%	3.5	33.3%	0.6%	1,227.4	1,197.7
B	September 02, 2021	2.00	5.8%	6.3	31.4%	0.6%	967.8	929.1
B	September 02, 2021	2.00	5.8%	6.3	31.4%	0.6%	967.8	929.1
B	September 02, 2021	2.00	4.6%	2.6	33.5%	0.6%	967.8	950.5
B	October 18, 2021	2.00	5.9%	6.3	31.1%	0.6%	936.5	899.0
B	October 18, 2021	2.00	5.9%	6.3	31.1%	0.6%	936.5	899.0
B	November 30, 2021	2.00	5.9%	6.3	31.1%	0.6%	884.4	848.9
B	November 30, 2021	2.00	5.9%	6.3	31.1%	0.6%	884.4	848.9
B	November 30, 2021	2.00	5.9%	6.3	31.1%	0.6%	884.4	848.9
B	November 30, 2021	2.00	4.6%	2.6	32.4%	0.6%	884.4	868.4
B	March 01, 2022	2.00	6.2%	6.3	31.4%	0.6%	745.9	715.8
B	March 01, 2022	2.00	4.9%	2.6	33.2%	0.6%	745.9	732.1

Category	Weighted Average Option Fair Value	Weighted Average Share Price
B	861.7	885.3

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Weighted average information – 2020-2021

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

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

(ii) Employee stock options – Cash settled

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

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

Particular	**As at 31.03.2022**	**As at 31.03.2021**
Other non-current financial liabilities	31.1	2.5
Other current financial liabilities	31.1	-
Total carrying amount of liabilities	**62.2**	**2.5**

Effect of share based payment transactions on the Consolidated Statement of Profit and Loss

Particular	**For the Current Year ended on 31.03.2022**	**For the Previous Year ended on 31.03.2021**
Equity settled share based payments	393.0	386.6
Cash settled share based payments	59.7	2.5
Total expense on share based payments	**452.7**	**389.1**

43. 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 ₹ 951.1 million (previous year ₹ 947.3 million) for superannuation contribution and other retirement benefit contribution 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 Group recognised ₹ 282.0 million (previous year ₹ 274.3 million) for provident and pension fund contributions in the Consolidated Statement of Profit and Loss.

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(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 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, 2022. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

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

(₹ in million)

Sr. No.	Particulars	Gratuity (Funded)		Gratuity (Unfunded)	
		As at 31.03.2022	As at 31.03.2021	**As at 31.03.2022**	As at 31.03.2021
I)	**Reconciliation in present value of obligations ('PVO') – defined benefit obligation:**				
	Current service cost	241.7	223.9	130.9	115.4
	Past service cost	-	-	-	-
	Interest cost	160.7	148.7	99.2	94.8
	Actuarial loss/(gain)				
	- Due to demographic assumption	-	-	-	-
	- Due to finance assumption	(41.5)	68.4	(7.6)	47.7
	- Due to experience assumption	31.0	(5.5)	12.5	(95.9)
	Benefits paid	(270.1)	(225.4)	(120.5)	(77.0)
	PVO at the beginning of the year	2400.5	2190.4	1481.0	1396.0
	PVO at the end of the year	2522.3	2400.5	1595.5	1481.0
II)	**Change in fair value of plan assets:**				
	Expected return on plan assets	14.2	19.0	-	-
	Interest Income	115.4	108.3	-	-
	Contributions by the employer	241.7	225.9	-	-
	Benefits paid	(270.1)	(225.4)	-	-
	Fair value of plan assets at the beginning of the year	1723.1	1595.3	-	-
	Fair value of plan assets at the end of the year	1824.3	1723.1	-	-
III)	**Reconciliation of PVO and fair value of plan assets:**				
	PVO at the end of the year	2522.3	2400.5	1595.5	1481.0
	Fair Value of plan assets at the end of the year	1824.3	1723.1	-	-
	Funded status	(698.0)	(677.4)	(1595.5)	(1481.0)
	Unrecognised actuarial gain/(loss)	-	-	-	-
	Net liability recognised in the Consolidated Balance Sheet	(698.0)	(677.4)	(1595.5)	(1481.0)

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(₹ in million)

Sr. No.	Particulars	Gratuity (Funded)		Gratuity (Unfunded)	
		As at 31.03.2022	As at 31.03.2021	**As at 31.03.2022**	As at 31.03.2021
IV)	**Expense recognised in the Consolidated Statement of Profit and Loss:**				
	Current service cost	241.7	223.9	130.9	115.4
	Past service cost	-	-	-	-
	Interest cost	45.3	40.4	99.2	94.8
	Total expense recognised in the Consolidated Statement of Profit and Loss	287.0	264.3	230.1	210.2*
V)	**Other Comprehensive Income**				
	Actuarial loss/(gain)				
	- Due to demographic assumption	-	-	-	-
	- Due to finance assumption	(41.5)	68.4	(7.6)	47.7
	- Due to experience assumption	31.1	(5.5)	12.5	(95.9)
	Return on plan assets excluding net interest	(14.2)	(19.0)	-	-
	Total amount recognised in OCI	(24.6)	43.9	4.9	(48.2)
VI)	**Category of assets as at the end of the year:**				
	Insurer Managed Funds (100%) (Fund is Managed by LIC as per IRDA guidelines category-wise composition of the plan assets is not available)	1824.2	1723.1	-	-
VII)	**Actual return on the plan assets:**	129.5	127.3	-	-
VIII)	**Assumptions used in accounting for the gratuity plan:**				
	Mortality (%)	Rates stipulated in Indian Assured Lives Mortality 2006-08 upto 31.03.2019 Rates stipulated in Indian Assured Lives Mortality 2012-14 from 01.04.2019 onwards			
	Discount rate (%)	7.1	6.7	7.1	6.7
	Salary escalation rate (%)	9.0 for first three years and 6.0 thereafter	9.0 for first three years and 6.0 thereafter	9.0 for first three years and 6.0 thereafter	9.0 for first three years and 6.0 thereafter
	Average Remaining Service (years)	11.4	10.9	11.4	10.9
	Employee Attrition Rate (%)				
	up to 5 years	15.0	15.0	15.0	15.0
	above 5 years	5.0	5.0	5.0	5.0
IX)	**Estimate of amount of contribution in immediate next year**	375.3	357.6	NA	NA

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

X) Expected future benefit payments

(₹ in million)

Particulars	**As at 31.03.2022**
1 year	603.5
2 to 5 years	1401.4
6 to 10 years	1628.7
More than 10 years	5043.6

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.

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

(₹ in million)

Gratuity	**2021-2022**		2020-2021	
	Increase	**Decrease**	Increase	Decrease
Discount Rate (1% movement)	(321.2)	371.5	(310.1)	(360.0)
Future salary growth (1% movement)	368.8	(324.6)	356.0	(312.3)

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

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

The Company has an obligation to service the shortfall on account of interest generated by the fund and on maturity of fund investments and hence the same has been classified as Defined Benefit Plan in accordance with Ind AS 19 "Employee Benefits". As per the Guidance Note from the Actuarial Society of India, the Company has obtained the actuarial valuation of interest rate obligation in respect of Provident Fund as at March 31, 2022 and based on the same, there is no shortfall towards interest rate obligation.

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

(₹ in million)

Sr. No.	Particulars	**As at 31.03.2022**	As at 31.03.2021
I)	**PVO and fair value of plan assets:**		
	Fair Value of plan assets	11466.6	10332.3
	Present Value of defined benefit obligations	11641.3	10524.7
	Net excess/(shortfall)	(174.7)	(192.4)
II)	**Changes in defined benefit obligation:**		
	Liability at the beginning of the year	10524.7	9559.1
	Interest cost	725.1	801.4
	Current service cost	639.2	521.2
	Employee contribution	1008.6	915.0
	Liability Transferred in	(282.5)	(248.3)
	Benefits paid	(1051.5)	(1092.2)
	Actuarial gain/(loss) on financial assumptions	(95.4)	-
	Actuarial gain/(loss) on experience variance	173.1	68.5
	Liability at the end of the year	11641.3	10524.7
III)	**Changes in fair value of plan assets:**		
	Fair value of plan assets at the beginning of the year	10332.3	9492.4
	Investment income	710.9	808.5
	Employer's contributions	600.4	521.2
	Employee's contribution	1008.6	915.0
	Transfers in	(247.2)	(237.5)
	Benefits paid	(1051.5)	(1092.2)
	Return on plan assets, excluding amount recognised in net interest expense	112.9	(75.1)
	Fair value of plan assets at the end of the year	11466.4	10332.3

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(₹ in million)

Sr. No.	Particulars	**As at 31.03.2022**	As at 31.03.2021
IV)	**Expenses recognized in Statement of Profit and Loss:**		
	Current service cost	639.2	521.2
	Interest cost	725.1	801.4
	Expected return on plan assets	(710.9)	(808.5)
	(Income)/Expense recognised in the Statement of Profit and Loss	653.4	514.1
V)	**Other Comprehensive Income**		
	Actuarial loss/(gain)		
	- Due to finance assumption	95.4	-
	- Due to experience assumption	(173.1)	(68.5)
	Return on plan assets excluding net interest	112.9	(75.1)
	Total amount recognised in OCI	35.2	(143.6)
VI)	**Major categories of Plan Assets (As per percentage of Total Plan Assets):**		
	Government of India securities/State Government securities	47.1%	52.1%
	High quality corporate bonds	8.4%	10.9%
	Equity shares of listed companies	3.1%	3.3%
	Debt Mutual Fund	37.3%	28.6%
	Equity Mutual Fund	0%	1.2%
	Special Deposit Scheme	1.7%	2.1%
	Bank balance	2.5%	1.8%
	Total	100%	100%
VII)	**Assumptions used in accounting for the provident fund plan:**		
	Discount rate (%)	7.1	6.7
	Average remaining tenure of investment portfolio (years)	7.7	7.5
	Guaranteed rate of return (%)	8.1	8.5
	Attrition rate - upto 5 years	15.0%	15.0%
	Above 5 years	5.0%	5.0%

b) Multicare Pharmaceuticals Philippines Inc., Philippines

The subsidiary at Philippines makes annual contributions to a private bank to fund defined benefit plan for qualifying employees. The Retirement Plan is a non-contributory and of the defined benefit type which provides a retirement benefit equal to 200% of Plan Salary for every year of Credited Service.

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, 2022. 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:

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(₹ in million)

Sr. No.	Particulars	Lump sum Retirement Benefits (funded)	
		As at 31.03.2022	As at 31.03.2021
I)	**Reconciliation in present value of obligations ('PVO') – defined benefit obligation:**		
	Current service cost	18.1	18.6
	Past service cost	-	-
	Interest cost	6.5	6.1
	Actuarial loss/(gain)		
	- Due to Demographic Assumption	-	-
	- Due to Finance Assumption	(11.5)	(13.7)
	- Due to Experience	6.8	4.1
	Benefits paid	(1.8)	(0.9)
	Foreign exchange translation difference	(5.0)	3.1
	PVO at the beginning of the year	134.6	117.3
	PVO at the end of the year	147.7	134.6
II)	**Change in fair value of plan assets:**		
	Return on Plan Assets excluding interest income	1.0	1.6
	Interest income	1.7	1.7
	Contributions by the employer	-	-
	Contributions by the employee	-	-
	Benefits paid	(1.8)	(0.6)
	Foreign exchange translation difference	(1.2)	0.9
	Fair value of plan assets at the beginning of the year	36.2	32.6
	Fair value of plan assets at the end of the year	35.9	36.2
III)	**Reconciliation of PVO and fair value of plan assets:**		
	PVO at end of the year	147.7	134.6
	Fair Value of plan assets at the end of the year	35.9	36.2
	Funded status	(111.8)	(98.4)
	Unrecognised actuarial gain/(loss)	-	-
	Net liability recognised in the Consolidated Balance Sheet	(111.8)	(98.4)
IV)	**Expense recognised in the Consolidated Statement of Profit and Loss:**		
	Current service cost	18.1	18.6
	Past service cost	-	-
	Net interest	4.8	4.4
	Return on Plan Assets excluding interest income	-	(1.7)
	Total expense recognised in the Consolidated Statement of Profit and Loss	22.9	21.3
V)	**Other Comprehensive Income:**		
	Actuarial loss/(gain) recognised for the period		
	- Due to Demographic Assumption	-	-
	- Due to Finance Assumption	(11.5)	(13.7)
	- Due to Experience	6.8	4.1
	Return on plan assets excluding net interest	(1.0)	(1.6)
	Total amount recognised in OCI	(5.7)	(11.2)
VI)	**Category of assets as at the end of the year:**		
	Cash & Cash Equivalents	0.0%	0.0%
	Equity Instruments	1.3%	1.3%
	Debt Instruments - Government Bonds	18.9%	25.7%
	Debt Instruments - Other Bonds	6.4%	12.4%
	Unit Investment Trust Funds	79.8%	73.7%
	Others	(6.4)%	(13.1)%

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(₹ in million)

Sr. No.	Particulars	Lump sum Retirement Benefits (funded)	
		As at 31.03.2022	As at 31.03.2021
VII)	**Actual return on the plan assets**	1.8	3.3
VIII)	**Assumptions used in accounting for the Retirement Benefit plan:**		
	Mortality %	Rates stipulated in 2001 CSO Table	
	Discount rate (%)	5.6	4.9
	Salary escalation rate (%)	6.0	6.0
	Average Remaining Service (years)	22.9	23.8
	Employee attrition rate (%)	18.2	18.2

IX) Expected future benefit payments (₹ in million)

Particulars	**As at 31.03.2022**
First year	10.7
Second year	7.1
Third year	7.1
Fourth year	9.3
Fifth year	6.8
Beyond five years	132.5

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

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

(₹ in million)

	2021-2022		2020-2021	
	Increase	Decrease	Increase	Decrease
Discount Rate (1% movement)	16.8	(14.5)	16.4	(14.1)
Future salary growth (1% movement)	16.5	(14.5)	16.1	(14.0)

c) Laboratorios Grin S.A. de C.V., Mexico

The subsidiary at Mexico 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, 2022. 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:

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(₹ in million)

Sr. No.	Particulars	Lump sum Retirement Benefits (non funded)	
		As at 31.03.2022	As at 31.03.2021
I)	**Reconciliation in present value of obligations ('PVO') – defined benefit obligation:**		
	Current service cost	10.5	9.5
	Past service cost	13.6	-
	Interest cost	3.0	3.3
	Actuarial loss/(gain)		
	- Due to Curtailment	25.1	-
	- Due to Demographic Assumption	15.3	-
	- Due to Finance Assumption	(4.6)	-
	- Due to Experience	(8.4)	(16.1)
	Benefits paid	(34.3)	(0.9)
	Foreign exchange translation difference	4.1	6.6
	PVO at the beginning of the year	51.8	49.5
	PVO at the end of the year	76.1	51.8
II)	**Reconciliation of PVO and fair value of plan assets:**		
	PVO at end of the year	76.1	51.8
	Fair Value of plan assets at the end of the year	-	-
	Funded status	-	-
	Unrecognised actuarial gain/(loss)	-	-
	Net liability recognised in the Consolidated Balance Sheet	76.1	51.8
III)	**Expense recognised in the Consolidated Statement of Profit and Loss:**		
	Current service cost	10.5	9.5
	Past service cost	13.6	-
	Net interest	3.0	3.3
	Curtailment effect	25.0	-
	(Gain)/Loss recognized in OCI	6.0	-
	Total expense recognised in the Consolidated Statement of Profit and Loss	58.3	12.8
IV)	**Other Comprehensive Income:**		
	Actuarial gain/(loss) recognised for the period		
	- Due to Demographic Assumption	(15.3)	-
	- Due to Finance Assumption	4.6	-
	- Due to Experience	8.4	(16.1)
	- (Gain)/Loss recognized in OCI	6.0	-
	Total amount recognised in OCI	3.9	(16.1)
V)	**Assumptions used in accounting for the plan:**		
	Mortality (%)	Experience Social insurance by gender	
	Discount rate (%)	8.6	6.6
	Salary escalation rate (%)	5.0	5.0
	Average Remaining Service (years)	12.9	13.2
	Employee attrition rate (%)	22.0	22.0

VI) Expected future benefit payments

(₹ in million)

Particulars	**As at 31.03.2022**
First year	16.5
Second year	16.5
Third year	20.2
Fourth year	14.7
Fifth year	14.4
Beyond five years	64.3

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

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

(₹ in million)

	2021-2022		2020-2021	
	Increase	**Decrease**	Increase	Decrease
Discount Rate (0.5% movement)	(1.4)	1.4	(1.5)	1.6
Future salary growth (0.5% movement)	1.4	(1.4)	0.8	(0.8)

d) Lupin Healthcare Limited, India

The Lupin Healthcare Limited 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 the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2022. 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:

(₹ in million)

Sr. No.	Particulars	Gratuity (Unfunded)	
		As at 31.03.2022	As at 31.03.2021
I)	**Reconciliation in present value of obligations ('PVO') – defined benefit obligation:**		
	Current service cost	1.4	0.1
	Past service cost	-	-
	Interest cost	-	-
	Actuarial loss/(gain)		
	- Due to demographic assumption	-	-
	- Due to finance assumption	-	-
	- Due to experience assumption	0.2	-
	Benefits paid	-	-
	PVO at the beginning of the year	-	-
	PVO at the end of the year	1.6	0.1
II)	**Change in fair value of plan assets:**		
	Expected return on plan assets	-	-
	Interest Income	-	-
	Contributions by the employer	-	-
	Benefits paid	-	-
	Fair value of plan assets at the beginning of the year	-	-
	Fair value of plan assets at the end of the year	-	-
III)	**Reconciliation of PVO and fair value of plan assets:**		
	PVO at the end of the year	1.6	0.1
	Fair Value of plan assets at the end of the year	-	-
	Funded status	(1.6)	(0.1)
	Unrecognised actuarial gain/(loss)	-	-
	Net liability recognised in the Consolidated Balance Sheet	(1.6)	(0.1)

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(₹ in million)

Sr. No.	Particulars	Gratuity (Unfunded)	
		As at 31.03.2022	As at 31.03.2021
IV)	**Expense recognised in the Consolidated Statement of Profit and Loss:**		
	Current service cost	1.4	0.1
	Past service cost	-	-
	Interest cost	-	-
	Total expense recognised in the Consolidated Statement of Profit and Loss	1.4	0.1
V)	**Other Comprehensive Income**		
	Actuarial loss/(gain)		
	- Due to demographic assumption	(0.0)	-
	- Due to finance assumption	-	-
	- Due to experience assumption	0.2	-
	Return on plan assets excluding net interest	-	-
	Total amount recognised in OCI	0.2	-
VI)	**Category of assets as at the end of the year:**		
	Insurer Managed Funds (100%) (Fund is Managed by LIC as per IRDA guidelines category-wise composition of the plan assets is not available)	NA	NA
VII)	**Actual return on the plan assets:**	NA	NA
VIII)	**Assumptions used in accounting for the gratuity plan:**		
	Mortality (%)	Rates stipulated in Indian Assured Lives Mortality 2012-14 from 01.04.2019 onwards	
	Discount rate (%)	71.0%	6.7%
	Salary escalation rate (%)	9.0 for first three years and 6.0 thereafter	9.0 for first three years and 6.0 thereafter
	Average Remaining Service (years)	26.22	22.06
	Employee Attrition Rate (%)		
	up to 5 years	15.0	15.0
	above 5 years	5.0	5.0
IX)	**Estimate of amount of contribution in immediate next year**	NA	NA

X) Expected future benefit payments

(₹ in million)

Particulars	**As at 31.03.2022**
1 year	0.0
2 to 5 years	0.2
6 to 10 years	0.6
More than 10 years	4.3

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

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

Gratuity (Unfunded)	**2021-2022**		2020-2021	
	Increase	**Decrease**	Increase	Decrease
Discount Rate (1% movement)	1.4	1.9	0.1	0.1
Future salary growth (1% movement)	1.9	1.4	0.1	0.1

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44. Income taxes

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

(₹ in million)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Current Tax Expense for the year (including non-creditable foreign taxes of ₹ 432.4 million during the year ended 31.03.2022)	1391.5	4416.7
Tax expense of prior years	220.0	(32.0)
Net Current Tax Expense	1611.5	4384.7
Deferred income tax liability/(asset), net		
Origination and reversal of temporary differences	(240.0)	100.5
Tax expense for the year	**1371.5**	4485.2

b) Tax expense recognised in other comprehensive income:

(₹ in million)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	(14.4)	40.6
Items that will be reclassified to profit or loss		
The effective portion of gains and loss on hedging instruments in a cash flow hedge	4.4	(240.6)
Total	**(10.0)**	**(200.0)**

Management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets. During the year, the company has recognized deferred tax asset of ₹ 172.8 million (previous year ₹ 279.6 million) on unused tax loss. Based on the level of historical taxable income and projections of future taxable income over the periods in which the deferred tax assets are deductible, management believes that the company will realize the benefits of those recognized deductible differences and tax loss carry forwards.

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.

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

(₹ in million)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Profit before share of profit of jointly controlled entity	(13725.7)	16751.2
Tax using the Company's domestic tax rate (March 31, 2022: 34.94%, March 31, 2021: 34.94%)	(4796.3)	5853.5
Tax effect of:		
Differences in Indian and foreign tax rates	2025.7	(213.4)
Unrecognised Deferred tax Assets/(recognition of previously unrecognised deferred tax assets), net	3253.4	1089.4
Expenses not deductible for tax purposes	1815.9	1395.3
Incremental deduction on account of Research and Development costs	(130.8)	(110.0)
Exemption of profit link incentives	(706.5)	(2980.7)
Other exempt income	-	(140.3)
Foreign exchange differences	30.8	(11.0)
Others	(340.7)	(365.6)
Current and Deferred Tax expense (excluding prior year taxes) as per note 44(a)	**1151.5**	**4517.2**

d) Movement in deferred tax balances:

(₹ in million)

Particulars	As at 01.04.2021	Recognised in/under				As at 31.03.2022
Deferred Tax Assets/(Liabilities)	Net balance	Profit or Loss	Retained earnings/ OCI	Business Combination /Asset Acquisition	FCTR	Net balance
Property, plant and equipment	(3324.9)	68.5	-	-	(26.6)	(3183.0)
Cash Flow Hedge Reserve	26.4	(53.2)	4.4	-	(0.1)	(22.5)
Operating Tax loss and interest loss carry forward	83.9	(38.7)	-	-	0.2	45.4
Provision for Expenses	132.1	82.6	-	-	10.8	225.5
Deferred Income	211.5	(100.3)	-	-	-	111.2
Provision for Employee Benefit	1229.4	119.7	(14.4)	-	0.8	1335.5
Impairment Allowances for Trade Receivable/Bad Debts	157.9	(14.0)	-	-	-	143.9
Unrealised Profits on unsold inventories	957.7	(153.2)	-	-	(0.1)	804.5
Others	(69.7)	313.0	-	(417.4)	2.6	(171.5)
Net Deferred tax assets/(liabilities)	**(495.6)**	**224.4**	**(10.0)**	**(417.4)**	**(12.4)**	**(711.0)**

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(₹ in million)

Particulars	As at 01.04.2020	Recognised in/under				As at 31.03.2021
Deferred Tax Assets/(Liabilities)	Net balance	Profit or Loss	Retained earnings/ OCI	Business Combination /Asset Acquisition	FCTR	Net balance
Property, plant and equipment	(3302.5)	66.5	-	-	11.1	(3224.9)
Cash Flow Hedge Reserve	227.7	2.6	(203.9)	-	-	26.4
Operating Tax loss and interest loss carry forward	69.4	-	-	-	14.5	83.9
Provision for Expenses	44.6	69.0	-	-	18.5	132.1
Deferred Income	262.3	(50.8)	-	-	-	211.5
Provision for Employee Benefit	1153.7	22.7	42.4	-	10.6	1229.4
Impairment Allowances for Trade Receivable/Bad Debts	109.2	45.3	-	-	3.4	157.9
Unrealised Profits on Unsold inventories	988.1	(30.4)	-	-	-	957.7
Others	195.2	(234.0)	-	-	(30.9)	(69.7)
Net Deferred tax assets/(liabilities)	**(252.3)**	**(109.1)**	**(161.5)**	**-**	**27.3**	**(495.6)**

Reflected in the balance sheet as follows:

(₹ in million)

Particulars	**As at 31.03.2022**	As at 31.03.2021
Deferred Tax Asset	1697.3	1802.1
Deferred Tax Liability	(2408.3)	(2297.7)
Deferred Tax Asset/(Liabilities)(net)	**(711.0)**	**(495.6)**

e) Operating loss carry forward consists of business losses, capital losses and unabsorbed depreciation. Deferred tax assets have not been recognized on operating losses of ₹ 35418.5 million (previous year ₹ 23357.0 million) because currently there is no reasonable certainty that the Group will be utilizing the benefits in near future. A portion of this total loss can be carried indefinitely, and the remaining amounts expire at various dates ranging from 2023 through 2038 (previous year from 2022 through 2038) and some of this loss can be carried back till 2011.

45. 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 ₹ 14023.6 million (previous year ₹ 14324.2 million).

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46. a) During the year, the Company, through its wholly owned subsidiary Lupin Atlantis Holdings SA, Switzerland (LAHSA) acquired/subscribed to the equity stake of the following subsidiaries:

i) Additional investment in Lupin Latam Inc., USA at a total cost of ₹ nil (previous year ₹ 7.3 million) as capital contribution.

ii) Additional investment in Lupin Japan & Asia Pacific K.K. Japan at a total cost of ₹ nil (previous year ₹ 38.7 million) as additional paid-in capital.

b) During the year, the Company, through its wholly owned subsidiary Nanomi B.V. acquired/subscribed to the equity stake of the following subsidiaries:

i) Additional Investment in Generic Health SDN. BHD., Malaysia at a total cost of ₹ 1.1 million (previous year ₹ nil) as additional paid-in capital.

ii) Additional Investment in Lupin Inc., USA at a total cost of ₹ 17476.8 million (previous year ₹ 20055.7 million) as additional paid-in capital.

c) During the year, the Company, acquired/subscribed to the equity stake of the following subsidiaries:

i) Investment in Lupin Oncology Inc., USA at a total cost of ₹ 1127.9 million (previous year ₹ nil) as paid-in capital.

ii) Investment in Lupin Digital Health Limited, India at a total cost of ₹ 400.1 million (previous year ₹ nil) as paid-in capital. Of these, ₹ 280.1 million is against Share Capital and balance ₹ 120.0 million is against Share Premium.

iii) Additional investment in Nanomi B.V. Netherlands at a total cost of ₹ 17551.5 million (previous year ₹ 20227.8 million) as additional paid-in capital. Of these, ₹ 5850.5 million is against Share Capital and balance ₹ 11701.0 million is against Share Premium.

iv) Investment in Lupin Biologics Limited, India at a total cost of ₹ nil (previous year ₹ 1.0 million) as paid-in capital.

d) During the year, the Company, through its wholly owned subsidiary Lupin Research Inc., USA. acquired/subscribed to the 100% equity stake of Avenue Coral Springs LLC, USA.

e) During the year, the Company, through its wholly owned subsidiary Generic Health Pty Ltd, Australia acquired/subscribed to the 100% equity stake of Southern Cross Pharma Pty Ltd, Australia.

f) During the year, the Company, acquired/subscribed to the Optionally Convertible Non-cumulative Redeemable Preference Shares (OCNRPS) in Lupin Healthcare Limited, India at a total cost of ₹ 500 million (previous year ₹ 500 million).

g) During the year, LAHSA had sold Investment of ₹ 20.2 million in Lupin Latam Inc., USA to Lupin Management Inc., USA for a nominal value. Further, Lupin Latam Inc., USA was merged with Lupin Management Inc., USA on August 30, 2021.

h) During the previous year, Lupin Middle East FZ-LLC, U.A.E. subsidiary of LAHSA got liquidated on July 02, 2020. LAHSA had provided their investment of ₹ 32.3 million in Lupin Middle East.

i) During the previous year, Lupin Japan & Asia Pacific, Japan subsidiary of LAHSA got dissolved on December 17, 2020. LAHSA had provided their investment of ₹ 20.0 million in Lupin Japan and Asia Pacific.

j) During the previous year, Lupin GmbH,(Switzerland) was merged with LAHSA on September 21, 2020 with effect from April 01, 2020.

k) During the year, LAHSA has returned ₹ 5207.2 million to the company out of capital contributed earlier.

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.

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47. Acquisition through Business Combination

Effective February 03, 2022, Generic Health Pty Ltd, the wholly owned subsidiary of the group acquired 100% equity in Southern Cross Pharma Pty Ltd (SCP). Incorporated in Melbourne, Australia, Southern Cross Pharma Pty Ltd is engaged in developing, registering, and distributing generic products.

The purchase price of SCP as on February 03, 2022 had been allocated based on estimated fair values at the acquisition date, for various assets and liabilities acquired/assumed under a Share Price Agreement. The fair values are determined based on its then estimates and third-party technical evaluation for various tangible and intangible assets acquired.

As at March 31, 2022, the consolidated balance sheet reflects the purchase price allocated to the assets acquired and liabilities assumed based on estimated fair values. The final purchase price allocation carried out during the year resulted in goodwill of ₹ 547.8 million. The following table summarizes the allocation of purchase price consideration, for the fair values of the assets acquired and liabilities assumed and the resultant Goodwill.

(₹ in million)

Particulars	As at February 03, 2022
Purchase Consideration paid (A)	1665.9
Fair Value of Assets Acquired	
Non-Current	
Intangible Assets under Development	77.0
Other Intangible Assets	1249.7
Current	
Inventories	237.2
Cash and cash equivalents	198.7
Trade Receivables	61.2
Other assets	29.0
Total Assets [i]	**1852.8**
Liabilities Assumed	
Trade payables	255.4
Other payables	81.3
Deferred tax liability	398.0
Total Liabilities [ii]	**734.7**
Total Identifiable Net Assets [i-ii] (B)	**1118.1**
Goodwill arising on acquisition (A-B)	**547.8**
Cash Outflows arising on acquisition	
Purchase consideration paid/payable in cash	1479.2
Deferred consideration payable*	186.7
Total	**1665.9**

* Payable in cash subject to obtaining regulatory approvals of each of the products listed in Share Price Agreement.

Summary of post acquisition revenue and gain of the acquired entity included in the consolidated statement of profit and loss for the year ended March 31, 2022

(₹ in million)

Particulars	For the year ended March 31, 2022
Revenue	307.6
Net Profit considered in the consolidated statement of profit and loss	49.0

48. Asset Acquisition

During the year, the Company through its wholly owned subsidiary, Lupin Research Inc, acquired the entire share capital of Avenue Coral Springs LLC for a consideration of ₹ 894.8 million. The arrangement has been classified as an asset acquisition resulting in acquisition of the Building developed by Avenue Coral Springs LLC and accordingly, the consideration paid has been attributed towards the cost of such tangible asset.

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49. Goodwill

Impairment testing of Goodwill

For the purposes of impairment testing, carrying amount of goodwill has been allocated to the following Cash Generating Units (CGU's) as follows:

(₹ in million)

Particulars	As at 31.03.2022	As at 31.03.2021
South Africa	6308.5	5958.4
Germany	320.0	325.9
Philippines	287.5	297.7
Australia	1019.0	428.3
Netherlands	797.3	811.8
Brazil	1000.1	806.6
Mexico	4301.5	4043.5
United States of America	7207.1	6952.0
Total	**21,241.0**	**19624.2**

Movement in Goodwill is on account of exchange difference on consolidation amounting to ₹ 1069.0 million and acquisition of Southern Cross Pharma Pty Ltd amounting to ₹ 547.8 million.

The recoverable amounts of the above CGU's have been assessed using a value-in-use model. Value in use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit to which the goodwill is allocated. Initially a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows.

The key assumptions used in the estimation of the recoverable amount are set out below:

The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

The cash flow projections are based on five years specific estimates, five years estimates developed using internal forecasts and a terminal growth rate thereafter considering the value in use of cash generating units is better reflected by projections for 10 years due to the business life cycle and longer term gestation of products. The planning horizon reflects the assumptions for short-to-midterm market developments and have been adjusted for the risks of competition, product life cycle etc.

The terminal growth rates used in extrapolating cash flows beyond the planning horizon ranged from -5% to 5% for the year ended March 31, 2022 and from -5% to 6.5% for the year ended March 31, 2021.

Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. The discount rate is estimated based on the weighted average cost of capital for respective CGU or group of CGUs. Post-tax discount rate used ranged from 4% to 16.5% for the year ended March 31, 2022 and from 4.5% to 15.4% for the year ended March 31, 2021.

The Company believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

50.

a) The Company through Lupin Atlantis Holdings SA , Switzerland (LAHSA) holds 100% equity stake at a cost of ₹ 279.7 million (previous year ₹ 279.7 million) in Lupin Healthcare UK Ltd, UK (LHUL). The said subsidiary has negative net worth as at the end of the year. Considering the financial, technical and operational support from the Company and LHUL'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 Nanomi BV holds 100% equity stake at a cost of ₹ 60232.0 million (previous year ₹ 42755.2 million) in Lupin Inc. The said subsidiary has negative net worth as at the end of the year. Considering the financial, technical and operational support from the Company and Lupin Inc's projections/plans, 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 holds 100% equity stake at a cost of ₹ 81.7 million (previous year ₹ 81.7 million) in Lupin Healthcare Limited, India. The said subsidiary has negative net worth as at the end of the year. Considering the financial, technical and operational support from the Company and Lupin Healthcare Limited's projections/plans 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.

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d) The Company through Lupin Atlantis Holdings SA, Switzerland (LAHSA) holds 100% equity stake at a cost of ₹ 40.9 million (previous year ₹ 40.9 million) in Lupin Europe GmbH, Germany. The said subsidiary has negative net worth as at the end of the year. Considering the financial, technical and operational support from the Company and Lupin Europe GmbH's projections/plans the Company is of the view that this would lead to an improvement in growth in the turnover and profitability is expected, which would result in improvement in net worth, over a period of time.

e) The Company holds 100% equity stake at a cost of ₹ 1.0 million (previous year ₹ 1.0) in Lupin Biologics Limited. The said subsidiary has negative net worth as at the end of the year. Considering the financial, technical and operational support from the Company and Lupin Biologics Limited's projections/plans, 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.

f) The Company holds 99.3% equity stake at a cost of ₹ 1127.9 million (previous year ₹ nil) in Lupin Oncology Inc, USA. The said subsidiary has negative net worth as at the end of the year. Considering the financial, technical and operational support from the Company and Lupin Oncology Inc's projections/plans, 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.

g) Further, net worth of Pharma Dynamics (Proprietary) Limited, Lupin Australia Pty Limited, Lupin Mexico S.A. de C.V., Generic Health SDN. BHD., Laboratorios Grin S.A. de C.V., Medquímica Indústria Farmacêutica LTDA, Lupin Digital Healthcare Limited, Southern Cross Pharma Pty Ltd are substantially less than the carrying amount of investments made by the Company directly or through its subsidiaries.

The Group considers its investments in subsidiaries as strategic and long-term in nature and accordingly no provision for diminution in value of investments is considered necessary.

51. a) Non-controlling Interest represents the non-controlling's share in equity of the subsidiaries as below:

(₹ in million)

Particulars	**As at 31.03.2022**	As at 31.03.2021
(i) Multicare Pharmaceuticals Philippines Inc., Philippines		
- Share in Equity Capital	13.2	13.2
- Share in Reserves and Surplus	635.2	481.1
- Share in Other Comprehensive Income	36.8	55.4
	685.2	**549.7**
(ii) Lupin Oncology Inc, USA		
- Share in Equity Capital	7.7	-
- Share in Reserves and Surplus	(5.7)	-
- Share in Other Comprehensive Income	(0.1)	-
	1.9	-
Total	**687.1**	**549.7**

b) Interest in Joint Venture:

Name of Joint Venture	Country of Incorporation	% Shareholding	
		March 31, 2022	March 31, 2021
YL Biologics Limited	Japan	45%	45%
Carrying amount of investment (₹ in million)		303.3	319.1

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Summarised Balance Sheet as at March 31, 2022

(₹ in million)

Particulars	**As at 31.03.2022**	As at 31.03.2021
Current assets	694.6	811.9
Non-current assets	0.9	6.8
Current liabilities	21.5	109.5
Non-current liabilities	-	0.1
Equity	674.0	709.1

Summarised Statement of Profit and Loss for the year ended March 31, 2022

(₹ in million)

Particulars	**For the current year ended 31.03.2022**	For the previous year ended 31.03.2021
Revenue	110.0	722.4
Expenses	103.9	669.6
Tax	(1.9)	23.3
Profit after tax	8.0	29.5

52. Auditors' Remuneration

(₹ in million)

Particulars	**2021-2022**	2020-2021
Payment to Auditors of the Company and its subsidiaries:		
a) As Auditors	144.3	126.8
b) for other services including Taxation matters and certifications	23.6	16.5
c) Reimbursement of out-of-pocket expenses	1.5	1.5
Total	**169.4**	**144.8**

53. Impairment of IPs

Following our annual impairment review, we have recognized an amount of ₹ 8402.1 million (India ₹ 68 million and USA ₹ 8334.1 million) as impairment charges during the current year in the consolidated profit and loss account in relation to intangible assets. Impairment pertains to acquired brand Solosec (₹ 7134.9 million) and intangibles acquired as a part of the acquisition of Gavis (₹ 1267.2 million).

Solosec

Following its acquisition of Symbiomix Therapeutics LLC in October 2017, the Company launched Solosec in FY 2019 and classified the intangible asset as a Currently Marketed Product (CMP), with approximately 40 thousand scripts sold during that fiscal year and increasing to 95 thousand in fiscal year 2020. As with many women's health products and especially newly launched products, COVID-19 impacted sales of Solosec dramatically in FY 2021 resulting in the Company selling only 32 thousand scripts during that year. In FY22, the Company determined that in addition to the ongoing impact of COVID-19 on overall demand, health care providers' willingness to prescribe Solosec was further declining due to the increased burden of prior authorization requirements by commercial insurers. As a result, the Company scaled down its commercial infrastructure related to Solosec, including the in-person promotion of Solosec by its contracted team of sales representatives in September 2021. The recent reduction in sales and the Company's decision to scale down its promotional investment related to Solosec led to changes in the expected cash flow assumptions for Solosec. Thus resulting in recognition of impairment charges of ₹ 7134.9 million.

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

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

The fair value so used is categorized as a level 3 valuation in line with the fair value hierarchy per requirements of Ind AS 113 “Fair Value Measurement” (Ind AS 113).

The fair value had been determined with reference to the discounted cash flow technique.

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

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

The projected cashflows were discounted at post-tax rate of 5.35%. The terminal growth rate was considered at -5%.

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

Based on the assessment carried out as at March 31, 2022, and after considering performance for the full year ended March 31, 2022, no further provision is required.

During the previous year, an impairment charge of ₹ 339.9 million was recognized.

54. Foreign Currency Translation Reserve represents the net exchange difference on translation of net investment in foreign operations located at Australia, Germany, South Africa, Philippines, Mexico, Switzerland, Brazil, USA, Netherlands, UAE and Canada from their local currency to the Indian currency. Consequently, in accordance with the Indian Accounting Standard 21 (Ind AS 21) “The Effects of Changes in Foreign Exchange Rates”, the exchange rate difference on translation of ₹ 1025.5 million (previous year ₹ 2066.7 million credited) is credited during the year to such reserve.

55. Patent Litigation Settlement for Glumetza

In September 2019, 12 lawsuits were filed by purchasers of drug Glumetza in the US against several stakeholders including Lupin Limited and its subsidiary Lupin Pharmaceuticals Inc., U.S. During September 2021, the Company and its subsidiary, agreed to settle the dispute with respect to antitrust class action filed, without admitting any violation of law. Accordingly, the Company has settled with the two plaintiffs representing a majority of the claims for an amount of USD 252.9 million (₹ 18783.8 million) [including USD 4.9 million (₹ 374.8 million) towards litigation and settlement related expenses]. This amount has been recognized as business compensation expense.

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56. As per best estimates of the management, provision has been made as under.

European Commission fine

During the year ended March 31, 2019, the General Court of the European Union delivered its judgement concerning Lupin's appeal against the European Commission's (EC) 2014 decision in case of alleged breach of the EU Antitrust Rules in respect of IPs for product Perindopril. Accordingly, the Company has made a provision of ₹ 3783.9 million (previous year ₹ 3796.1 million) (including interest thereon) as under:

(₹ in million)

Particulars	**2021-2022**	2020-2021
Carrying amount at the beginning of the year	3796.1	3609.5
Add: Additional Provisions (including interest) made during the year	56.6	57.1
Less: Amounts used/utilised during the year	-	-
Add: Exchange Difference during the year	(68.8)	129.5
Carrying amount at the end of the year	**3783.9**	**3796.1**

The Group has filed appeal against this judgment in the Court of Justice of the European Union.

57. The aggregate amount of expenditure incurred during the year by the Company on Corporate Social Responsibility (CSR) is ₹ 385.7 million (previous year ₹ 243.6 million) and is shown separately under note 33 based on Guidance Note on Accounting for Expenditure on CSR Activities issued by the ICAI.

(₹ in million)

Particular	**2021-2022**	2020-2021
Donations	358.9	215.8
- Rural Welfare	252.6	127.8
- Learn and Earn	10.0	21.0
- Covid 19 related activities and others	96.3	67.0
Administrative and Other general expenses	12.8	13.7
Others – Patient Awareness, etc.	14.0	14.1
Total	**385.7**	**243.6**

The amount required to be spent by the company at Standalone level during the year is ₹ 334.8 million (previous year ₹ 346.6 million).

No amount was spent during the year towards construction/acquisition of any asset relating to CSR expenditure and there are no outstanding amounts payables towards any other purposes.

In respect of ongoing projects, the company is in the process of transferring the unspent amount of ₹ 64 million for the year ended March 31, 2021 to a special account as per section 135(6) of the said Act.

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58. 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.

(₹ in million)

	Particulars	**As at 31.03.2022**	As at 31.03.2021
i.	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	860.7 (interest ₹ nil)	912.3 (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	-	-

59. Financial Instruments

Financial instruments – Fair values and risk management:

A. Accounting classification and fair values:

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

Fair value hierarchy

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

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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(₹ in million)

As at 31.03.2022	Carrying amount				Fair value			
	FVTPL	Derivatives designated as hedge	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-Current Investments	472.7	-	-	472.7	-	402.6	70.1	472.7
Non-Current Loans								
- Others	-	-	2.1	2.1	-	-	-	-
Other Non-Current Financial Assets								
- Derivative instruments	-	19.5	-	19.5	-	19.5	-	19.5
- Security Deposit	-	-	759.0	759.0	-	-	-	-
- Others	-	-	39.3	39.3	-	-	-	-
Current Investments	6213.5	-	2010.5	8224.0	6213.5	-	-	6213.5
Trade Receivables	-	-	42619.4	42619.4	-	-	-	-
Cash and Cash Equivalents	-	-	9913.7	9913.7	-	-	-	-
Other Bank Balances including earmarked balances with banks	-	-	1067.6	1067.6	-	-	-	-
Current Loans								
- Others	-	-	22.9	22.9	-	-	-	-
Other Current Financial Assets								
- Derivative instruments	-	223.3	-	223.3	-	223.3	-	223.3
- Security Deposit	-	-	57.9	57.9	-	-	-	-
- Others	-	-	3705.8	3705.8	-	-	-	-
	6686.2	**242.8**	**60198.2**	**67127.2**	**6213.5**	**645.4**	**70.1**	**6929.0**
Financial liabilities								
Non-Current Borrowings	-	-	1418.6	1418.6	-	-	-	-
Lease Liability (Non Current)	-	-	2219.6	2219.6	-	-	-	-
Other Non-Current Financial Liabilities								
- Derivative instruments	-	-	-	-	-	-	-	-
- Others	-	-	2509.2	2509.2	-	-	-	-
Current Borrowings	-	-	37023.0	37023.0	-	-	-	-
Lease Liability (Current)	-	-	922.6	922.6	-	-	-	-
Trade Payables	-	-	22829.1	22829.1	-	-	-	-
Other Current Financial Liabilities								
- Derivative instruments	281.8	-	-	281.8	-	281.8	-	-
- Others	-	-	5657.2	5657.2	-	-	-	-
	281.8	**-**	**72579.3**	**72861.1**	**-**	**281.8**	**-**	**-**

(₹ in million)

As at 31.03.2021	Carrying amount				Fair value			
	FVTPL	Derivatives designated as hedge	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-Current Investments	-	-	-	-	-	-	-	-
- Others	461.6	-	-	461.6	-	400.0	61.6*	461.6
Non-Current Loans								
- Others	-	-	0.9	0.9	-	-	-	-
Other Non-Current Financial Assets								
- Derivative instruments	-	-	-	-	-	-	-	-
- Security Deposit	-	-	667.7	667.7	-	-	-	-
- Others	-	-	34.9	34.9	-	-	-	-

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(₹ in million)

As at 31.03.2021	Carrying amount				Fair value			
	FVTPL	Derivatives designated as hedge	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Current Investments	21787.8	-	1980.3	23768.1	21787.8	-	-	21787.8
Trade Receivables	-	-	44743.2	44743.2	-	-	-	-
Cash and Cash Equivalents	-	-	9206.3	9206.3	-	-	-	-
Other Bank Balances including earmarked balances with banks	-	-	8218.3	8218.3	-	-	-	-
Current Loans								
- Others	-	-	15.1	15.1	-	-	-	-
Other Current Financial Assets								
- Derivative instruments	-	272.4	-	272.4	-	272.4	-	272.4
- Security Deposit	-	-	137.9	137.9	-	-	-	-
- Others	-	-	4107.1	4107.1	-	-	-	-
	22249.4	**272.4**	**69111.7**	**91633.5**	**21787.8**	**672.4**	**61.6**	**22521.8**
Financial liabilities								
Non-Current Borrowings	-	-	161.2	161.2	-	-	-	-
Lease Liability (Non Current)	-	-	2586.9	2586.9	-	-	-	-
Other Non-Current Financial Liabilities								
- Derivative instruments	-	-	-	-	-	-	-	-
- Others	-	-	3384.8	3384.8	-	-	-	-
Current Borrowings	-	-	47668.6	47668.6	-	-	-	-
Lease Liability (Current)	-	-	874.1	874.1	-	-	-	-
Trade Payables	-	-	20144.4	20144.4	-	-	-	-
Other Current Financial Liabilities								
- Derivative instruments	2.4	-	-	2.4	-	2.4	-	2.4
- Others	-	-	4622.5	4622.5	-	-	-	-
	2.4	**-**	**79442.5**	**79444.9**	**-**	**2.4**	**-**	**2.4**

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

B. Measurement of fair values:

Valuation techniques and significant unobservable inputs:

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

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

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C. Financial risk management:

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

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

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

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

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

i. Credit risk:

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

Trade receivables

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

As at March 31, 2022, the carrying amount of the Group's largest customer (a wholesaler based in North America) was ₹ 16724.7 million (previous year ₹ 19698.4 million)

(₹ in million)

Particulars	**As at 31.03.2022**	As at 31.03.2021
Not past due but impaired	103.1	73.1
Neither past due not impaired	34942.9	35155.3
Past due not impaired		
- 1-180 days	5899.0	8185.7
- 181- 365 days	1430.3	367.2
- more than 365 days	347.3	1035.0
Past due impaired		
- 1-180 days	37.3	55.1
- 181- 365 days	33.3	18.7
- more than 365 days	272.1	493.9
Total	**43065.3**	**45384.0**

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Expected credit loss ageing

Ageing of ECL(in days)	**2021-2022**	2020-2021
1-180	72.2	40.0
181- 365	30.9	17.2
Total	**103.1**	**57.2**

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

Expected credit loss assessment

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

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

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

(₹ in million)

Particulars	**2021-2022**	2020-2021
Balance as at the beginning of the year	640.8	532.0
Impairment loss recognised (net)	(11.2)	216.5
Amounts written off	(213.3)	(30.5)
Exchange differences	29.6	(77.2)
Balance as at the year end	445.9	640.8

The impairment loss at March 31, 2022 related to several customers that have defaulted on their payments to the Group and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

Cash and cash equivalents

As at the year end, the Group held cash and cash equivalents of ₹ 9913.7 million (previous year ₹ 9206.3 million). The cash and cash equivalents are held with banks.

Other Bank Balances

Other bank balances are held with banks.

Derivatives

The derivatives are entered into with banks.

Investment in mutual funds, Non-Convertible debentures and Commercial papers

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

Other financial assets

Other financial assets are neither past due nor impaired.

ii. Liquidity risk:

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

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

Exposure to liquidity risk

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

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(₹ in million)

As at 31.03.2022	Carrying amount	Contractual Cash Flows				
		Total	0-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non-Current Borrowings	1418.6	1418.6	-	472.9	945.7	-
Interest Payables	-	-	-	-	-	-
Lease Liabilities - Non Current	2219.6	3883.4	-	1007.2	1024.7	1851.6
Other Non-Current Financial Liabilities	2509.2	3248.9	-	764.9	2189.7	294.3
Current Borrowings	37023.0	37023.0	37023.0	-	-	-
Lease Liabilities – Current	922.6	1067.9	1067.9	-	-	-
Trade Payables Current	22829.1	22829.1	22829.1	-	-	-
Other Current Financial Liabilities	5939.0	5939.0	5939.0	-	-	-
Total	**72861.1**	**75409.9**	**66859.0**	**2245.0**	**4160.1**	**2145.9**

(₹ in million)

As at 31.03.2021	Carrying amount	Contractual Cash Flows				
		Total	0-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non-Current Borrowings	161.2	161.2	-	120.4	40.8	-
Interest Payables	48.6	85.3	57.5	8.1	16.0	3.6
Lease Liabilities - Non Current	2586.9	2587.0	-	826.0	1310.0	451.0
Other Non-Current Financial Liabilities	3384.8	4698.0	731.1	1303.5	2435.9	227.5
Current Borrowings	47668.6	47668.6	47668.6	-	-	-
Lease Liabilities – Current	874.1	874.1	874.1	-	-	-
Trade Payables Current	20144.4	20144.4	20144.4	-	-	-
Other Current Financial Liabilities	4576.3	4576.3	4576.3	-	-	-
Total	**79444.9**	**80794.9**	**74052.0**	**2258.0**	**3802.7**	**682.1**

iii. Market Risk:

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

Currency risk

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

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

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

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

(Amount in million)

Category	Instrument	Currency	Cross Currency	**As at 31.03.2022**	As at 31.03.2021	Buy/Sell
Hedges of highly probable forecasted transactions	Forward contract	USD	INR	USD 144.0	USD 119.0	Sell

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

Exposure to Currency risk
Following is the currency profile of non-derivative financial assets and financial liabilities:

(₹ in million)

Particulars	**As at 31.03.2022**				
	USD	EURO	GBP	JPY	Others
Financial assets					
Trade Receivables	22683.0	832.7	462.7	584.6	2106.8
Non-current Loan	-	-	795.6	-	-
Non-current Financial Assets	-	-	-	-	-
Non-current other Assets	-	-	-	-	-
Current Loans	-	-	-	-	-
Current Financial Assets	-	-	-	-	-
Other current assets	1.3	81.5	-	-	206.0
Cash and cash equivalents	142.9	193.7	-	-	63.3
Other current financial assets	-	-	-	-	0.2
	22827.2	**1107.9**	**1258.3**	**584.6**	**2376.3**
Financial liabilities					
Trade Payables	3037.8	805.9	188.0	126.5	221.7
Non-Current Financial Liabilities	432.0	-	-	-	-
Other non-current Liabilities	-	-	-	-	-
Current Financial Liabilities	-	-	-	-	-
Current Liabilities	-	221.1	-	-	108.1
Current Tax Liabilities	-	6.7	-	-	1.0
Cash and cash equivalents	-	-	-	-	-
Long Term Borrowings	-	-	-	-	-
Other financial Liabilities	27.8	3986.2	7.1	0.9	13.5
Current Borrowings	2349.8	-	-	-	-
	5847.4	**5019.9**	**195.1**	**127.4**	**344.3**
Net statement of financial position exposure	**16979.8**	**(3912.0)**	**1063.2**	**457.2**	**2032.0**

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(₹ in million)

Particulars	As at 31.03.2021				
	USD	EURO	GBP	JPY	Others
Financial assets					
Trade Receivables	24283.9	465.4	449.7	479.2	2235.8
Non-current Loan	-	-	-	-	-
Non-current Financial Assets	-	-	-	-	-
Non-current other Assets	-	0.7	-	-	-
Current Loans	-	-	-	-	-
Current Financial Assets	-	-	-	-	-
Other current assets	0.9	56.1	-	-	7.7
Cash and cash equivalents	40.3	340.3	-	-	92.6
Other current financial assets	-	11.9	-	-	-
	24325.2	**874.4**	**449.7**	**479.2**	**2336.1**
Financial liabilities					
Trade Payables	3561.6	984.0	315.9	61.9	473.7
Non-Current Financial Liabilities	-	-	-	-	-
Other non-current Liabilities	0.8	-	-	-	-
Current Financial Liabilities	-	40.5	-	-	-
Current Liabilities	109.7	67.8	-	21.5	136.0
Current Tax Liabilities	-	(26.6)	-	-	14.8
Cash and cash equivalents	-	-	-	-	-
Long Term Borrowings	567.8	-	-	-	-
Other financial Liabilities	31.7	3975.0	8.9	-	11.2
Current Borrowings	1558.3	288.1	-	-	-
	5829.9	**5328.8**	**324.8**	**83.4**	**635.7**
Net statement of financial position exposure	**18495.3**	**(4454.4)**	**124.9**	**395.8**	**1700.4**

Sensitivity analysis

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

(₹ in million)

March 31, 2022	Profit or (loss)		Equity, net of tax*	
1% movement	Strengthening	Weakening	Strengthening	Weakening
USD	(60.7)	60.7	(39.5)	39.5
EUR	39.1	(39.1)	25.5	(25.5)
GBP	(10.6)	10.6	(6.9)	6.9
JPY	(4.6)	4.6	(3.0)	3.0
Others	(20.3)	20.3	(13.2)	13.2
	(57.1)	**57.1**	**(37.1)**	**37.1**

(₹ in million)

March 31, 2021	Profit or (loss)		Equity, net of tax*	
1% movement	Strengthening	Weakening	Strengthening	Weakening
USD	(185.0)	185.0	(178.3)	178.3
EUR	44.5	(44.5)	29.4	(29.4)
GBP	(1.2)	1.2	(0.8)	0.8
JPY	(4.0)	4.0	(2.7)	2.7
Others	(17.0)	17.0	(11.2)	11.2
	(162.7)	**162.7**	**(163.6)**	**163.6**

* including other comprehensive income

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Interest rate risk

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

Exposure to interest rate risk

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

(₹ in million)

Particulars	**As at 31.03.2022**	As at 31.03.2021
Non-Current Borrowings		
Fixed rate borrowings	-	161.2
Variable rate borrowings	1418.6	-
	1418.6	161.2
Current Borrowings		
Fixed rate borrowings	0.5	1.6
Variable rate borrowings	37022.5	47667.0
	37023.0	47668.6
Total	**38441.6**	**47829.8**

Fair value sensitivity analysis for fixed-rate instruments

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

Cash flow sensitivity analysis for variable-rate instruments

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

(₹ in million)

Particulars	Profit or (loss)	
	100 bp increase	100 bp decrease
Cash flow sensitivity (net)		
March 31, 2022		
Variable-rate borrowings	(384.4)	384.4
March 31, 2021		
Variable-rate borrowings	(476.7)	476.7

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

Commodity rate risk

The Group's operating activities involve purchase and sale of Active Pharmaceutical Ingredients (API), whose prices are exposed to the risk of fluctuation over short periods of time. Commodity price risk exposure is evaluated and managed through procurement and other related operating policies. As of March 31, 2022 and March 31, 2021 the Group had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

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60. Capital Management:

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

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

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

The Group's policy is to keep the ratio below 1.5. The Company's adjusted net debt to total equity ratio at March 31, 2022 was as follows:

(₹ in million)

Particulars	**As at 31.03.2022**	As at 31.03.2021
Total borrowings	38441.6	47829.8
Less: Cash and cash equivalent	9913.7	9206.3
Less: Other Bank Balances*	1076.7	8228.8
Less: Current Investments	8224.0	23768.1
Adjusted net debt	19227.2	6626.6
Total equity	121532.7	138031.4
Adjusted net debt to total equity ratio	0.16	0.05

* includes earmarked bank deposits against guarantees & other commitments of ₹ 9.1 million (previous year ₹ 10.5 million) classified as Other Non-Current Financial Assets.

61. Hedge accounting:

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

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

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

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

Notes

Forming part of the Consolidated Financial Statements

a. Disclosure of effects of hedge accounting on financial position

(₹ in million)

As at 31.03.2022

Type of hedge and risks	Nominal Value (in USD mn)	Carrying amount of hedging instrument		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognizing hedge effectiveness
		Assets	Liabilities						
Cash flow hedge									
Forward exchange forward contracts	144.0	242.8	-	Other Non-current/ current financials Assets	April 2022 – March 2024	1:1	79.24	(255.43)	(253.18)
Fair value hedge									
Forward exchange forward contracts	3.5 EURO	-	14.0	Other current financials liabilities	April 2022 – May 2022	1:1	88.25	14.00	(14.00)
Forward exchange forward contracts	1.1						79.12		
Forward exchange forward contracts	0.75	-	2.1	Other current financials liabilities	April 2022 – June 2022	1:1	79.09	2.10	2.10
Forward exchange forward contracts	22.9	-	265.7	Other current financials liabilities	June 2022 – September 2022	1:1	84.69	265.70	265.70

(₹ in million)

As at 31.03.2021

Type of hedge and risks	Nominal Value (in USD mn)	Carrying amount of hedging instrument		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognizing hedge effectiveness
		Assets	Liabilities						
Cash flow hedge									
Forward exchange forward contracts	119.0	272.4	-	Other current financials Assets	April 2021 – March 2022	1:1	77.19	(279.67)	(268.69)

Notes

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(₹ in million)

As at 31.03.2021

Type of hedge and risks	Nominal Value (in USD mn)	Carrying amount of hedging instrument		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognizing hedge effectiveness
Fair value hedge									
Forward exchange forward contracts	2.04 EURO	-	2.4	Other current financials liabilities	February 2021 – May 2021	1:1	88.56	2.40	(2.40)
Forward exchange forward contracts	0.3						72.95		
Forward exchange forward contracts	3.36 EURO	2.8	-	Other current financials Assets	December 2020 – November 2021	1:1	86.55	(2.80)	2.80
Forward exchange forward contracts	13.3						70.67		

b. Disclosure of effects of hedge accounting on financial performance

(₹ in million)

As at 31.03.2022

	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or (loss)	Line item in the statement of profit or loss that includes the hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or (loss)	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	336.8	0.5	Net loss on Foreign Currency Transactions	340.09	Revenue from operations - Sale of goods

(₹ in million)

As at 31.03.2021

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

Notes

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

(₹ in million)

Movements in cash flow hedging reserve	
Balance at 1 April 2020	**(242.9)**
Add: Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	834.6
Less: Amounts re-classified to profit or loss	(1.6)
Less: Deferred tax	(240.6)
As at March 31, 2021	**349.5**
Add: Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	(3.3)
Less: Amounts re-classified to profit or loss	(0.5)
Less: Deferred tax	4.4
As at March 31, 2022	**350.1**

62. Off-setting or similar agreements:

The recognised financial instruments that are offset in balance sheet:

(₹ in million)

As at 31.03.2022	Effects of offsetting on the balance sheet			Amounts subject to master netting	
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Related amounts not offset	Net amount
Financial assets					
Derivative instruments	242.8	-	242.8	-	242.8
Trade and other receivables	37606.3	(10465.8)	27140.5	-	-
Financial liabilities					
Derivative instruments	281.8	-	281.8	-	281.8
Trade and other payables	(10465.8)	10465.8	-	-	-

(₹ in million)

As at 31.03.2021	Effects of offsetting on the balance sheet			Amounts subject to master netting	
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Related amounts not offset	Net amount
Financial assets					
Derivative instruments	272.4	-	272.4	-	272.4
Trade and other receivables	45266.2	(15533.7)	29732.5	-	-
Financial liabilities					
Derivative instruments	2.4	-	2.4	-	2.4
Trade and other payables	(15533.7)	15533.7	-	-	-

Offsetting arrangements

(i) Trade receivables and payables

The Company has certain customers which are also supplying materials. The Group also gives rebates and discount to customers.

(ii) Derivatives

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

Notes

Forming part of the Consolidated Financial Statements

63. Additional information as required by Part III 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		Share of Other Comprehensive income		Share of Total Comprehensive income	
	As % of consolidated net assets	₹ in million	As % of consolidated profit	₹ in million	As % of consolidated other comprehensive income	₹ in million	As % of total comprehensive income	₹ in million
Parent								
Lupin Limited	148.5	181501.9	12.3	(1887.0)	1.0	10.3	13.2	(1876.7)
Indian Subsidiaries								
Lupin Healthcare Limited, India	(0.1)	(165.0)	2.0	(303.3)	-	(0.1)	2.1	(303.4)
Lupin Biologics Ltd., India	-	(0.2)	-	(0.1)	-	-	-	(0.1)
Lupin Foundation	0.1	65.3	0.3	(43.4)	-	-	0.3	(43.4)
Lupin Digital Health Limited	0.2	234.0	1.1	(166.1)	-	-	1.2	(166.1)
Foreign Subsidiaries								
Lupin Pharmaceuticals, Inc., USA	6.7	8203.6	(11.9)	1822.2	16.8	178.0	(14.1)	2000.1
Hormosan Pharma GmbH, Germany	1.2	1507.4	(1.2)	187.9	(2.7)	(28.5)	(1.1)	159.3
Pharma Dynamics (Proprietary) Limited, South Africa	3.5	4263.7	(5.8)	889.5	21.8	231.0	(7.9)	1120.5
Lupin Australia Pty Limited, Australia	-	5.0	-	(0.2)	-	-	-	(0.2)
Nanomi B.V., Netherlands	60.4	73796.2	7.4	(1132.7)	10.2	108.4	7.2	(1024.3)
Lupin Atlantis Holdings SA, Switzerland	31.7	38761.0	5.5	(839.7)	102.8	1088.5	(1.7)	248.8
Multicare Pharmaceuticals Philippines Inc., Philippines	1.1	1383.7	(2.6)	393.1	(3.6)	(38.0)	(2.5)	355.2
Lupin Healthcare (UK) Limited, UK	(0.6)	(749.1)	0.7	(106.5)	0.8	8.3	0.7	(98.1)
Lupin Pharma Canada Limited, Canada	0.2	283.1	(0.4)	65.8	1.3	13.7	(0.6)	79.5
Generic Health Pty Limited, Australia	1.6	1899.4	(3.2)	488.0	(5.8)	(61.7)	(3.0)	426.3
Lupin Mexico S.A. de C.V., Mexico	-	7.2	-	0.3	-	-	-	0.3
Lupin Philippines Inc., Philippines	0.1	166.9	(0.3)	39.7	(4.4)	(47.1)	0.1	(7.4)
Generic Health SDN. BHD., Malaysia	-	0.8	-	(0.8)	-	-	-	(0.8)
Lupin Inc., USA	(23.4)	(28629.9)	121.5	(18562.6)	(135.0)	(1429.5)	140.6	(19992.1)
Laboratorios Grin S.A. de C.V., Mexico	1.8	2229.0	(1.2)	189.8	12.2	128.7	(2.2)	318.5
Medquimica Industria Farmaceutica LTDA, Brazil	0.6	685.6	1.8	(278.0)	14.4	152.7	0.9	(125.4)
Lupin Research Inc., USA	0.9	1160.9	(0.8)	120.9	3.5	36.8	(1.1)	157.7
Lupin Europe GmbH, Germany	-	(14.8)	0.2	(28.8)	-	-	0.2	(28.8)
Novel Laboratories, Inc., USA	5.1	6199.0	(0.1)	19.2	20.7	219.0	(1.7)	238.2
Lupin Oncology Inc., USA	(0.2)	(267.6)	9.1	(1387.2)	(1.5)	(16.2)	9.9	(1403.4)
Lupin Management Inc., USA	0.1	87.7	(0.4)	58.2	-	-	(0.4)	58.2
Southern Cross Pharma Pty Ltd	1.0	1240.0	(0.3)	49.0	6.9	72.9	(0.9)	121.9
Lupin Latam, Inc., USA	-	-	0.1	(18.1)	-	-	0.1	(18.1)
Avenue Coral Springs LLC	-	-	-	-	-	-	-	-
Non-Controlling interests in the Subsidiaries								
Multicare Pharmaceuticals Philippines Inc., Philippines	(0.6)	(685.2)	1.3	(192.6)	1.8	18.6	1.2	(174.0)
Lupin Oncology Inc, USA	-	(1.9)	-	5.7	-	0.1	-	5.8
Foreign Jointly Controlled Entity (to the extent of shareholding)								
YL Biologics Ltd., Japan	-	-	-	3.6	(1.8)	(19.4)	0.1	(15.8)
Total Eliminations/Consolidation Adjustments	(139.9)	(170947.8)	(34.9)	5334.0	40.8	432.2	(40.5)	5766.3
Total	**100.0**	**122219.8**	**100.0**	**(15280.4)**	**100.0**	**1058.8**	**100.0**	**(14221.6)**

The above amounts/percentage of net assets and net profit or (loss) in respect of Lupin Limited and its subsidiaries and a jointly controlled entity are determined based on the amounts of the respective entities included in consolidated financial statements before inter-company eliminations/consolidation adjustments.

Notes

Forming part of the Consolidated Financial Statements

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

A. Relationships –

Category I: Entity having significant influence over the Company:

Lupin Investments Pvt. Limited

Category II: Jointly Controlled Entity:

YL Biologics Ltd., Japan

Category III: Key Management Personnel (KMP)

Ms. Vinita Gupta	Chief Executive Officer
Mr. Nilesh D. Gupta	Managing Director
Mr. Ramesh Swaminathan	Executive Director, Global CFO & Head Corporate Affairs
Mr. R. V. Satam	Company Secretary

Non- Executive Directors

Mrs. Manju D. Gupta	Chairman
Dr. Kamal K. Sharma	Vice Chairman
Mr. Jean-Luc Belingard	
Ms. Christine Ann Mundkur	
Mr. R.A. Shah (upto August 12, 2020)	
Mr. Richard Zahn (upto August 12, 2020)	
Dr. K.U. Mada (upto August 12, 2020)	
Mr. Dileep C. Choksi (upto August 12, 2020)	
Mr. K. B. S. Anand (w.e.f. August 12, 2020)	
Dr. Punita Kumar-Sinha (w.e.f. August 12, 2020)	
Mr. Robert Funsten (w.e.f. November 10, 2020 upto May 9, 2021)	
Mr. Mark D. McDade (w.e.f. from January 28, 2021)	

Category IV: Other related parties (Person / Entity with whom the Company had transactions during the year)

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

Notes

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B. Transactions with the related parties:

(₹ in million)

Sr. No.	Transactions	For the year ended 31.03.2022	For the year ended 31.03.2021
1.	Rent Expenses		
	Others	42.3	54.9
2.	Expenses Recovered/Rent Received		
	Others	1.9	1.6
3.	Remuneration Paid		
	Key Management Personnel	305.6	272.8
4.	Purchases of Goods/Materials		
	Jointly Controlled Entity	-	8.8
	Others	151.4	208.2
5.	Commission, Advisory Fees & Sitting Fees to Non-Executive Directors		
	Key Management Personnel	86.5	67.8
6.	Donations Paid		
	Others	332.3	237.6
7.	Dividend Paid		
	Entity having significant influence over the Company	1336.5	1233.6
	Key Management Personnel	8.1	7.6
	Others	38.6	35.5
8.	Services Received (Expense)		
	Jointly Controlled Entity	19.3	62.2
	Others	92.8	83.8
9.	Expenses Reimbursed		
	Others	4.0	4.0
10.	Refund of Deposit		
	Others	-	14.4

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

(₹ in million)

Compensation paid to Key Management Personnel	For the year ended 31.03.2022	For the year ended 31.03.2021
Short-term employee benefits	272.9	248.0
Post-employment benefits	19.6	13.2
Share based payments	13.1	11.6
Total	**305.6**	**272.8**

Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall Company basis and accordingly have not been considered in the above information.

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

Notes

Forming part of the Consolidated Financial Statements

C. Balances due from/to the related parties:

(₹ in million)

Sr. No.	Balances	**As at 31.03.2022**	As at 31.03.2021
1.	Deposits paid under Leave and License arrangement for premises		
	Others	29.0	29.0
2.	Trade Receivables		
	Jointly Controlled Entity	20.4	30.4
3.	Trade Payables		
	Others	9.3	6.4
4.	Deposits received under Leave and License arrangement for premises		
	Others	0.1	0.1

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

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

(₹ in million)

Particulars	**April 1, 2021**	Cash Flows	Non-Cash Changes			**March 31, 2022**
			Interest Expense	Foreign Exchange Movement	Fair Value Changes	
Non-Current Borrowings						
Secured						
Term Loans from banks	3.3	1330.0	-	85.3	-	1418.6
Unsecured						
Term Loans from Banks	156.4	(159.7)	-	3.3	-	-
Deferred Sales Tax Loan from Government of Maharashtra	1.5	(1.5)	-	-	-	-
Current Borrowings						
Secured						
Loans from banks	2425.9	(342.5)	-	482.8	-	2566.2
Unsecured						
Loans from banks	28068.5	5424.6	24.1	963.6	-	34456.7
Interest accrued but not due on Borrowings	48.6	544.3	592.9	-	-	-
Current maturities of Non-Current Borrowings	17174.2	(17449.9)	-	275.7	-	-
Lease liabilities (Refer Note 41)	3461.0	(906.2)	587.4	-	-	3142.2
Total Liabilities from financing activities	**51339.4**	**(11561.0)**	**1204.4**	**1810.7**	**-**	**41583.7**

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(₹ in million)

Particulars	April 1, 2020	Cash Flows	Non-Cash Changes			March 31, 2021
			Interest Expense	Foreign Exchange Movement	Fair Value Changes	
Non-Current Borrowings						
Secured						
Term Loans from banks	7.0	(3.7)	-	-	-	3.3
Unsecured						
Term Loans from Banks	17922.7	(18330.2)	-	(563.9)	-	156.4
Deferred Sales Tax Loan from Government of Maharashtra	3.1	(1.6)	-	-	-	1.5
Current Borrowings						
Secured						
Loans from banks	1749.1	676.8	-	-	-	2425.9
Unsecured						
Loans from banks	23178.4	5872.1	-	982.0	-	28068.5
Interest accrued but not due on Borrowings	160.2	1294.8	1406.4	-	-	48.6
Current maturities of Non-Current Borrowings	20192.9	(3018.7)	-	-	-	17174.2
Lease liabilities (Refer Note 41)	3198.0	(1042.0)	1305.0	-	-	3461.0
Total Liabilities from financing activities	**66411.4**	**(14552.5)**	**2711.4**	**418.1**	**-**	**51339.4**

66. The Company evaluates events or transactions that occur after the consolidated balance sheet date but prior to the issuance of consolidated financial statements and concluded that no subsequent events have occurred through May 18, 2022 that require adjustment to or disclosure in the consolidated financial statements. On 01 April 2022, the Company has entered into a Brand Sale Agreement with Anglo-French Drugs and Industries Limited and its Associates to strengthen the company's India Formulation business portfolio of vitamins, minerals, supplements and neurological products. The acquisition was completed subsequent to the year end and accordingly, no impact of the said agreement has been given in these financial statements.

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

(A) Trade receivable Ageing

(₹ in million)

	Particulars	Outstanding for following periods from due date of payment						
		Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	**Total as at 31 March 2022**
(i)	Undisputed Trade receivables – considered good	33050.7	6243.2	3090.6	123.0	67.4	117.2	**42692.1**
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	35.3	11.2	160.3	69.8	31.3	31.2	**339.1**
(iv)	Disputed Trade Receivables–considered good	-	-	-	-	-	-	**-**

Notes

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(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi)	Disputed Trade Receivables – credit impaired	30.5	-	1.2	1.8	0.6	-	**34.1**
	Total	33116.5	6254.4	3252.1	194.6	99.3	148.4	**43065.3**
Less: Allowance for doubtful trade receivables								**(445.9)**
Total								**42619.4**

(₹ in million)

	Particulars	Outstanding for following periods from due date of payment						
		Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total as at 31 March 2021
(i)	Undisputed Trade receivables – considered good	32991.5	9875.1	576.3	625.8	293.7	385.3	**44747.7**
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	28.1	27.6	143.1	15.8	257.6	**472.2**
(iv)	Disputed Trade Receivables–considered good	-	-	42.6	9.1	0.9	0.1	**52.7**
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi)	Disputed Trade Receivables – credit impaired	-	-	18.3	8.2	35.6	49.3	**111.4**
	Total	32991.5	9903.2	664.8	786.2	346.0	692.3	**45384.0**
Less: Allowance for doubtful trade receivables								**(640.8)**
Total								**44743.2**

(B) Trade payable ageing

(₹ in million)

	Particulars	Outstanding for following periods from due date of payment					
		Not due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	**Total as at 31 March 2022**
(i)	MSME	802.4	52.7	-	2.1	3.5	860.7
(ii)	Others	8372.0	3392.8	1240.6	297.5	54.8	13357.7
(iii)	Disputed dues – MSME	-	-	-	-	-	-
(iv)	Disputed dues – other	-	-	-	-	2.3	2.3
	Total	**9174.4**	**3445.5**	**1240.6**	**299.6**	**60.6**	**14220.7**
Accrued Expenses							8608.4
							22829.1

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(₹ in million)

	Particulars	Outstanding for following periods from due date of payment					
		Not due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total as at 31 March 2021
(i)	MSME	662.0	192.5	37.1	10.1	10.6	912.3
(ii)	Others	2986.5	7915.2	1322.1	7.4	747.0	12978.2
(iii)	Disputed dues - MSME	-	-	-	-	-	-
(iv)	Disputed dues -other	-	-	-	-	2.3	2.3
	Total	**3648.5**	**8107.7**	**1359.2**	**17.5**	**759.9**	**13892.8**
Accrued Expenses							6251.6
							20144.4

(C) Capital Work- In- Progress (CWIP)

(a) Capital work-in-progress (CWIP) ageing

(₹ in million)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	**Total as at 31 March 2022**
Projects in progress	4155.7	1623.5	603.4	2092.1	8474.7
Projects temporarily suspended	-	-	-	-	-

(₹ in million)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total as at 31 March 2021
Projects in progress	4425.8	1709.7	527.7	1852.2	8515.4
Projects temporarily suspended	-	-	-	-	-

(b) Capital Work-in-progress, where completion is overdue or cost has exceeded as compared to its original plans

(₹ in million)

Particulars	To be completed in				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	**Total as at 31 March 2022**
Gertis Roll Compactor Model Macro-Pactor	-	-	-	45.8	45.8
60" Tablet Coating Pan	17.7	-	-	39.0	56.7
VCM-300 Flow Meters, Flash Mixer for KCl	-	-	-	13.8	13.8
Installation of New 4x7.5 Ton Roof Top	-	-	-	4.5	4.5

There is no CWIP where completion is overdue or cost has exceeded as compared to its original plans as on March 31,2021.

Notes

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(D) Intangible assets under development (IAUD)

(a) Intangible assets under development (IAUD) ageing

(₹ in million)

Particulars	Amount in IAUD for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	**Total as at 31 March 2022**
Projects in progress	643.2	718.9	341.4	1284.6	2988.1
Projects temporarily suspended	-	-	-	-	-

(₹ in million)

Particulars	Amount in IAUD for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total as at 31 March 2021
Projects in progress	707.0	208.4	-	1231.8	2147.2
Projects temporarily suspended	-	-	-	-	-

There are no IAUD where completion is overdue or cost has exceeded as compared to its original plans as on March 31,2022 and March 31,2021.

(E) Financial Ratios

Ratios	Numerator	Denominator	Current Period	Previous Period	% of Variances	Reason for Variances
Current Ratio	Total Current Asset	Total Current Liabilities	1.51	1.66	(9.04)	
Debt-Equity Ratio	Total Debt= Non Current Borrowings+ Current Borrowings + Current Portion of NC Borrowings	Total Equity Attributable to owners	0.32	0.35	(8.57)	
Debt service coverage ratio	Earnings available for Debt Service = Net Profit after taxes before OCI + Non-cash operating expenses like depreciation and other amortizations - Unrealised gain + Interest + loss on sale of Fixed assets	Debt service (Debt service =Interest & Lease Payments + Principal Repayments)	0.20	1.00	(80.00)	The reduction is mainly on account of repayment of borrowings

Notes

Forming part of the Consolidated Financial Statements

Ratios	Numerator	Denominator	Current Period	Previous Period	% of Variances	Reason for Variances
Return on equity ratio (ROE)	Net profits after taxes	Average Shareholder's Equity	(0.12)	0.09	(233.33)	The reduction is mainly on account of losses incurred during the year attributed to Glumetza settlement and impairment of IPs
Inventory turnover ratio	Cost of Goods Sold	Average Inventory	1.49	1.42	4.93	
Trade receivables turnover ratio	Total sales	closing Trade receivable	3.80	3.34	13.77	
Trade payables turnover ratio	Total Purchases	Closing Trade Payables	3.41	3.15	8.25	
Net capital turnover ratio	Net sales	Working Capital = current assets minus current liabilities	3.87	2.69	43.87	The increment is on account of increase in Turnover and decrease in working capital.
Net profit ratio	Net Profit after Tax	Revenue from Operations	(0.09)	0.08	(212.50)	The reduction is mainly on account of losses incurred during the year attributed to Glumetza settlement and impairment of IPS
Return on capital employed (ROCE)	Earnings before interest and taxes	Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liability (net)	(0.09)	0.12	(175.00)	The reduction is mainly on account of losses incurred during the year attributed to Glumetza settlement and impairment of IPs

Notes

Forming part of the Consolidated Financial Statements

Ratios	Numerator	Denominator	Current Period	Previous Period	% of Variances	Reason for Variances
Return on investment (ROI)	Income generated from investment (A)	Average Investment (B)				
1) Mutual Fund			0.03	0.03	-	
2) Financial Institution (CD)			0.05	0.05	-	
3) Commercial Paper			0.04	0.04	-	
4) Non Convertible Debentures			0.05	-	-	

(F) The Group has not entered into any transactions with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 for the year ended 31 March 2022.

(G) The Group have not traded or invested in Crypto currency or Virtual Currency.

(H) The Group do not have any transaction not recorded in the books of account that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 for the year ended 31 March 2022 and 31 March 2021.

(I) The Group have complied with number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

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

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

68 Previous period figures have been re-grouped/re-classified wherever necessary, to confirm to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective April 01, 2021.

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

Venkataraman Vishwanath
Partner
Membership No. 113156

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

Manju D. Gupta
Chairman
DIN: 00209461

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh D. Gupta
Managing Director
DIN: 01734642

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

R. V. Satam
Company Secretary
ACS - 11973

Place: Mumbai
Dated: May 18, 2022

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Standalone Financial Statements

Independent Auditor's Report

To the Members of Lupin Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Lupin Limited (the "Company") and its employee welfare trust, which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Description of Key Audit Matters:

The key audit matter	How the matter was addressed in our audit
1. Revenue Recognition: Refer note I B(k) of significant accounting policies and note 37 in standalone financial statements.	
Revenue from the sale of pharmaceutical products is recognized when control over goods is transferred to a customer. The actual point in time when revenue is recognised varies depending on the specific terms and conditions of the sales contracts entered into with customers. The Company has a large number of customers operating in various geographies and sales contracts with customers have distinct terms relating to the recognition of revenue, the right of return and price adjustments. We identified the recognition of revenue from sale of products as a key audit matter considering: • Revenue is a key performance indicator for the Company. Accordingly, there could be pressure to meet the expectations of investors/other stakeholders and/or to meet revenue targets stipulated in performance incentive schemes for a reporting period. We have considered that there is a risk of fraud related to revenue being overstated by recognition in the wrong period or before control has passed during the year and at period end.	To obtain sufficient and appropriate audit evidence, our principal audit procedures included, amongst others, the following: - Compared the accounting policies in respect of revenue recognition with applicable accounting standards to test for compliance; - Tested the design, implementation and operating effectiveness of the Company's internal controls including general IT controls and key IT application controls over recognition of revenue; - Performed substantive testing of selected samples of revenue transactions recorded during the year; - For a sample of year-end sales, verified contractual terms of sales invoices/contracts, shipping documents and acknowledged delivery receipts for those transactions including management assessment and quantification of any sales reversal for undelivered goods; and - Tested any unusual non-standard manual journal entries impacting revenue recognised during the year.

The key audit matter	How the matter was addressed in our audit
2. Uncertain tax positions (UTPs): Refer note I B(i) & (o) of significant accounting policies and notes 34 & 44 in standalone financial statements.	
The Company is subject to complexities arising from various tax positions on deductibility of expenses as well as allowability of tax incentives/exemptions. These are subject to periodic challenges by local tax authorities leading to protracted litigations. There are a number of open tax matters under litigation with tax authorities over a number of years. The range of possible outcomes for provisions and contingencies can be wide. Judgement is required to estimate the tax exposures and contingencies. Provision for current tax, assessment/judgment of UTPs has been identified as a key audit matter due to the inherent complexity in the underlying tax laws and the extent of judgement involved in developing these estimates.	To obtain sufficient and appropriate audit evidence, our principal audit procedures included, amongst others, the following: - Tested the design and operating effectiveness of the management review control over ascertaining completeness and adequacy of provision/disclosures of UTPs; - Evaluated the adequacy of related provisions in consultation with tax specialists by considering changes to business and tax legislation; - Made relevant enquires and read correspondence with authorities where relevant; - Verified the calculation for current tax provision. Analyzed the rationale for any release, increase or continued provision during the year; and - Examined Management's judgments with respect to probability of outflow arising from outstanding litigations after considering the status of recent tax assessments, audits and enquiries, recent judicial pronouncements and judgments in similar matters. Also considered developments in the tax environment and outcome of past litigations.
3. Contingencies and Litigations Refer note I B(o) of significant accounting policies and note 34 in standalone financial statements.	
The preparation of the estimate of the provision for outstanding litigation, claims and assessments involves subjective judgments or uncertainties , which requires special audit consideration because of the likelihood and potential magnitude of misstatements of the provision, claims and assessments. These litigations are inherent to the business of the Company. Based on Company's assessment of the possible outcome of these litigations, the same has been recognized as liability or disclosed as contingent Liability.	We assessed the appropriateness of the provisions for litigations and claims and obtained sufficient and appropriate audit evidence. Our principal audit procedures included the following: - Tested the design and operating effectiveness of the Company's controls over assessment of contingencies, claims and litigations; - We have assessed the summary of litigation matters provided by management and held discussions with the Company's legal counsel where required for gaining an understanding of the outstanding matters; - Verified management's judgments with respect to probability of outflow arising out of litigation after considering the status of litigation, recent judicial pronouncements and judgments in similar matters etc; - We have obtained and substantively tested evidence to support the decisions and rationale for provisions held or the decisions not to record provisions, including correspondence with legal counsel and with relevant regulatory authorities; - We have assessed the assumptions against third party data (legal opinions), where available, and assessed the estimates against historical trends; and - Evaluated adequacy of disclosures given in the standalone financial statements.

Other Information

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

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

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

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

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

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

The respective Board of Directors/Board of Trustees are also responsible for overseeing the financial reporting process of each company/trust.

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

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements of such employee welfare trust as were audited by other auditors, 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.

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

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

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

e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

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

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the employee welfare trust:

a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 34 to the standalone financial statements.

b) 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 Note 52 to the standalone financial statements.

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

d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in note 57(M) to the standalone accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in note 57(M) to the standalone accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material misstatement.

e) The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

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

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such employee welfare trust, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us

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

Venkataramanan Vishwanath
Partner
Membership No. 113156
UDIN: 22113156AJEQCH2251

Place: Mumbai
Date: 18 May 2022

Annexure – A to the Independent Auditor's Report on Standalone Financial Statements - 31 March 2022

(Referred to our report of even date)

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

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this program, a portion of the property, plant and equipment has been physically verified by the management during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and based on our examination of the records of the Company, the title deeds of immovable properties of land and building which are freehold, as disclosed in Note 2 to the standalone financial statements, are held in the name of the Company, except for the following which are not held in the name of the Company:

(₹ in million)

Description of property	Gross carrying value (as at 31 March 2022)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold land located in Maharashtra admeasuring 7 Hectare and 70.91 Acre	29.6	Lupin Laboratories Limited	No	Since 2001	The title deeds are in the name of the erstwhile Company that was amalgamated with the Company pursuant to the Scheme of amalgamation sanctioned by the Hon'ble Bombay High Court order dated 13 June 2001
Freehold building located in Maharashtra admeasuring 8038 sq. ft.	133.9	Lupin Laboratories Limited	No	Since 2001	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 order dated 13 June 2001

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

(₹ in million)

Description of property	Gross carrying value (as at 31 March 2022)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Leasehold building located in Delhi admeasuring 1628 sq.ft	2.8	Lupin Laboratories Limited	No	Since 2001	The lease is 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 order dated 13 June 2001

In respect of immovable properties of land and buildings which are disclosed as Plant Property and Equipment in the standalone financial statements, the original documents for the following assets are not available for verification.

(₹ in million)

Particulars of the land and building	Gross Block (as at 31 March 2022)
Building located in Maharashtra	7.5
Land located in Uttarakhand	0.3

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

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

(ii) (a) The inventory, except goods in transit and inventories lying with third parties, has been physically verified by the Management during the year. Inventories lying with third parties have been substantially confirmed by them as at the year-end and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

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

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans and stood guarantee as below:

(₹ in million)

Particulars	Loans	Guarantees
Aggregate amount during the year		
- Subsidiaries	-	1,744.3
- Joint ventures	-	-
- Associates	-	-
- Others	32.5	-
Balance outstanding as at balance sheet date		
- Subsidiaries	-	37,087.7
- Joint ventures	-	-
- Associates	-	-
- Others	24.8	-

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

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

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

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

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment

(iv) According to the information and explanation given to us and on the basis of our examination of records of the Company, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") in respect of the investments made and guarantees provided, as applicable. The Company has not granted any loans or provided any security to the parties covered under Section 185 and 186 of the Act.

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

(vi) We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by Central Government for maintenance of cost records under Section 148 (1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

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

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' state insurance, Income tax, duty of Customs, Goods and Service tax, Cess, Sales tax, Value added tax, Service tax and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

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

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

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

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

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

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

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

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

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

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

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

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

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company.

Annexure – I to the Independent Auditor's Report – 31 March 2022

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

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the [standalone] financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

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

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

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

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

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

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

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

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

(b) In respect of ongoing projects, the Company is in the process of transferring the unspent amount of Rs. 64 million for the year ended 31 March 2021 to a Special Account as per section 135(6) of the said Act.

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

Venkataramanan Vishwanath
Partner
Membership No. 113156
UDIN: 22113156AJEQCH2251

Place: Mumbai
Date: 18 May 2022

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

(₹ in million)

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which amount relates	Amount demanded	Amount deposited under protest	Amount unpaid
Income tax Act, 1961	Income tax	Commissioner of Income tax (Appeals)	2005 - 07, 2013 - 16	1,252.4	-	72.1
		Income Tax Appellate Tribunal (ITAT) [including ₹ 370.1 million consequent to department preferring appeals against the orders of the Appellate Authority passed in favour of the company]	2008 - 12	1,038.7	-	340.4
		High Court [consequent to department preferring appeal against the order of the Appellate Authority passed in favour of the company]	1993 - 94, 2013 - 14	29.7	-	29.7
Central Excise Act, 1944	Excise duty De-bonding matters	Customs, Excise, and Service Tax Appellate Tribunal (CESTAT)	2010 & 2012	418.1	371.1	47.0
	Service Tax Matters		2005-08	47.9	-	47.9
	Excise Duty		2015 - 18	54.2	-	54.2
CGST Act, 2017	Goods and Service Tax	Goods and Service Tax Appellate Tribunal (GSTAT)	2017-18	437.0	-	437.0
		Commissioner of Goods and Service Tax (Appeal)	2017	0.6	-	0.6

(₹ in million)

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which amount relates	Amount demanded	Amount deposited under protest	Amount unpaid
Central and various States' Sales Tax Acts and various States' Value Added Tax Acts	Sales tax and Value added tax	Sales Tax Tribunal	2000 - 01 2003 - 06 2009 - 10 2010 - 11 2017 - 18	32.5	5.84	26.7
		Supreme Court	2000 - 01	0.5	-	0.5
		High Court	2002 - 03 2004 - 05	11.6	6.3	5.3
		Commissioner of Sales Tax (Appeal)	2001 - 03 2004 - 05 2014 - 15	1.6	0.1	1.5
		Joint Commissioner	2001 - 04 2005 - 06 2013 - 14	12.0	7.4	4.5
		Deputy Commissioner	1994 - 95 2015 - 16	0.2	-	0.2
		Additional Commissioner	1994 - 95 2010 - 11 2015 - 16 2016 - 17 2017 - 18	14.5	3.5	11.0
		Assistant Commissioner	2003 - 04	0.3	-	-
Foreign Trade (Development & Regulations) Act, 1992	Customs duty	Additional Director General of Foreign Trade	2010-2011	0.5	-	0.5

Annexure – B to the Independent Auditor’s report on the standalone financial statements of Lupin Limited for the year ended 31 March 2022

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

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

Opinion

We have audited the internal financial controls with reference to financial statements of Lupin Limited (“the Company”) as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company’s internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Standalone financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

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

Venkataramanan Vishwanath
Partner
Membership No. 113156
UDIN: 22113156AJEQCH2251

Place: Mumbai
Date: 18 May 2022

Balance Sheet

as at March 31, 2022

(₹ in million)

	Note	As at 31.03.2022	As at 31.03.2021
ASSETS			
Non-Current Assets			
a. Property, Plant and Equipment	2	36,175.5	35,561.7
b. Capital Work-in-Progress	57	7,737.4	7,958.3
c. Intangible Assets	3	726.3	826.6
d. Intangible Assets Under Development	57	1,737.0	1,550.3
e. Financial Assets			
(i) Non-Current Investments			
- In Subsidiaries	4	86,464.6	71,996.2
- In Others	4	422.3	419.7
(ii) Non-Current Loans	5	2.1	0.9
(iii) Other Non-Current Financial Assets	6	730.1	668.3
f. Non-Current Tax Assets (Net)		3,659.9	2,691.3
g. Other Non-Current Assets	7	1,100.3	738.6
		138,755.5	122,411.9
Current Assets			
a. Inventories	8	31,771.4	27,081.9
b. Financial Assets			
(i) Current Investments	9	8,224.0	23,209.9
(ii) Trade Receivables	10	27,220.1	31,905.4
(iii) Cash and Cash Equivalents	11	591.0	1,774.1
(iv) Other Bank Balances	12	54.6	1,066.0
(v) Current Loans	13	22.7	12.5
(vi) Other Current Financial Assets	14	5,985.2	4,425.4
c. Other Current Assets	15	10,509.2	6,698.5
		84,378.2	96,173.7
TOTAL		**223,133.7**	**218,585.6**
EQUITY AND LIABILITIES			
Equity			
a. Equity Share Capital	16	909.0	907.4
b. Other Equity		180,592.9	184,748.3
		181,501.9	185,655.7
Liabilities			
Non-Current Liabilities			
a. Financial Liabilities			
(i) Non-Current Borrowings	17	-	1.5
(ii) Lease Liabilities	40	1,002.8	1,320.3
(iii) Other Non-Current Financial Liabilities	18	61.8	39.6
b. Non-Current Provisions	19	3,062.9	3,079.6
c. Deferred Tax Liabilities (Net)	44	1,867.5	2,173.2
d. Other Non-Current Liabilities	20	257.7	457.4
		6,252.7	7,071.6
Current Liabilities			
a. Financial Liabilities			
(i) Current Borrowings	21	7,904.7	2,989.5
(ii) Lease Liabilities	40	601.0	543.3
(iii) Trade Payables			
- Total outstanding dues of Micro Enterprises and Small Enterprises	22	847.9	912.3
- Total outstanding dues of other than Micro Enterprises and Small Enterprises	22	12,667.4	11,051.6
(iv) Other Current Financial Liabilities	23	2,484.0	2,420.1
b. Other Current Liabilities	24	2,871.6	2,549.8
c. Current Provisions	25	4,568.4	4,354.0
d. Current Tax Liabilities (Net)		3,434.1	1,037.7
		35,379.1	25,858.3
TOTAL		**223,133.7**	**218,585.6**

See accompanying notes forming part of the standalone financial statements

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

Venkataramanan Vishwanath
Partner
Membership No. 113156

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

Manju D. Gupta
Chairman
DIN: 00209461

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh D. Gupta
Managing Director
DIN: 01734642

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

R. V. Satam
Company Secretary
ACS - 11973

Place: Mumbai
Dated: May 18, 2022

Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in million)

	Note	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
INCOME:			
Revenue from Operations	26	117,716.7	110,559.3
Other Income	27	1,504.2	1,290.9
Total Income		**119,220.9**	**111,850.2**
EXPENSES:			
Cost of Materials Consumed	28	28,169.0	27,412.2
Purchases of Stock-in-Trade		18,927.4	15,229.5
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade [(Increase)/Decrease]	29	(2,423.8)	(818.6)
Employee Benefits Expense	30	19,181.6	16,958.6
Finance Costs	31	734.7	406.2
Depreciation, Amortisation and Impairment Expense	2 & 3	5,141.9	5,028.3
Other Expenses	32	32,987.3	30,412.0
Net (gain)/loss on Foreign Currency Transactions		(665.7)	925.0
Business Compensation Expense	48	18,783.8	-
Total Expenses		**120,836.2**	**95,553.2**
Profit/(Loss) before Tax		**(1,615.3)**	**16,297.0**
Tax Expense	44		
- Current Tax (Net)		578.0	3,628.5
- Deferred Tax (Net)		(306.3)	82.3
Total Tax Expense		**271.7**	**3,710.8**
Profit/(Loss) for the year		**(1,887.0)**	**12,586.2**
Other Comprehensive Income/(Loss)			
(A) (i) Items that will not be reclassified subsequently to profit or loss:			
- Remeasurements of Defined Benefit Liability		37.2	(121.3)
(ii) Income tax relating to items that will not be reclassified to profit or loss:	44	(13.0)	42.4
(B) (i) Items that will be reclassified subsequently to profit or loss:			
- The effective portion of gain & losses on hedging instruments in a cash flow hedge		(26.3)	729.7
(ii) Income tax relating to items that will be reclassified to profit or loss:	44	12.4	(203.9)
Other Comprehensive Income/(Loss) for the year, net of tax		**10.3**	**446.9**
Total Comprehensive Income/(Loss) for the year		**(1,876.7)**	**13,033.1**
Earnings per equity share (in ₹)	41		
Basic		**(4.16)**	**27.77**
Diluted		**(4.16)**	**27.65**
Face value of Equity Share (in ₹)		2.00	2.00
See accompanying notes forming part of the standalone financial statements			

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

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

Venkataramanan Vishwanath
Partner
Membership No. 113156

Manju D. Gupta
Chairman
DIN: 00209461

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh D. Gupta
Managing Director
DIN: 01734642

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

R. V. Satam
Company Secretary
ACS - 11973

Place: Mumbai
Dated: May 18, 2022

Statement of Changes in Equity

for the year ended March 31, 2022

A. Equity Share Capital [Refer note 16]

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	**₹ in million**	No. of Shares	₹ in million
Balance at the beginning of the reporting year	453,680,133	907.4	452,998,121	906.0
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	**453,680,133**	**907.4**	452,998,121	906.0
Changes in equity share capital during the year	794,881	1.6	682,012	1.4
Balance at the end of the reporting year	**454,475,014**	**909.0**	**453,680,133**	**907.4**

B. Other Equity

(₹ in million)

Particulars	Reserves and Surplus							Share Application Money Pending Allotment	Other items of Other Comprehensive Income	Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Employees Stock Options Outstanding	General Reserve	Retained Earnings	Amalgamation Reserve		Effective portion of Cash Flow Hedges	
Balance as at 31.03.2020	**263.9**	**126.5**	**9,175.5**	**2,146.2**	**16,767.1**	**145,352.5**	**317.9**	**0.8**	**(324.4)**	**173,826.0**
Profit for the year	-	-	-	-	-	12,586.2	-	-	-	12,586.2
Remeasurements of defined benefit plans (net of tax)	-	-	-	-	-	(78.9)	-	-	-	(78.9)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**12,507.3**	**-**	**-**	**-**	**12,507.3**
Movement in other comprehensive income for the year	-	-	-	-	-	-	-	-	524.2	524.2
Received during the year	-	-	-	-	-	-	-	0.5	-	0.5
Final dividend on Equity Shares	-	-	-	-	-	(2,718.8)	-	-	-	(2,718.8)
Issue of equity shares on exercise of employee stock options	-	-	711.7	-	-	-	-	-	-	711.7
Amortised/Exercised during the year	-	-	-	(101.7)	-	-	-	-	-	(101.7)
Reduction on allotment of shares	-	-	-	-	-	-	-	(0.8)	-	(0.8)
Transfer from share based payments	-	-	-	(149.7)	149.7	-	-	-	-	-
Balance as at 31.03.2021	**263.9**	**126.5**	**9,887.2**	**1,894.8**	**16,916.8**	**155,141.0**	**317.9**	**0.5**	**199.8**	**184,748.3**
Profit/(loss) for the year	-	-	-	-	-	(1,887.0)	-	-	-	(1,887.0)
Remeasurements of defined benefit plans (net of tax)	-	-	-	-	-	24.2	-	-	-	24.2
Total comprehensive income/(loss) for the year	**-**	**-**	**-**	**-**	**-**	**(1,862.8)**	**-**	**-**	**-**	**(1,862.8)**
Movement in other comprehensive income for the year	-	-	-	-	-	-	-	-	(14.4)	(14.4)
Received during the year	-	-	-	-	-	-	-	-	-	-
Final dividend on Equity Shares	-	-	-	-	-	(2,950.8)	-	-	-	(2,950.8)
Issue of equity shares on exercise of employee stock options	-	-	733.3	-	-	-	-	-	-	733.3
Amortised/Exercised during the year	-	-	-	(60.2)	-	-	-	-	-	(60.2)
Reduction on allotment of shares	-	-	-	-	-	-	-	(0.5)	-	(0.5)
Transfer from share based payments	-	-	-	(217.3)	217.3	-	-	-	-	-
Balance as at 31.03.2022	**263.9**	**126.5**	**10,620.5**	**1,617.3**	**17,134.1**	**150,327.4**	**317.9**	**-**	**185.4**	**180,592.9**

Nature of Reserves

a) Capital Reserve

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

b) Capital Redemption Reserve

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

c) Securities Premium

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

d) Employees Stock Options Outstanding

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

e) General Reserve

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

f) Amalgamation Reserve

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

g) Share Application Money Pending Allotment

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

h) Cash Flow Hedge Reserve

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

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

Venkataraman Vishwanath
Partner
Membership No. 113156

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

Manju D. Gupta
Chairman
DIN: 00209461

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh D. Gupta
Managing Director
DIN: 01734642

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

R. V. Satam
Company Secretary
ACS - 11973

Place: Mumbai
Dated: May 18, 2022

Statement of Cash Flows

for the year ended March 31, 2022

(₹ in million)

		For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
A.	**Cash Flow from Operating Activities**		
	Profit/(Loss) before Tax	(1,615.3)	16,297.0
	Adjustments for:		
	Depreciation, Amortisation and Impairment Expense	5,141.9	5,028.3
	Loss/(Profit) on Sale/Write-off of Property, Plant and Equipment/ Intangible Assets (net)	23.2	0.7
	Net Gain on sale of Mutual Fund Investments	(329.6)	(243.6)
	Finance Costs	734.7	406.2
	Interest on Deposits with Banks and Others	(231.1)	(317.5)
	Interest on Income Tax Refund	(631.9)	(201.5)
	Unrealised loss/(gain) on Mutual Fund Investments (net)	(23.2)	(277.7)
	Unrealised Gain on Non-Current Investment	(98.7)	(20.0)
	Doubtful Trade Receivables/Advances provided (net)	(30.9)	148.0
	Bad Trade Receivables/Advances written off	-	0.1
	Share Based Payments Expense	393.0	386.6
	Unrealised Exchange loss/(gain) on revaluation (net)	(453.8)	(39.0)
	Operating Cash Flows before Working Capital Changes	**2,878.3**	**21,167.6**
	Changes in working capital:		
	Adjustments for (increase)/decrease in operating assets:		
	Inventories	(4,689.5)	(2,235.8)
	Trade Receivables	5,175.1	4,071.6
	Current Loans	(10.2)	12.9
	Non-Current Loans	(1.2)	1.1
	Other Current Financial Assets	(1,484.7)	(469.3)
	Other Current Assets	(3,806.9)	666.6
	Other Non-Current Assets	4.3	275.6
	Other Non-Current Financial Assets	(42.3)	(211.8)
	Adjustments for increase/(decrease) in operating liabilities:		
	Trade Payables	1,541.0	(3,563.0)
	Other Current Financial Liabilities	314.0	252.9
	Other Current Liabilities	321.8	(65.9)
	Other Non-Current Liabilities	(199.7)	(203.0)
	Other Non-Current Financial Liabilities	22.2	4.1
	Current Provisions	251.6	137.9
	Non-Current Provisions	(245.2)	145.7
	Cash Generated from Operations	**28.6**	**19,987.2**
	Net Income tax paid	1,481.7	(4,286.4)
	Net Cash Flow generated from/(used in) Operating Activities	**1,510.3**	**15,700.8**
B.	**Cash Flow from Investing Activities**		
	Capital expenditure on Property, Plant and Equipment, including capital advances	(5,972.0)	(5,198.3)
	Proceeds from sale of Property, Plant and Equipment/Intangible Assets	45.2	15.1
	Purchase of Non-Current Investment	(14,372.3)	(21,128.9)
	Purchase of Current Investments	(112,986.9)	(114,462.8)
	Proceeds from sale of Current Investments	128,325.6	115,069.1
	Bank balances not considered as Cash and Cash Equivalents (net)	1,011.4	313.1
	Interest on Deposits with Banks and others	231.1	317.5
	Net Cash Flow generated from/(used in) Investing Activities	**(3,717.9)**	**(25,075.2)**

Statement of Cash Flows

for the year ended March 31, 2022

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
C. Cash Flow from Financing Activities		
Proceeds from/(Repayment of) Non-Current Borrowings (net)	(1.5)	(2.3)
Proceeds from/(Repayment of) Current Borrowings (net)	4,915.2	2,935.0
Proceeds from issue of equity shares (ESOPs) and Share application money	1.6	1.9
Securities Premium Received (ESOPs)	159.2	105.7
Payment of Lease liabilities (net off interest)	(592.9)	(779.2)
Finance Costs	(506.2)	(69.6)
Dividend paid	(2,950.9)	(2,723.2)
Net Cash Flow generated from/(used in) Financing Activities	**1,024.5**	**(531.7)**
Net Increase/(Decrease) in Cash and Cash Equivalents	**(1,183.1)**	**(9,906.1)**
Cash and Cash Equivalents as at the beginning of the year	1,774.1	11,680.2
Cash and Cash Equivalents as at end of the reporting year (Refer note 11)	**591.0**	**1,774.1**

Notes :

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (Ind AS -7) "Statement of Cash Flow".
2. Cash 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), and current investments that are convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
3. Refer Note No. 55 for Non Cash Changes in Cash Flows from Financing Activities.

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

Venkataraman Vishwanath
Partner
Membership No. 113156

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

Manju D. Gupta
Chairman
DIN: 00209461

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer
DIN: 00058631

Nilesh D. Gupta
Managing Director
DIN: 01734642

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

R. V. Satam
Company Secretary
ACS - 11973

Place: Mumbai
Dated: May 18, 2022

Notes

Forming part of the Standalone Financial Statements

1A. OVERVIEW:

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

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

1B. SIGNIFICANT ACCOUNTING POLICIES:

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

Basis of preparation

i) These standalone financial statements of the Company have been prepared in all material aspects in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under section 133 of the Companies Act, 2013 ('the Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India. These standalone financial statements were authorized for issue by the Company's Board of Directors on May 18, 2022.

Functional and Presentation Currency

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

Basis of measurement

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

Use of Estimates and Judgements

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

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

- Measurement and likelihood of occurrence of provisions and contingencies (Refer note o)
- Impairment of non-financial assets (Refer note f)
- Impairment of financial assets (Refer note h)
- Provision for Income taxes and uncertain tax positions (refer note i)

Notes

Forming part of the Standalone Financial Statements

b) Property, Plant and Equipment & Depreciation:

I. Recognition and Measurement:

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

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

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

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

II. Subsequent Expenditure

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

III. Depreciation

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

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

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

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

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

Notes

Forming part of the Standalone Financial Statements

c) Intangible assets:

I. Recognition and Measurement:

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

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

II. Subsequent Expenditure

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

III. Derecognition of Intangible Assets

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

IV. Amortisation

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

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

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

d) Non-current assets held for sale:

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

e) Research and Development:

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

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

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

f) Impairment of non-financial assets:

The carrying values of Property, Plant and Equipment and Intangible assets at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

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

Notes

Forming part of the Standalone Financial Statements

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

If the carrying amount of the Property, Plant and Equipment and Intangible assets exceed the estimated recoverable amount, an impairment is 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.

g) Foreign Currency Transactions/ Translations:

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

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

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

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

h) Financial Instruments:

I. Financial Assets

Classification

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

Initial recognition and measurement

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

Financial assets at amortised cost

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

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR)

Notes

Forming part of the Standalone Financial Statements

method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

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

Equity investments

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

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

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

Investments in subsidiaries and joint venture

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

Derecognition

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

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

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

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

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

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

Impairment of financial assets

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

Notes

Forming part of the Standalone Financial Statements

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

ii) trade receivables.

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

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

II. Financial Liabilities

Classification

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

Initial recognition and measurement

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

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

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

Financial liabilities at fair value through profit or loss

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

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

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

Loans and borrowings

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

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

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

Derecognition

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

Notes

Forming part of the Standalone Financial Statements

Embedded derivatives
If the hybrid contract contains a host that is a financial asset within the scope Ind-AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in Statement of Profit and Loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows.

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

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

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

III. Measurement

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

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

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

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

Notes

Forming part of the Standalone Financial Statements

i) Income tax:

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

Current tax

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

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

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

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

Deferred tax

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

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

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

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

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

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

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

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

Deferred tax assets and liabilities are offset only if:

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

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

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

Notes

Forming part of the Standalone Financial Statements

j) Inventories:

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

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

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

k) Revenue Recognition:

Sale of Goods

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

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

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

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

Income from research services

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

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

Interest income

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

Dividend income

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

Income from Export Benefits and Other Incentives

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

Notes

Forming part of the Standalone Financial Statements

l) Employee Benefits:

Short term employee benefits

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

Defined contribution plans

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

Defined benefit plans

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

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

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

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

Other long-term employee benefits

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

m) Share-based payment transactions:

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

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

n) Leases:

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

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Company as a lessee

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

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

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, If that rate cannot be readily determined, the Company uses incremental borrowing rate, Generally, the Company uses its incremental borrowing rate as the discount rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in Statement of Profit and Loss.

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

o) Provisions and Contingent Liabilities:

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

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

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

Notes

Forming part of the Standalone Financial Statements

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

p) Cash and Cash equivalents:

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

q) Borrowing costs:

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

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

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

r) Government Grants:

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

- In case of capital grants, they are then recognised in Statement of Profit and Loss as other income on a systematic basis over the useful life of the asset.

- In case of grants that compensate the Company for expenses incurred are recognised in Statement of Profit and Loss on a systematic basis in the periods in which the expenses are recognised.

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

s) Earnings per share:

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

t) Insurance claims:

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

u) Goods and Services tax input credit:

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

v) Operating cycle:

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

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1C. RECENT ACCOUNTING PRONOUNCEMENTS:

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

Ind AS 103 – Reference to Conceptual Framework

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

Ind AS 103 – Business Combination

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

Ind AS 16 – Proceeds before intended use

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

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

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

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

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

Ind AS 41 – Taxation in fair value measurements

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

Ind AS 101 - Subsidiary as a first time adopter

First time Adoption of Ind AS – Measurement of Foreign Currency Translation Difference in case of subsidiary/associate/JV's date of transition to Ind AS is subsequent to that of Parent – FCTR in the books of subsidiary/associate/JV can be measured based Consolidated Financial Statements.

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

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2. Property, Plant and Equipment

(₹ in million)

Particulars	Gross Block				Accumulated Depreciation					Net Block
	As at 01.04.2021	Additions	Disposals	As at 31.03.2022	As at 01.04.2021	For the period	Impairment Loss	Disposals	As at 31.03.2022	As at 31.03.2022
Freehold Land	**974.7**	**9.3**	**-**	**984.0**	**-**	**-**	**-**	**-**	**-**	**984.0**
	974.7	*-*	*-*	*974.7*	*-*	*-*	*-*	*-*	*-*	*974.7*
Buildings	**15,202.8**	**1,439.6**	**32.8**	**16,609.6**	**2,709.7**	**617.4**	**-**	**8.3**	**3,318.8**	**13,290.8**
	14,151.1	*1,052.8*	*1.1*	*15,202.8*	*2,149.5*	*560.6*	*-*	*0.4*	*2,709.7*	*12,493.1*
Improvements on Leased Premises	**477.3**	**0.4**	**-**	**477.7**	**376.9**	**56.9**	**-**	**-**	**433.8**	**43.9**
	440.5	*40.2*	*3.4*	*477.3*	*284.7*	*94.5*	*-*	*2.3*	*376.9*	*100.4*
Plant and Equipment	**34,763.1**	**3,605.4**	**377.0**	**37,991.5**	**16,555.0**	**3,223.5**	**-**	**334.8**	**19,443.7**	**18,547.8**
	31,250.1	*3,586.0*	*73.0*	*34,763.1*	*13,471.3*	*3,140.7*	*-*	*57.0*	*16,555.0*	*18,208.1*
Furniture and Fixtures	**1,257.9**	**55.5**	**44.3**	**1,269.1**	**637.7**	**119.4**	**-**	**42.6**	**714.5**	**554.6**
	1,233.6	*58.0*	*33.7*	*1,257.9*	*530.9*	*133.1*	*-*	*26.3*	*637.7*	*620.2*
Vehicles	**82.5**	**-**	**0.1**	**82.4**	**48.0**	**10.0**	**-**	**0.1**	**57.9**	**24.5**
	84.4	*-*	*1.9*	*82.5*	*38.8*	*10.6*	*-*	*1.4*	*48.0*	*34.5*
Office Equipment	**1,933.3**	**127.0**	**61.2**	**1,999.1**	**1,531.0**	**217.3**	**-**	**61.2**	**1,687.1**	**312.0**
	1,858.4	*121.3*	*46.4*	*1,933.3*	*1,306.4*	*270.1*	*-*	*45.5*	*1,531.0*	*402.3*
Right of use Assets										
Leasehold Land	**1,132.0**	**5.3**	**-**	**1,137.3**	**59.3**	**15.3**	**-**	**-**	**74.6**	**1,062.7**
	1,104.5	*27.5*	*-*	*1,132.0*	*46.3*	*13.0*	*-*	*-*	*59.3*	*1,072.7*
Leasehold Buildings	**1,689.4**	**176.0**	**202.7**	**1,662.7**	**439.5**	**430.5**	**-**	**202.7**	**667.3**	**995.4**
	1,104.6	*1,034.7*	*449.9*	*1,689.4*	*419.3*	*421.8*	*-*	*401.6*	*439.5*	*1,249.9*
Leasehold Plant and Equipment	**26.4**	**-**	**-**	**26.4**	**13.2**	**8.8**	**-**	**-**	**22.0**	**4.4**
	26.4	*-*	*-*	*26.4*	*4.4*	*8.8*	*-*	*-*	*13.2*	*13.2*
Leasehold Furniture & Fixtures	**443.1**	**29.2**	**76.0**	**396.3**	**211.5**	**89.2**	**-**	**76.0**	**224.7**	**171.6**
	443.1	*-*	*-*	*443.1*	*105.5*	*106.0*	*-*	*-*	*211.5*	*231.6*
Leasehold Vehicles	**246.0**	**142.3**	**69.9**	**318.4**	**95.6**	**95.2**	**-**	**56.0**	**134.8**	**183.6**
	187.1	*120.4*	*61.5*	*246.0*	*67.9*	*78.8*	*-*	*51.1*	*95.6*	*150.4*
Leasehold Office Equipments	**39.1**	**-**	**30.9**	**8.2**	**28.5**	**10.4**	**-**	**30.9**	**8.0**	**0.2**
	52.8	*-*	*13.7*	*39.1*	*24.4*	*17.8*	*-*	*13.7*	*28.5*	*10.6*
Total	**58,267.6**	**5,590.0**	**894.9**	**62,962.7**	**22,705.9**	**4,893.9**	**-**	**812.6**	**26,787.2**	**36,175.5**
	52,911.3	*6,040.9*	*684.6*	*58,267.6*	*18,449.4*	*4,855.8*	*-*	*599.3*	*22,705.9*	*35,561.7*

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

b) Additions to Property, Plant and Equipment include items aggregating ₹ 184.1 million (previous year ₹ 584.7 million) located at Research and Development Centers of the Company.

c) For details of Right-of-use asset [Refer note 40]

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

e) Additional disclosure persuant to amendment of revised schedule III are in note 57.

3. Intangible Assets - Acquired

(₹ in million)

Particulars	Gross Block				Accumulated Amortisation					Net Block
	As at 01.04.2021	Additions	Disposals	As at 31.03.2022	As at 01.04.2021	For the period	Impairment Loss	Disposals	As at 31.03.2022	As at 31.03.2022
Computer Software	**362.9**	**147.7**	**13.7**	**496.9**	**184.2**	**47.3**	**-**	**13.7**	**217.8**	**279.1**
	263.2	*116.8*	*17.1*	*362.9*	*161.9*	*39.4*	*-*	*17.1*	*184.2*	*178.7*
Trademarks and Licences	**424.1**	**-**	**80.5**	**343.6**	**196.2**	**70.8**	**-**	**80.5**	**186.5**	**157.1**
	238.7	*205.4*	*20.0*	*424.1*	*145.0*	*71.2*	*-*	*20.0*	*196.2*	*227.9*
Dossiers/Marketing rights	**3,248.2**	**-**	**-**	**3,248.2**	**2,828.2**	**61.9**	**68.0**	**-**	**2,958.1**	**290.1**
	3,248.2	*-*	*-*	*3,248.2*	*2,766.3*	*61.9*	*-*	*-*	*2,828.2*	*420.0*
Total	**4,035.2**	**147.7**	**94.2**	**4,088.7**	**3,208.6**	**180.0**	**68.0**	**94.2**	**3,362.4**	**726.3**
	3,750.1	*322.2*	*37.1*	*4,035.2*	*3,073.2*	*172.5*	*-*	*37.1*	*3,208.6*	*826.6*

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

b) Additional disclosure persuant to amendment of revised schedule III are in note 57.

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4. Non-Current Investments

[Refer note 35]

(₹ in million)

	Number	Face Value	As at 31.03.2022	As at 31.03.2021
a. In Subsidiary Companies Unquoted				
i) Equity Instruments (at Cost)				
- Nanomi B.V., Netherlands	273,162 (194,829)	USD 1,000	44,499.7	26,948.2
- Lupin Pharmaceuticals, Inc., USA	30 (30)	USD 0.001	13.8	13.8
- Lupin Australia Pty Ltd., Australia	800,000 (800,000)	AUD *	33.3	33.3
- Lupin Healthcare Ltd., India	2,616,677 (2,616,677)	₹ 10	81.7	81.7
- Lupin Atlantis Holdings SA, Switzerland	2,486 (2,486)	CHF 1,000	2,993.7	2,993.7
- Lupin Biologics Ltd., India	100,000 (100,000)	₹ 10	1.0	1.0
- Lupin Oncology Inc., USA	15,000,000 (-)	USD 1	1,127.8	-
- Lupin Digital Health Limited, India	28,010,000 (-)	₹ 10	400.1	-
ii) Capital Contributions (at Cost)				
- Nanomi B.V., Netherlands			6,385.5	6,385.5
- Lupin Atlantis Holdings SA, Switzerland (Refer Note 54B)			29,811.9	35,019.0
iii) Preference Shares (at Fair Value through Profit or Loss)				
- Lupin Healthcare Ltd., India (0.01% Optionally Convertible Non-cumulative Redeemable Preference Shares)	100,000,000 (50,000,000)	₹ 10	1,116.1	520.0
			86,464.6	**71,996.2**
b. In Others Unquoted				
i) In Equity Instruments (at Fair Value through Profit or Loss)				
- Biotech Consortium India Ltd., India	50,000 (50,000)	₹ 10	0.5	0.5
- Enviro Infrastructure Co. Ltd., India	100,000 (100,000)	₹ 10	1.0	1.0
- BEIL Infrastructure Ltd., India [31.03.2022 - ₹ 44,100; 31.03.2021 - ₹ 44,100] (formerly known as Bharuch Enviro Infrastructure Ltd., India)	4,410 (4,410)	₹ 10		
- Narmada Clean Tech Ltd., India	1,100,388 (1,100,388)	₹ 10	11.0	11.0
- Tarapur Environment Protection Society, India	72,358 (72,358)	₹ 100	7.2	7.2
			19.7	**19.7**

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(₹ in million)

	Number	Face Value	As at 31.03.2022	As at 31.03.2021
ii) In Bonds/Debentures/Securities (at Amortised Cost)				
- Government Securities				
- National Saving Certificates [Deposited with Government Authority] [31.03.2022- ₹ 5,500; 31.03.2021 - ₹ 5,500]				
iii) In Membership Share in LLP, Unquoted (at Fair Value through Profit or Loss):				
- ABCD Technologies LLP, India			402.6	400.0
[As at 31.03 2022, the Company had a 6.45% (31.03.2021 - 12.5%) share of profit/loss and voting rights. The investment is locked upto April 24, 2024]			**402.6**	**400.0**
			422.3	**419.7**
Total			**86,886.9**	**72,415.9**

* Shares do not have face value			
i)	All investments in shares are fully paid up		
ii)	All the above subsidiaries are directly or indirectly, wholly owned by the Company		
iii)	Aggregate amount of quoted investments and market value thereof		
	Book value	-	-
	Market value	-	-
iv)	Aggregate amount of unquoted investments	86,886.9	72,415.9
v)	Previous year numbers are within brackets below current year numbers		

5. Non-Current Loans

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unsecured, considered good		
Loans to Employees	2.1	0.9
Total	**2.1**	**0.9**

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

6. Other Non-Current Financial Assets

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unsecured, considered good unless otherwise stated		
Security Deposits		
With Related Parties [Refer note 54 (C)]	29.0	29.0
Others	672.5	628.8
Mark to Market Derivative Assets (Refer note 52)	19.5	-
Earmarked Bank Deposits against guarantees and other commitments	9.1	10.5
Total	**730.1**	**668.3**

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7. Other Non-Current Assets

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Capital Advances	710.2	344.2
Advances other than Capital Advances		
- With Government Authorities (Drawback/Customs & Excise duties receivable)	68.8	68.8
Prepaid Expenses	93.4	92.4
Other Advances	227.9	233.2
Total	**1,100.3**	**738.6**

8. Inventories

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Raw Materials	8,878.9	7,601.5
Packing Materials	2,361.6	1,597.9
Work-in-progress	5,705.7	5,214.0
Finished Goods	6,605.8	6,088.8
Stock-in-Trade	5,348.0	3,930.3
Consumable Stores and Spares	2,137.7	1,930.0
Goods-in-Transit		
- Raw Materials	665.3	603.3
- Packing Materials	28.0	65.7
- Stock-in-Trade	15.2	17.8
- Consumable Stores and Spares	25.2	32.6
Total	**31,771.4**	**27,081.9**

During the year, the Company recorded inventory write-downs of ₹ 2,477.0 million (previous year ₹ 1,846.1 million). These adjustments were included in cost of material consumed and changes in inventories.

9. Current Investments

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
- Measured at Amortised Cost		
Quoted		
In Non Convertible Debentures	505.9	-
In Commercial Papers	988.7	957.8
Unquoted		
In Deposits with financial institutions	515.9	1,022.5
- Measured at Fair Value through Profit or Loss		
Unquoted		
In Mutual Funds	6,213.5	21,229.6
Total	**8,224.0**	**23,209.9**

a)	Aggregate amount of quoted investments and market value thereof		
	Book value	1,494.6	957.8
	Market value	1,494.4	958.9
b)	Aggregate amount of Unquoted Investments	6,729.4	22,252.1
c)	Unrealised Loss on Mutual Fund Investments (net) as adjusted above	-	-

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10. Trade Receivables

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unsecured		
- Considered Good	27,292.8	31,962.6
- Credit Impaired	126.5	169.1
	27,419.3	32,131.7
Less: Allowances for credit losses	199.2	226.3
Total	**27,220.1**	**31,905.4**

Additional disclosure persuant to amendment of revised schedule III are in note 57.

[There are no other trade receivables which have significant increase in credit risk. Refer note 50 (C) for information about credit risk and market risk of trade receivables]

Trade receivables include debts due from subsidiary companies ₹ 18,901.2 million (31.03.2021 ₹ 22,989.8 million)

11. Cash and Cash Equivalents

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Cash and Cash Equivalents (as per Ind AS-7 - "Statement of Cash Flows")		
Bank Balances		
- In Current Accounts	486.0	1,381.0
- In EEFC Account	90.0	360.8
Cheques on hand	8.3	25.5
Cash on hand	6.7	6.8
Total	**591.0**	**1,774.1**

12. Other Bank Balances

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Earmarked Balances with Banks		
- Unpaid dividend accounts	48.5	48.6
- Deposits against guarantees and other commitments	5.7	1.2
Bank Deposits with original maturity of more than 3 months but less than 12 months from the balance sheet date	0.4	1,016.2
Total	**54.6**	**1,066.0**

13. Current Loans

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unsecured, considered good		
Other Loans (includes Loans to employees, etc.)	22.7	12.5
Total	**22.7**	**12.5**

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

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14. Other Current Financial Assets

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unsecured, considered good		
Receivables from Related Parties [Refer note 54 (C)]	3,609.1	378.5
Mark to Market Derivative Assets (Refer note 52)	223.3	269.1
Export Benefits receivable	1,290.2	2,573.1
With Government Authorities (GST credit/VAT/Cenvat/Service tax/refund receivable)	496.3	707.6
Security Deposits	40.3	113.9
Other Current Financial Assets (includes Interest receivables, etc.)	326.0	383.2
Total	**5,985.2**	**4,425.4**

15. Other Current Assets

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Advances other than Capital Advances		
Prepaid Expenses	393.9	355.9
Advances to Employees	88.3	97.7
Advances to Vendors		
- Considered Good	1,502.0	1,120.1
- Credit Impaired	129.9	133.7
	1,631.9	1,253.8
Less: Impairment Allowances for Credit Impaired	129.9	133.7
	1,502.0	1,120.1
Export Benefits receivable	841.1	893.2
With Government Authorities (GST credit/VAT/Cenvat/Service tax/refund receivable)	7,634.6	4,178.8
Assets Recoverable From Customers	49.3	52.8
Total	**10,509.2**	**6,698.5**

16. Equity Share Capital

a) Equity Share Capital

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	₹ in million	No. of Shares	₹ in million
Authorised				
Equity Shares of ₹ 2 each	1,000,000,000	2,000.0	1,000,000,000	2,000.0
Issued, Subscribed and Paid up				
Equity Shares of ₹ 2 each fully paid	454,475,014	909.0	453,680,133	907.4
Total	**454,475,014**	**909.0**	**453,680,133**	**907.4**

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

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	₹ in million	No. of Shares	₹ in million
Equity Shares outstanding at the beginning of the year	453,680,133	907.4	452,998,121	906.0
Equity Shares issued during the year pursuant to exercise of ESOPs	794,881	1.6	682,012	1.4
Equity Shares outstanding at the end of the year	**454,475,014**	**909.0**	**453,680,133**	**907.4**

Notes

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c) Rights attached to Equity Shares

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

During the year ended March 31, 2022, the amount of dividend per equity share distributed to equity shareholders is ₹ 6.5 (Previous year ended March 31, 2021, ₹ 6.0)

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

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

Name of Shareholder	**As at 31.03.2022**		As at 31.03.2021	
	No. of Shares	**% of Holding**	No. of Shares	% of Holding
Lupin Investments Pvt. Limited	205,608,135	45.24	205,608,135	45.32

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

Promoter name	**As at 31.03.2022**		As at 31.03.2021		
	No. of Shares	**% of total shares**	No. of Shares	% of total shares	% Change during the year
Desh Bandhu Gupta HUF	647,580	0.14	647,580	0.14	-
Manju D. Gupta	3,871,162	0.85	3,871,162	0.85	-
Nilesh D. Gupta	901,064	0.20	901,064	0.20	-
Kavita Gupta	200,170	0.04	200,170	0.04	-
Veda Nilesh Gupta	65,979	0.01	61,189	0.01	7.83
Neel Deshbandhu Gupta	21,858	0.00	19,208	0.00	13.80
Shefali Nath Gupta	1,752	0.00	1,752	0.00	-
Lupin Investments Pvt Ltd	205,608,135	45.24	205,608,135	45.32	-
Manju D. Gupta (As a Trustee of Gupta Family Trust)	1,000	0.00	1,000	0.00	-
Vinita Gupta	327,424	0.07	327,424	0.07	-
Anuja Gupta	725,705	0.16	725,705	0.16	-
Richa Gupta	233,265	0.05	233,265	0.05	-

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

Particulars	**As at 31.03.2022**		As at 31.03.2021	
	No. of Shares	**₹ in million**	No. of Shares	₹ in million
Lupin Employees Stock Option				
Plan 2003	95,030	0.2	100,030	0.2
Plan 2005	8,350	0.0	29,045	0.1
Plan 2011	1,142,798	2.3	1,162,443	2.3
Plan 2014	1,357,799	2.7	1,512,269	3.0
Lupin Subsidiary Companies				
Employees Stock Options				
Plan 2011	615,408	1.2	672,750	1.3
Plan 2014	878,513	1.8	1,441,937	2.9

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

Particulars	**As at 31.03.2022 Aggregate No. of Shares**	As at 31.03.2021 Aggregate No. of Shares
Equity Shares issued under various Stock Option Plans of the Company	2,898,145	3,097,164

h) 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.

17. Non-Current Borrowings

[Refer note 21]

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unsecured		
Deferred Sales Tax Loan from Government of Maharashtra	-	1.5
Total	**-**	**1.5**

18. Other Non-Current Financial Liabilities

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Employee Benefits Payables	61.8	39.6
Total	**61.8**	**39.6**

19. Non-Current Provisions

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Provisions for Employee Benefits [Refer note 25]		
Gratuity [Refer note 43 (ii) A]	1,928.6	1,814.4
Compensated Absences	959.4	1,072.8
Provident Fund [Refer note 43 (ii) B]	174.9	192.4
Total	**3,062.9**	**3,079.6**

20. Other Non-Current Liabilities

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Deferred Revenue [Refer note 37 (d)]	257.7	457.4
Total	**257.7**	**457.4**

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21. Current Borrowings

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Secured		
Loans from Banks	-	507.9
Unsecured		
Loans from Banks	7,904.7	2,480.0
Current Maturities of Non-Current Borrowings [Refer note 17]		
- Deferred Sales Tax Loan from Government of Maharashtra	-	1.6
Total	**7,904.7**	**2,989.5**

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

b) Unsecured Loans comprise of Working Capital Loan carrying market driven interest rates.

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

22. Trade Payables

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Acceptances	591.5	397.1
Other than Acceptances		
- Total outstanding dues of Micro and Small Enterprises [Refer note 47]	847.9	912.3
- Total outstanding dues of Others	12,075.9	10,654.5
Total	**13,515.3**	**11,963.9**

Additional disclosure persuant to amendment of revised schedule III are in note 57.

23. Other Current Financial Liabilities

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Unpaid Dividend *	48.5	48.6
Payable for Capital Expenditure	513.9	763.9
Trade Deposits received	117.1	96.8
Employee Benefits Payables	1,803.2	1,510.1
Other Payables (Includes retention money, etc.)	1.3	0.7
Total	**2,484.0**	**2,420.1**

* During the year ₹ 3.7 million has been credited to Investor Education and Protection Fund relating to FY 13-14.

24. Other Current Liabilities

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Statutory Dues Payables (includes GST, Provident Fund, Withholding Taxes etc.)	834.0	715.3
Sales Returns	1,826.1	1,535.8
Deferred Revenue [Refer note 37 (d)]	59.9	147.2
Deferred Government Grant	-	62.2
Advances from customers	151.6	89.3
Total	**2,871.6**	**2,549.8**

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Forming part of the Standalone Financial Statements

25. Current Provisions

(₹ in million)

	As at 31.03.2022	As at 31.03.2021
Provisions for Employee Benefits [Refer note 19]		
Gratuity [Refer note 43 (ii) A]	364.9	344.0
Compensated Absences	419.6	213.9
Other Provisions		
For European Commission fine [Refer note 49]	3,783.9	3,796.1
Total	**4,568.4**	**4,354.0**

26. Revenue from Operations

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Sale [Refer note 37]		
Goods	106,914.6	108,736.7
Research Services	5,670.2	273.5
	112,584.8	109,010.2
Other Operating Revenue		
Export Benefits and Other Incentives	757.7	1,173.5
Insurance Claims	71.5	201.7
Business Compensation and Settlement Income	847.8	66.6
Income from Assignment of Rights	3,417.3	-
Miscellaneous Income	37.6	107.3
	5,131.9	1,549.1
Total	**117,716.7**	**110,559.3**

27. Other Income

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Income on Financial Assets carried at amortised cost		
Interest on Deposits with Banks	37.3	133.6
Other Interest	193.8	183.9
Income on Financial Assets carried at fair value through profit or loss		
Net gain on Sale of Mutual Fund Investments	329.6	243.6
Unrealised Gain on Mutual Fund Investments (net)	23.2	277.7
Unrealised Gain on Non-Current Investment	98.7	20.0
Interest on Income Tax Refund	631.9	201.5
Miscellaneous Income	189.7	230.6
Total	**1,504.2**	**1,290.9**

28. Cost of Materials Consumed

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Raw Materials Consumed	22,178.0	23,284.2
Packing Materials Consumed	5,991.0	4,128.0
Total	**28,169.0**	**27,412.2**

Notes

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

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Opening Stock:		
Finished Goods	6,088.8	5,722.0
Stock-in-Trade	3,948.1	3,600.4
Work-in-Progress	5,214.0	5,109.9
	15,250.9	14,432.3
Less:		
Closing Stock:		
Finished Goods	6,605.8	6,088.8
Stock-in-Trade	5,363.2	3,948.1
Work-in-Progress	5,705.7	5,214.0
	17,674.7	15,250.9
Changes In Inventories:		
Finished Goods	(517.0)	(366.8)
Stock-in-Trade	(1,415.1)	(347.7)
Work-in-progress	(491.7)	(104.1)
Total	**(2,423.8)**	**(818.6)**

30. Employee Benefits Expense

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Salaries and Wages	16,465.8	14,505.6
Contribution to Provident and Other Funds	1,330.9	1,227.1
Retirement Benefits Expense	130.9	115.4
Share Based Payments Expense [Refer note 42]	452.7	389.1
Staff Welfare Expenses	801.3	721.4
Total	**19,181.6**	**16,958.6**

31. Finance Costs

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Interest on Financial Liabilities - borrowing carried at amortised cost	209.7	45.1
Net Interest on net defined benefit liability	228.5	207.6
Interest cost on Finance lease obligation [Refer note 40]	134.0	129.0
Other Borrowing Costs (includes bank charges, etc.)	126.5	24.5
Interest on Income Tax	36.0	-
Total	**734.7**	**406.2**

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32. Other Expenses

(₹ in million)

	For the Current Year ended 31.03.2022	For the Previous Year ended 31.03.2021
Processing Charges	777.7	839.3
Stores and Spares Consumed	5,252.4	4,532.6
Repairs and Maintenance:		
- Buildings	259.1	221.9
- Plant and Machinery	1,342.7	1,179.4
- Others	1,729.9	1,527.8
Rent and Other Hire Charges	563.3	524.7
Rates and Taxes	1,391.4	980.9
Insurance	675.3	691.0
Power and Fuel	4,184.5	3,895.4
Contract Labour Charges	1,200.8	1,203.7
Selling and Promotion Expenses	3,044.8	2,484.7
Commission and Brokerage	1,082.1	946.3
Freight and Forwarding	848.3	803.1
Postage and Telephone Expenses	237.5	255.6
Travelling and Conveyance	2,049.8	1,146.3
Legal and Professional Charges [Net of recoveries of ₹ 62.9 million (previous year ₹ 148.2 million)]	5,814.6	5,694.6
Donations	32.7	53.1
Clinical and Analytical Charges	1,528.3	1,853.2
Loss on Sale/Write-off of Property, Plant and Equipment/Intangible Assets (net)	23.2	0.7
Bad Trade Receivables/Advances written off [Net of provision of earlier years adjusted ₹ 40.0 million (previous year ₹ 2.2 million)]	-	0.1
Impairment Allowances for Doubtful Trade Receivables/Advances (net)	11.5	171.2
Corporate Social Responsibility Expenses [Refer note 46]	339.9	351.1
Directors Sitting Fees	2.3	1.8
Business Compensation and Settlement Expenses	(41.6)	286.7
Miscellaneous Expenses	636.8	766.8
Total	**32,987.3**	**30,412.0**

33. Commitments:

a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances, ₹ 2770.5 million (previous year ₹ 1758.1 million).

b) Equity commitment in subsidiaries amounting to ₹ 1736.9 million (previous year ₹ 17180.8 million) and other commitments in subsidiaries amounting to ₹ 1000.0 million (previous year ₹ 1500.0 million)

c) Other commitments – Non-cancellable short term leases is ₹ 23.6 million (previous year ₹ 53.2 million). Low value leases is ₹ 249.4 million (previous year ₹ 290.2 million).

d) Dividends proposed of ₹ 4/- (previous year ₹ 6.50) per equity share before the financial statements approved for issue, but not recognised as a liability in the financial statements is ₹ 1818.0 million (previous year ₹ 2949.2 million).

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

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

g) Financial and corporate guarantees issued by the company on behalf of subsidiaries are disclosed in note 34.

Notes

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34. Contingent Liabilities:

(₹ in million)

	Particulars	As at 31.03.2022	As at 31.03.2021
a)	Income tax demands/matters on account of deductions/allowances in earlier years, pending in appeals and potential tax demands in future years in respect of some uncertain tax issues [₹ 370.1 million (previous year ₹ 439.4 million) consequent to department preferring appeals against the order of the Appellate Authority passed in favour of the company] Amount paid there against and included under "Non-Current Tax Assets (Net)" ₹ 1878.6 million (previous year ₹ 1239.9 million	1765.1	2258.7
b)	Customs duty, Excise duty, Service tax and Sales tax demands for input tax credit disallowances and demand for additional Entry Tax arising from dispute on applicable rate are in appeals and pending decisions. Amount paid there against and included under Note 7 "Other Non-Current Assets" ₹ 23.9 million (previous year ₹ 23.9 million).	121.8	122.6
c)	Claims against the Company not acknowledged as debts [excluding interest (amount unascertained) in respect of a claim] for transfer charges of land, octroi duty, local body tax, employee claims, power*, trademarks, pricing and stamp duty. Amount paid there against without admitting liability and included under Note 7 "Other Non-Current Assets" ₹ 201.8 million (previous year ₹ 206.8 million). *Demand raised by Maharashtra State Electricity Development Corporation Limited (MSEDCL) challenging Group Captive Generating Plant (GCGP) status of power supplier's Plant at Tarapur and Pune location.	1830.2	1814.9
d)	Outstanding credit facilities against corporate guarantees given in respect of credit facilities sanctioned by bankers of subsidiary companies for the purpose of acquisitions, working capital and other business requirements aggregating ₹ 32012.6 million (previous year ₹ 49702.5 million).	29271.6	44559.7
e)	Financial guarantee aggregating to ₹ 5075.1 million (previous year ₹ 3399.6 million) given to third party on behalf of subsidiaries for contractual obligations.	-	-
f)	From time to time, Lupin Inc. (LI) and its subsidiaries are involved in various intellectual property claims and legal proceedings, which are considered normal to its business, where the liability, if any, may fall on Lupin Limited. Some of this litigation has been resolved through settlement. Future cash outflows in respect of the above, if any, is determinable only on receipt of judgment/decisions pending with the relevant authorities or settlement, as the case may be. 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 believes that the probability of outflow is low to moderate considering the merits of the cases.		

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

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

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

Notes

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

(₹ in million)

Particulars	**2021-2022**	2020-2021
Opening balance	378.0	392.8
Incurred during the year:		
Salaries, allowances and contribution to funds	98.5	87.7
Legal and professional charges	0.2	-
Travelling and conveyance	5.6	6.2
Power and fuel	-	1.6
Others	13.1	9.4
Total incurred during the year	117.4	104.9
Less: Capitalised during the year	106.8	119.7
Closing balance	**388.6**	**378.0**

37. Revenue (Ind AS 115)

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

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

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

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

b) Disaggregation of revenue:

(₹ in million)

Nature of segment	**2021-2022**	2020-2021
A. Service line:		
- Sale of pharmaceutical goods	106914.6	108736.7
- Income from research services and sale of IPs	5670.2	273.5
Total revenue from contracts with customers	**112584.8**	**109010.2**
B. Primary geographical market:		
- India	63697.9	57833.1
- USA	27920.7	32371.1
- Others	20966.2	18806.0
Total revenue from contracts with customers	**112584.8**	**109010.2**
C. Timing of the revenue recognition:		
- Goods/Services transferred at a point in time	111187.6	108769.7
- Services transferred over time	1397.2	240.5
Total revenue from contracts with customers	**112584.8**	**109010.2**

Notes

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

(₹ in million)

Particulars	2021-2022	2020-2021
Revenue as per contracted price	129194.1	118403.9
Adjusted for:		
- Sales returns	2684.3	1934.9
- Discounts / Chargebacks / Rebates	7881.6	6468.6
- Others	6043.4	990.2
Total revenue from contracts with customers	**112584.8**	**109010.2**

d) Reconciliation of revenue recognised from Contract liability:

(₹ in million)

Particulars	2021-2022	2020-2021
Balance in contract liability at the beginning of the period that was not recognized as revenue	604.6	709.7
Add: Increases due to cash received during the year excluding amounts recognized as revenue during the year	21.5	148.4
Less: Decreases due to cash paid during the year upon termination of contracts	5.8	7.4
Less: Revenue recognized that was included in the contract liability balance at the beginning of the period	302.7	246.1
Balance in contract liability at the end of the period that is not recognized as revenue	317.6	604.6

38. Segment Reporting:

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

39. Auditors' Remuneration:

(₹ in million)

Particulars	2021-2022	2020-2021
Payment to Auditors*:		
a) As Auditors	16.6	16.6
b) For other services including Certification	5.1	3.4
c) Reimbursement of out-of-pocket expenses	1.1	1.1
Total	**22.8**	**21.1**

* Excluding GST

Notes

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40. Leases:

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

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

i) Right of Use Assets

(₹ in million)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Total
Cost							
Balance at April 1, 2021	1132.0	1689.4	26.4	443.1	246.0	39.1	**3576.0**
Additions	5.3	176.0	-	29.2	142.3	-	**352.8**
Disposal/Derecognized during the year	-	202.7	-	76.0	69.9	30.9	**379.5**
Balance at March 31, 2022	1137.3	1662.7	26.4	396.3	318.4	8.2	**3549.3**
Accumulated depreciation							
Balance at April 1, 2021	59.3	439.5	13.2	211.5	95.6	28.5	**847.6**
Depreciation expense	15.3	430.5	8.8	89.2	95.2	10.4	**649.4**
Disposal/Derecognized during the year	-	202.7	-	76.0	56.0	30.9	**365.6**
Balance at March 31, 2022	74.6	667.3	22.0	224.7	134.8	8.0	**1131.4**
Net Balance at March 31, 2022	**1062.7**	**995.4**	**4.4**	**171.6**	**183.6**	**0.2**	**2417.9**
Net Balance at April 1, 2021	**1072.7**	**1249.9**	**13.2**	**231.6**	**150.4**	**10.6**	**2728.4**

(₹ in million)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Total
Cost							
Balance at April 1, 2020	1104.5	1104.6	26.4	443.1	187.1	52.8	**2918.5**
Additions	27.5	1034.7	-	-	120.4	-	**1182.6**
Disposal/Derecognized during the year	-	449.9	-	-	61.5	13.7	**525.1**
Balance at March 31, 2021	1132.0	1689.4	26.4	443.1	246.0	39.1	**3576.0**
Accumulated depreciation							
Balance at April 1, 2020	46.3	419.3	4.4	105.5	67.9	24.4	**667.8**
Depreciation expense	13.0	421.8	8.8	106.0	78.8	17.8	**646.2**
Disposal/Derecognized during the year	-	(401.6)	-	-	(51.1)	(13.7)	**(466.4)**
Balance at March 31, 2021	59.3	439.5	13.2	211.5	95.6	28.5	**847.6**
Net Balance at March 31, 2021	**1072.7**	**1249.9**	**13.2**	**231.6**	**150.4**	**10.6**	**2728.4**
Net Balance at April 1, 2020	**1058.2**	**685.3**	**22.0**	**337.6**	**119.2**	**28.4**	**2250.7**

Notes

Forming part of the Standalone Financial Statements

Lease liabilities

(₹ in million)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Total
Balance at April 1, 2021	111.4	1321.1	14.1	253.1	154.2	9.7	1863.6
Addition	-	176.0	-	29.2	142.3	-	347.5
Accreditation of interest	8.8	91.3	0.8	18.9	14.0	0.2	134.0
Payments	(7.3)	(482.6)	(10.0)	(109.6)	(108.3)	(9.6)	(727.4)
Adjustments for Disposals	-	-	-	-	(13.9)	-	(13.9)
Balance at March 31, 2022	**112.9**	**1105.8**	**4.9**	**191.6**	**188.3**	**0.3**	**1603.8**
Current	**4.7**	**416.1**	**4.9**	**86.5**	**88.5**	**0.3**	**601.0**
Non-Current	**108.2**	**689.7**	**-**	**105.1**	**99.8**	**-**	**1002.8**

(₹ in million)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Total
Balance at April 1, 2020	110.0	786.3	22.5	357.9	122.1	27.8	1426.6
Addition	-	1034.7	-	-	120.4	-	1155.1
Accreditation of interest	8.7	78.2	1.6	26.3	12.7	1.5	129.0
Payments	(7.3)	(520.7)	(10.0)	(131.1)	(90.5)	(19.6)	(779.2)
Adjustments for Disposals	-	(57.4)	-	-	(10.5)	-	(67.9)
Balance at March 31, 2021	**111.4**	**1321.1**	**14.1**	**253.1**	**154.2**	**9.7**	**1863.6**
Current	**4.9**	**363.2**	**9.2**	**86.2**	**70.4**	**9.4**	**543.3**
Non-Current	**106.5**	**957.9**	**4.9**	**166.9**	**83.8**	**0.3**	**1320.3**

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

Amounts recognised in Profit and Loss

(₹ in million)

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Depreciation expense of right-of-use assets (Refer Note No. 2)	649.4	646.2
Interest expense on lease liabilities (Refer Note No. 31)	134.0	129.0
Expense relating to short-term leases	16.1	25.4
Expense relating to low value assets	130.1	126.0
Total	**929.6**	**926.6**

ii) Financial risk management

(A) Maturities of financial liabilities

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

(₹ in million)

Contractual maturities of financial liabilities	Less than 1 Year	More than 1 Year	Total
As at March 31, 2022			
Lease liabilities	652.2	1346.6	1998.8
As at March 31, 2021			
Lease liabilities	659.7	2886.4	3546.1

iii) Commitments and contingencies

The Company has not entered into lease contracts that have not yet commenced as at March 31, 2022.

Notes

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

Particulars	**Year Ended 31.03.2022**	Year Ended 31.03.2021
Profit/(Loss) attributable to Equity Shareholders (₹ in million)	(1887.0)	12586.2
Weighted average number of Equity Shares:		
- Basic	454042888	453280606
Add: Effect of dilutive issue of employees stock options (ESOPs) - converted during the year and ESOPs outstanding as at the year end	1197409	1956031
- Diluted	455240297	455236627
Earnings per Share (in ₹)		
- Basic	(4.16)	27.77
- Diluted	(4.16)	27.65

42. Share-based payment arrangements:

(i) Employee stock options – equity settled

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

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

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

Current Year

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	1953420	455.7-2037.5	1165.8	2.7
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	389526	455.7-2037.5	1335.7	NA
Less: Options exercised during the year	176526	455.7-864.8	583.6	NA
Options outstanding at the year end	1387368	556.1-2037.5	1191.6	2.8
Exercisable at the end of the year	1389971	556.1-1505.8	1191.5	2.8

Previous Year

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	2368280	455.7-2037.5	1155.1	4.7
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	298941	455.7-1563	1290.6	NA
Less: Options exercised during the year	115919	455.7-864.8	462.4	NA
Options outstanding at the year end	1953420	455.7-2037.5	1167.0	3.7
Exercisable at the end of the year	1955056	455.7-2037.5	1165.3	3.7

The weighted average grant date fair value of the options granted under Category A during the years ended March 31, 2022 and 2021 was ₹ Nil and ₹ Nil per option, respectively.

Notes

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

Current Year

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	2166977	2.0	2.0	7.4
Add: Options granted during the year	566540	2.0	2.0	9.7
Less: Options lapsed during the year	198081	2.0	2.0	NA
Less: Options exercised during the year	518355	2.0	2.0	NA
Options outstanding at the year end	2017081	2.0	2.0	8.1
Exercisable at the end of the year	504096	2.0	2.0	6.6

Previous Year

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

The weighted average grant date fair value of the options granted under Category B during the years ended March 31, 2022 and 2021 was ₹ 861.7 and ₹ 1006.8 per option, respectively.

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

Current Year

Particulars	Shares arising out of options (Nos.)	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (Yrs)
Options outstanding at the beginning of the year	150000	720.5-891.5	675.9	4.6
Add: Options granted during the year	-	-	-	-
Less: Options lapsed during the year	-	-	-	-
Less: Options exercised during the year	100000	415.7-720.5	568.1	NA
Options outstanding at the year end	50000	891.5-891.5	891.5	3.6
Exercisable at the end of the year	50000	891.5-891.5	891.5	3.6

Previous Year

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

The weighted average grant date fair value of options granted under Category C during the years ended March 31, 2022 and 2021 was ₹ Nil and ₹ Nil per option, respectively.

The weighted average share price during the years ended March 31, 2022 and 2021 was ₹ 981.1 and ₹ 943.8 per share respectively.

Notes

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Valuation of stock options

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

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

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

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

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

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

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

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

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

Weighted average information – 2021-2022

Category	Grant date	Exercise price	Risk free rate (%)	Expected life (years)	Expected Volatility (%)	Dividend yield (%)	Weighted average share price	Weighted Option Fair Value
B	May 10, 2021	2.00	5.1%	3.5	33.3%	0.6%	1,227.4	1,197.7
B	September 02, 2021	2.00	5.8%	6.3	31.4%	0.6%	967.8	929.1
B	September 02, 2021	2.00	5.8%	6.3	31.4%	0.6%	967.8	929.1
B	September 02, 2021	2.00	4.6%	2.6	33.5%	0.6%	967.8	950.5
B	October 18, 2021	2.00	5.9%	6.3	31.1%	0.6%	936.5	899.0
B	October 18, 2021	2.00	5.9%	6.3	31.1%	0.6%	936.5	899.0
B	November 30, 2021	2.00	5.9%	6.3	31.1%	0.6%	884.4	848.9
B	November 30, 2021	2.00	5.9%	6.3	31.1%	0.6%	884.4	848.9
B	November 30, 2021	2.00	5.9%	6.3	31.1%	0.6%	884.4	848.9
B	November 30, 2021	2.00	4.6%	2.6	32.4%	0.6%	884.4	868.4
B	March 01, 2022	2.00	6.2%	6.3	31.4%	0.6%	745.9	715.8
B	March 01, 2022	2.00	4.9%	2.6	33.2%	0.6%	745.9	732.1

Category	Weighted Average Option Fair Value	Weighted Average Share Price
B	861.7	885.3

Notes

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Weighted average information – 2020-2021

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

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

(ii) Employee stock options – Cash settled

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

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

(₹ in million)

Particular	**As at 31.03.2022**	As at 31.03.2021
Other non-current financial liabilities	31.1	2.5
Other current financial liabilities	31.1	-
Total carrying amount of liabilities	**62.2**	**2.5**

Effect of share based payment transactions on the Standalone Statement of Profit and Loss

(₹ in million)

Particular	**For the Current Year ended on 31.03.2022**	**For the Previous Year ended on 31.03.2021**
Equity settled share based payments	393.0	386.6
Cash settled share based payments	59.7	2.5
Total expense on share based payments	**452.7**	**389.1**

43. Post-Employment Benefits:

(i) Defined Contribution Plans:

The Company makes contributions towards provident and pension 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 ₹ 173.2 million (previous year ₹ 174.7 million) for superannuation contribution and ₹ 282.0 million (previous year ₹ 274.3 million) for provident and pension fund contributions in the Statement of Profit and Loss.

Notes

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(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, 2022. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

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

(₹ in million)

Sr. No.	Particulars	Gratuity (Funded)		Gratuity (Unfunded)	
		As at 31.03.2022	As at 31.03.2021	**As at 31.03.2022**	As at 31.03.2021
I)	**Reconciliation in present value of obligations ('PVO') – defined benefit obligation:**				
	Current service cost	241.7	223.9	130.9	115.4
	Past service cost	-	-	-	-
	Interest cost	160.7	148.7	99.2	94.8
	Actuarial loss/(gain)				
	- Due to demographic assumption	-	-	-	-
	- Due to finance assumption	(41.5)	68.4	(7.6)	47.7
	- Due to experience assumption	31.0	(5.5)	12.5	(95.9)
	Benefits paid	(270.1)	(225.4)	(120.5)	(77.0)
	PVO at the beginning of the year	2400.5	2190.4	1481.0	1396.0
	PVO at the end of the year	2522.3	2400.5	1595.5	1481.0
II)	**Change in fair value of plan assets:**				
	Expected return on plan assets	14.2	19.0	-	-
	Interest Income	115.4	108.3	-	-
	Contributions by the employer	241.7	225.9	-	-
	Benefits paid	(270.1)	(225.4)	-	-
	Fair value of plan assets at the beginning of the year	1723.1	1595.3	-	-
	Fair value of plan assets at the end of the year	1824.3	1723.1	-	-
III)	**Reconciliation of PVO and fair value of plan assets:**				
	PVO at the end of the year	2522.3	2400.5	1595.5	1481.0
	Fair Value of plan assets at the end of the year	1824.3	1723.1	-	-
	Funded status	(698.0)	(677.4)	(1595.5)	(1481.0)
	Unrecognised actuarial gain/(loss)	-	-	-	-
	Net liability recognised in the Balance Sheet	(698.0)	(677.4)	(1595.5)	(1481.0)
IV)	**Expense recognised in the Statement of Profit and Loss:**				
	Current service cost	241.7	223.9	130.9	115.4
	Past service cost	-	-	-	-
	Interest cost	45.3	40.4	99.2	94.8
	Total expense recognised in the Statement of Profit and Loss	287.0*	264.3*	230.1*	210.2*

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(₹ in million)

Sr. No.	Particulars	Gratuity (Funded)		Gratuity (Unfunded)	
		As at 31.03.2022	As at 31.03.2021	**As at 31.03.2022**	As at 31.03.2021
V)	**Other Comprehensive Income**				
	Actuarial loss/(gain)				
	- Due to demographic assumption	-	-	-	-
	- Due to finance assumption	(41.5)	68.4	(7.6)	47.7
	- Due to experience assumption	31.1	(5.5)	12.5	(95.9)
	Return on plan assets excluding net interest	(14.2)	(19.0)	-	-
	Total amount recognised in OCI	(24.6)	43.9	4.9	(48.2)
VI)	**Category of assets as at the end of the year:**				
	Insurer Managed Funds (100%) (Fund is Managed by LIC as per IRDA guidelines category-wise composition of the plan assets is not available)	1824.2	1723.1	-	-
VII)	**Actual return on the plan assets:**	129.5	127.3	-	-
VIII)	**Assumptions used in accounting for the gratuity plan:**				
	Mortality (%)	Rates stipulated in Indian Assured Lives Mortality 2006-08 upto 31.03.2019 Rates stipulated in Indian Assured Lives Mortality 2012-14 from 01.04.2019 onwards			
	Discount rate (%)	7.1	6.7	7.1	6.7
	Salary escalation rate (%)	9.0 for first three years and 6.0 thereafter	9.0 for first three years and 6.0 thereafter	9.0 for first three years and 6.0 thereafter	9.0 for first three years and 6.0 thereafter
	Average Remaining Service (years)	11.4	10.9	11.4	10.9
	Employee Attrition Rate (%)				
	up to 5 years	15.0	15.0	15.0	15.0
	above 5 years	5.0	5.0	5.0	5.0
IX)	**Estimate of amount of contribution in immediate next year**	375.3	357.6	NA	NA

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

X) Expected future benefit payments

(₹ in million)

Particulars	**As at 31.03.2022**
1 year	603.5
2 to 5 years	1401.4
6 to 10 years	1628.7
More than 10 years	5043.6

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

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

(₹ in million)

Gratuity	**2021-2022**		2020-2021	
	Increase	**Decrease**	Increase	Decrease
Discount Rate (1% movement)	(321.2)	371.5	(310.1)	(360.0)
Future salary growth (1% movement)	368.8	(324.6)	356.0	(312.3)

Notes

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

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

The Company has an obligation to service the shortfall on account of interest generated by the fund and on maturity of fund investments and hence the same has been classified as Defined Benefit Plan in accordance with Ind AS 19 "Employee Benefits". As per the Guidance Note from the Actuarial Society of India, the Company has obtained the actuarial valuation of interest rate obligation in respect of Provident Fund as at March 31, 2022 and based on the same, there is no shortfall towards interest rate obligation.

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

(₹ in million)

Sr. No.	Particulars	**As at 31.03.2022**	As at 31.03.2021
I)	**PVO and fair value of plan assets:**		
	Fair Value of plan assets	11466.6	10332.3
	Present Value of defined benefit obligations	11641.3	10524.7
	Net excess/(shortfall)	(174.7)	(192.4)
II)	**Changes in defined benefit obligation:**		
	Liability at the beginning of the year	10524.7	9559.1
	Interest cost	725.1	801.4
	Current service cost	639.2	521.2
	Employee contribution	1008.6	915.0
	Liability Transferred in	(282.5)	(248.3)
	Benefits paid	(1051.5)	(1092.2)
	Actuarial (gain)/ loss on financial assumptions	(95.4)	-
	Actuarial (gain)/ loss on experience variance	173.1	68.5
	Liability at the end of the year	11641.3	10524.7
III)	**Changes in fair value of plan assets:**		
	Fair value of plan assets at the beginning of the year	10332.3	9492.4
	Investment income	710.9	808.5
	Employer's contributions	600.4	521.2
	Employee's contribution	1008.6	915.0
	Transfers in	(247.2)	(237.5)
	Benefits paid	(1051.5)	(1092.2)
	Return on plan assets, excluding amount recognised in net interest expense	112.9	(75.1)
	Fair value of plan assets at the end of the year	11466.4	10332.3
IV)	**Expenses recognized in Statement of Profit and Loss:**		
	Current service cost	639.2	521.2
	Interest cost	725.1	801.4
	Expected return on plan assets	(710.9)	(808.5)
	(Income)/Expense recognised in the Statement of Profit and Loss	653.4	514.1
V)	**Other Comprehensive Income**		
	Actuarial (loss)/gain		
	- Due to finance assumption	95.4	-
	- Due to experience assumption	(173.1)	(68.5)
	Return on plan assets excluding net interest	112.9	(75.1)
	Total amount recognised in OCI	35.2	(143.6)

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(₹ in million)

Sr. No.	Particulars	As at 31.03.2022	As at 31.03.2021
VI)	**Major categories of Plan Assets (As per percentage of Total Plan Assets):**		
	Government of India securities/State Government securities	47.1%	52.1%
	High quality corporate bonds	8.4%	10.9%
	Equity shares of listed companies	3.1%	3.3%
	Debt Mutual Fund	37.3%	28.6%
	Equity Mutual Fund	0%	1.2%
	Special Deposit Scheme	1.7%	2.1%
	Bank balance	2.5%	1.8%
	Total	100%	100%
VII)	**Assumptions used in accounting for the provident fund plan:**		
	Discount rate (%)	7.1	6.7
	Average remaining tenure of investment portfolio (years)	7.7	7.5
	Guaranteed rate of return (%)	8.1	8.5
	Attrition rate - upto 5 years	15.0%	15.0%
	Above 5 years	5.0%	5.0%

44. Income taxes

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

(₹ in million)

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Current Tax Expense for the year (including non-creditable foreign taxes of ₹ 392.9 million during the year ended 31.03.2022)	394.9	3671.0
Tax expense of prior years	183.1	(42.5)
Net Current Tax Expense	578.0	3628.5
Deferred income tax liability/(asset) net		
Origination and reversal of temporary differences	(306.3)	82.3
Tax expense for the year	**271.7**	**3710.8**

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

(₹ in million)

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	(13.0)	42.4
Items that will be reclassified to profit or loss		
The effective portion of gains and loss on hedging instruments in a cash flow hedge	12.4	(203.9)
Total	**(0.6)**	**(161.5)**

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

(₹ in million)

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Profit before tax	(1615.3)	16297.0
Tax using the Company's domestic tax rate (March 31 2022: 34.94% March 31 2021: 34.94%)	(564.3)	5694.8
Tax effect of:		
Expenses not deductible for tax purposes	999.6	1104.3
Impact of change in tax rates	0.1	-
Exemption of profit link incentives	(706.4)	(2980.7)
Effect of Non-Creditable foreign taxes	392.9	-
Other	(33.3)	(65.1)
Current and Deferred Tax expense (excluding prior year taxes) as per note 44(a)	**88.6**	**3753.3**

d. Movement in deferred tax balances:

(₹ in million)

Particulars	Net balance April 1, 2021	Recognised in profit or loss	Recognised in Retained Earnings/OCI	Net balance March 31, 2022	Deferred tax asset	Deferred tax liability
Deferred tax assets/(liabilities)						
Property plant and equipment	(3481.9)	17.7	-	(3464.2)	-	(3464.2)
Cash Flow Hedge Reserve	(70.9)	-	12.4	(58.5)	-	(58.5)
Trade Receivables	132.7	(10.8)	-	121.9	121.9	-
Mark to Market (Gain)/Loss	(104.0)	95.9	-	(8.1)	-	(8.1)
Deferred Income	211.5	(100.3)	-	111.2	111.2	-
Interest on tax refunds to be taxed in the year of receipt – as per ICDS IV Para 8(2)	(74.0)	85.9	-	11.9	11.9	-
Employee benefits	1197.2	102.6	(13.0)	1286.8	1286.8	-
Other items	16.2	115.3	-	131.5	131.5	-
Net Deferred tax assets (liabilities)	**(2173.2)**	**306.3**	**(0.6)**	**(1867.5)**	**1663.3**	**(3530.8)**

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₹ in million

Particulars	Net balance April 1, 2020	Recognised in profit or loss	Recognised in Retained Earnings/OCI	Net balance March 31, 2021	Deferred tax asset	Deferred tax liability
Deferred tax assets/(liabilities)						
Property plant and equipment	(3508.4)	26.5	-	(3481.9)	-	(3481.9)
Cash Flow Hedge Reserve	133.0	-	(203.9)	(70.9)	-	(70.9)
Trade Receivables	74.0	58.7	-	132.7	132.7	-
Mark to Market (Gain)/Loss	(0.8)	(103.2)	-	(104.0)	-	(104.0)
Deferred Income	248.2	(36.7)	-	211.5	211.5	-
Interest on tax refunds to be taxed in the year of receipt – as per ICDS IV Para 8(2)	-	(74.0)	-	(74.0)	-	(74.0)
Employee benefits	1077.6	77.2	42.4	1197.2	1197.2	-
Other items	47.0	(30.8)	-	16.2	16.2	-
Net Deferred tax assets/ (liabilities)	**(1929.4)**	**(82.3)**	**(161.5)**	**(2173.2)**	**1557.6**	**(3730.8)**

Management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

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

(₹ in million)

Particulars	**Year Ended 31.03.2022**	Year Ended 31.03.2021
Materials and stores and spares consumption	3484.5	1686.5
Power and fuel	320.5	301.9
Repairs and maintenance	521.0	516.6
Employee benefits expense	3084.6	2665.7
Analytical charges	1293.5	1811.1
Legal & Professional charges	1293.1	1202.1
Depreciation expense	889.3	988.2
Others	488.1	2100.8
Total	**11374.6**	**11272.9**

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46. The aggregate amount of expenditure incurred during the year on Corporate Social Responsibility (CSR) is ₹ 339.9 million (previous year ₹ 351.1 million) and is shown separately under note 32 based on Guidance Note on Accounting for Expenditure on CSR Activities issued by the ICAI.

(₹ in million)

Particulars	**2021-2022**	2020-2021
(a) amount required to be spent by the company during the year	334.8	346.6
(b) amount of expenditure incurred on		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	339.9	351.1
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall		
(f) Nature of CSR activities	Rural support programme, patient awareness and other activities mentioned in Schedule VII of the Companies Act, 2013	
(g) Details of related party transactions	309.2	303.0
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-

The amount required to be spent by the Company during the year is ₹ 334.8 million (previous year ₹ 346.6 million). No amount was spent during the year towards construction/acquisition of any asset relating to CSR expenditure and there are no outstanding amounts payables towards any other purposes.

In respect of ongoing projects, the company is in the process of transferring the unspent amount of ₹ 64.0 million for the year ended March 31, 2021 to a special account as per section 135(6) of the said Act.

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

(₹ in million)

Particulars	**As at 31.03.2022**	As at 31.03.2021
i. The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	847.9 (interest ₹ nil)	912.3 (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 Medi-um Enterprises Development Act, 2006	-	-

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48. Patent Litigation Settlement for Glumetza

In September 2019, 12 lawsuits were filed by purchasers of drug Glumetza in the US against several stakeholders including Lupin Limited and its subsidiary Lupin Pharmaceuticals Inc., U.S. During September 2021, the company and its subsidiary, agreed to settle the dispute, without admitting any violation of law. Accordingly, the company has settled with two plaintiffs representing a majority of the claims for an amount of USD 252.9 million (₹ 18783.8 million) [including USD 4.9 million (₹ 374.8 million) towards litigation and settlement related expenses]. This amount has been recognized as business compensation expense.

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

European Commission fine

During the year ended March 31, 2019, the General Court of the European Union delivered its judgement concerning Lupin's appeal against the European Commission's (EC) 2014 decision in case of alleged breach of the EU Antitrust Rules in respect of IPs for product Perindopril. Accordingly, the Company has made a provision of ₹ 3783.9 million (previous year ₹ 3796.1 million) (including interest thereon) as under:

(₹ in million)

Particulars	**2021-2022**	2020-2021
Carrying amount at the beginning of the year	3796.1	3609.5
Add: Additional Provisions (including interest) made during the year	56.6	57.1
Less: Amounts used/utilised during the year	-	-
Add: Exchange Difference during the year	(68.8)	129.5
Carrying amount at the end of the year	**3783.9**	**3796.1**

The Company has filed appeal against this judgment in the Court of Justice of the European Union.

50. Financial Instruments

Financial instruments – Fair values and risk management:

A. Accounting classification and fair values:

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

Fair value hierarchy

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

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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(₹ in million)

As at 31.03.2022	Carrying amount				Fair value			
	FVTPL	Derivatives designated as hedge	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-Current Investments								
- In Preference Shares	1116.1	-	-	1116.1	-	1116.1	-	1116.1
- Others	422.3	-	-	422.3	-	402.6	19.7	422.3
Non-Current Loans								
- Others	-	-	2.1	2.1	-	-	-	-
Other Non-Current Financial Assets								
- Security Deposit	-	-	701.5	701.5	-	-	-	-
- Derivative Instruments	-	-	19.5	19.5	-	-	-	-
- Others	-	-	9.1	9.1	-	-	-	-
Current Investments	6213.5	-	2010.5	8224.0	6213.5	-	-	6213.5
Trade Receivables	-	-	27220.1	27220.1	-	-	-	-
Cash and Cash Equivalents	-	-	591.0	591.0	-	-	-	-
Other Bank Balances including earmarked balances with banks	-	-	54.6	54.6	-	-	-	-
Current Loans	-	-	22.7	22.7	-	-	-	-
Other Current Financial Assets								
- Security Deposit	-	-	40.3	40.3	-	-	-	-
- Derivative Instruments	-	223.3	-	223.3	-	-	-	-
- Others	-	-	5721.6	5721.6	-	-	-	-
	7751.9	**223.3**	**36393.0**	**44368.2**	**6213.5**	**1518.7**	**19.7**	**7751.9**
Financial liabilities								
Non-Current Borrowings	-	-	-	-	-	-	-	-
Lease Liabilities	-	-	1002.8	1002.8	-	-	-	-
Other Non-Current Financial Liabilities								
- Derivative instruments	-	-	-	-	-	-	-	-
- Others	-	-	61.8	61.8	-	-	-	-
Current Borrowings	-	-	7904.7	7904.7	-	-	-	-
Trade Payables	-	-	13515.3	13515.3	-	-	-	-
Lease Liabilities	-	-	601.0	601.0	-	-	-	-
Other Current Financial Liabilities								
- Derivative instruments	-	-	-	-	-	-	-	-
- Others	-	-	2484.0	2484.0	-	-	-	-
	-	**-**	**25569.6**	**25569.6**	**-**	**-**	**-**	**-**

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(₹ in million)

As at 31.03.2021	Carrying amount				Fair value			
	FVTPL	Derivatives designated as hedge	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-Current Investments								
- In Preference Shares	520.0	-	-	520.0	-	520.0	-	520.0
- Others	419.7	-	-	419.7	-	400.0	19.7*	419.7
Non-Current Loans								
- Security Deposit	-	-	657.8	657.8	-	-	-	-
- Others	-	-	0.9	0.9	-	-	-	-
Other Non-Current Financial Assets								
- Derivative Instruments	-	-	-	-	-	-	-	-
- Others	-	-	10.5	10.5	-	-	-	-
Current Investments	21229.6	-	1980.3	23209.9	21229.6	-	-	21229.6
Trade Receivables	-	-	31905.4	31905.4	-	-	-	-
Cash and Cash Equivalents	-	-	1774.1	1774.1	-	-	-	-
Other Bank Balances including earmarked balances with banks	-	-	1066.0	1066.0	-	-	-	-
Current Loans	-	-	126.4	126.4	-	-	-	-
Other Current Financial Assets								
- Derivative instruments	-	269.1	-	269.1	-	-	-	-
- Others	-	-	4042.4	4042.4	-	-	-	-
	22169.3	**269.1**	**41563.8**	**64002.2**	**21229.6**	**920.0**	**19.7**	**22169.3**
Financial liabilities								
Non-Current Borrowings	-	-	1.5	1.5	-	-	-	-
Other Non-Current Financial Liabilities								
- Derivative instruments	-	-	-	-	-	-	-	-
- Others	-	-	1359.9	1359.9	-	-	-	-
Current Borrowings	-	-	2987.9	2987.9	-	-	-	-
Trade Payables	-	-	11963.9	11963.9	-	-	-	-
Other Current Financial Liabilities								
- Derivative instruments	-	-	-	-	-	-	-	-
- Others	-	-	2965.0	2965.0	-	-	-	-
	-	**-**	**19278.2**	**19278.2**	**-**	**-**	**-**	**-**

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

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B. Measurement of fair values:

Valuation techniques and significant unobservable inputs:

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

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

C. Financial risk management:

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

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

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

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures the results of which are reported to the audit committee.

i. Credit risk:

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

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Trade receivables

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

As at year end the carrying amount of the Company's largest customer (a Subsidiary based in North America) was ₹ 12801.7 million (previous year ₹ 18998.2 million).

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

(₹ in million)

Particulars	**As at 31.03.2022**	As at 31.03.2021
Not past due but impaired	72.7	57.2
Neither past due not impaired	20308.0	28578.4
Past due not impaired		
- 1-180 days	6451.2	2963.9
- 181-365 days	294.3	140.4
- more than 365 days	166.6	222.4
Past due impaired		
- 1-180 days	18.2	40.4
- 181-365 days	33.3	0.5
- more than 365 days	75.0	128.5
Total	**27419.3**	**32131.7**

Expected credit loss assessment

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

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

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

(₹ in million)

Particulars	**2021-2022**	2020-2021
Balance as at the beginning of the year	226.3	135.6
Impairment loss recognised (net)	(6.0)	94.0
Amounts written off	(18.6)	(2.2)
Exchange differences	(2.5)	(1.1)
Balance as at the year end	**199.2**	**226.3**

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The impairment loss at March 31 2022 related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances mainly due to economic circumstances.

Cash and cash equivalents

As at the year end the Company held cash and cash equivalents of ₹ 591.0 million (previous year ₹ 1774.1 million). The cash and cash equivalents are held with banks.

Other Bank Balances

Other bank balances are held with banks.

Derivatives

The derivatives are entered into with banks.

Investment in mutual funds, non-convertible debentures and commercial papers

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

Other financial assets

Other financial assets are neither past due nor impaired.

ii. Liquidity risk:

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

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

Exposure to liquidity risk

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

(₹ in million)

As at 31.03.2022	Carrying amount	Contractual Cash Flows				
		Total	0-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non-Current Borrowings	-	-	-	-	-	-
Interest Payables	-	26.8	8.1	11.9	6.3	0.5
Other Non-Current Financial Liabilities	61.8	61.8	-	7.0	1.5	53.3
Lease Liability – Non Current	1002.8	2501.9	-	647.2	334.3	1520.4
Current Borrowings	7904.7	7904.7	7904.7	-	-	-
Trade Payables Current	13515.3	13515.3	13515.3	-	-	-
Lease Liability – Current	601.0	692.6	692.6	-	-	-
Other Current Financial Liabilities	2484.0	2484.0	2484.0	-	-	-
Issued financial guarantee contracts on behalf of subsidiaries*	-	-	-	-	-	-
Derivative financial liabilities						
Forward exchange contracts (gross settled)						
- Outflow	-	-	-	-	-	-
- Inflow	-	-	-	-	-	-
Total	**25569.6**	**27187.1**	**24604.7**	**666.1**	**342.1**	**1574.2**

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(₹ in million)

As at 31.03.2021	Carrying amount	Contractual Cash Flows				
		Total	0-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non-Current Borrowings	1.5	1.5	-	1.0	0.5	-
Lease Liability – Non Current	1320.3	1320.3	-	510.5	728.1	81.7
Interest Payables	-	35.6	8.9	8.1	15.0	3.6
Other Non-Current Financial Liabilities	39.6	39.6	-	4.2	4.6	30.8
Current Borrowings	2989.5	2989.5	2989.5	-	-	-
Lease Liabiities	543.3	543.3	543.3	-	-	-
Trade Payables Current	11963.9	11963.9	11963.9	-	-	-
Other Current Financial Liabilities	2420.1	2420.1	2420.1	-	-	-
Issued financial guarantee contracts on behalf of subsidiaries*	-	-	-	-	-	-
Derivative financial liabilities						
Forward exchange contracts (gross settled)						
- Outflow	-	-	-	-	-	-
- Inflow	-	-	-	-	-	-
Total	**19278.2**	**19313.8**	**17925.7**	**523.8**	**748.2**	**116.1**

* Guarantees issued by the Company on behalf of subsidiaries are with respect to borrowings raised by the respective subsidiary. These amounts will be payable on default by the concerned subsidiary. As of the reporting date none of the subsidiary have defaulted and hence the Company does not have any present obligation to third parties in relation to such guarantees (Refer note 54C).

iii. Market Risk:

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

Currency risk

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

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

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

Notes

Forming part of the Standalone Financial Statements

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

(Amount in million)

Category	Instrument	Currency	Cross Currency	**As at 31.03.2022**	As at 31.03.2021	Buy/Sell
Hedges of highly probable fore-casted transactions	Forward contract	USD	INR	USD 144.0	USD 119.0	Sell

The following table sets forth information relating to unhedged foreign currency exposure as at March 31, 2022:

(₹ in million)

Particulars	USD	EURO	GBP	JPY	Others
Financial assets	11842.4	609.0	355.1	549.4	1051.0
Financial liabilities	2161.2	4192.6	179.6	57.9	142.6
Net Asset/(Liability)	**9681.2**	**(3583.6)**	**175.5**	**491.5**	**908.4**

1% appreciation/depreciation of the respective functional currency of Lupin Limited with respect to various foreign currencies would result in increase/decrease in the Company's profit before taxes by approximately ₹ 76.7 million for the year ended March 31, 2022.

The following table sets forth information relating to unhedged foreign currency exposure as at March 31, 2021:

(₹ in million)

Particulars	USD	EURO	GBP	JPY	Others
Financial assets	15525.0	621.7	324.9	283.8	876.5
Financial liabilities	2619.5	4349.1	253.3	5.5	363.9
Net Asset/(Liability)	**12905.5**	**(3727.4)**	**71.6**	**278.3**	**512.6**

1% appreciation/depreciation of the respective functional currency of Lupin Limited with respect to various foreign currencies would result in increase/decrease in the Company's profit before taxes by approximately ₹ 100.4 million for the year ended March 31, 2021.

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

Exposure to Currency risk

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

(₹ in million)

Particulars	**As at 31.03.2022**				
	USD	**EURO**	**GBP**	**JPY**	**Others**
Financial assets					
Cash and cash equivalents	90.5	-	-	-	1.1
Trade Receivables	22666.0	609.0	355.1	549.4	1049.7
Other current financial assets	-	-	-	-	0.2
	22756.5	**609.0**	**355.1**	**549.4**	**1051.0**
Financial liabilities					
Trade Payables	2133.4	363.2	172.5	57.0	129.1
Other current financial liabilities	27.8	3829.4	7.1	0.9	13.5
	2161.2	**4192.6**	**179.6**	**57.9**	**142.6**
Net statement of financial position exposure	**20595.3**	**(3583.6)**	**175.5**	**491.5**	**908.4**

(₹ in million)

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

Notes

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Sensitivity analysis

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

(₹ in million)

March 31, 2022	Profit or (loss)		Equity net of tax*	
1% movement	Strengthening	Weakening	Strengthening	Weakening
USD	(214.0)	214.0	(197.9)	197.9
EUR	35.8	(35.8)	23.3	(23.3)
GBP	(1.8)	1.8	(1.1)	1.1
JPY	(4.0)	4.0	(2.6)	2.6
Others	(9.1)	9.1	(5.9)	5.9
	(193.1)	**193.1**	**(184.2)**	**184.2**

(₹ in million)

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

* including other comprehensive income

Interest rate risk

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

Exposure to interest rate risk

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

(₹ in million)

Particulars	**As at 31.03.2022**	As at 31.03.2021
Non-Current Borrowings		
Fixed rate borrowings	-	3.1
Variable rate borrowings	-	-
	-	3.1
Current Borrowings		
Fixed rate borrowings	-	-
Variable rate borrowings	7904.7	2987.9
	7904.7	2987.9
Total	**7904.7**	**2991.0**

Fair value sensitivity analysis for fixed-rate instruments

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

Notes

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Cash flow sensitivity analysis for variable-rate instruments

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

(₹ in million)

Particulars	Profit or (loss)	
	100 bp increase	100 bp decrease
Cash flow sensitivity (net)		
March 31, 2022		
Variable-rate borrowings	(79.0)	79.0
March 31, 2021		
Variable-rate borrowings	(29.9)	29.9

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

Commodity rate risk

The Company's operating activities involve purchase and sale of Active Pharmaceutical Ingredients (API) whose prices are exposed to the risk of fluctuation over short periods of time. Commodity price risk exposure is evaluated and managed through procurement and other related operating policies. As of March 31, 2022 and March 31, 2021 the Company had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity prices.

51. Capital Management

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

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

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

The Company's policy is to keep the ratio below 1.5. The Company's adjusted net debt to total equity ratio at March 31, 2022 was as follows:

(₹ in million)

Particulars	**As at 31.03.2022**	As at 31.03.2021
Total borrowings	7904.7	2991.0
Less: Cash and cash equivalent	591.0	1774.1
Less: Other Bank Balances*	63.7	1076.5
Less: Current Investments	8224.0	23209.9
Adjusted net debt	(974.0)	(23069.5)
Total equity	181501.9	185655.7
Adjusted net debt to total equity ratio	(0.01)	(0.12)

* includes earmarked bank deposits against guarantees & other commitments of ₹ 9.1 million (previous year ₹ 10.5 million) classified as Other Non-Current Financial Assets.

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52. Hedge accounting

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

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

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

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

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

(₹ in million)

As at 31.03.2022

Type of hedge and risks	Nominal Value (in USD mn)	Carrying amount of hedging instrument		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognizing hedge effectiveness
		Assets	Liabilities						
Cash flow hedge				Other current/ non-current financial assets					
Forward exchange forward contracts	144.0	242.8	-	Other current financials liabilities/ non-current financial liabilities	April 2022 – March 2024	1:1	79.24	(255.43)	(253.18)

(₹ in million)

As at 31.03.2021

Type of hedge and risks	Nominal Value (in USD mn)	Carrying amount of hedging instrument		Line item in the statement of financial position where the hedging instrument is included	Maturity date	Hedge ratio	Weighted Average strike price/rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognizing hedge effectiveness
		Assets	Liabilities						
Cash flow hedge				Other current/ non-current financial liability					
Forward exchange forward contracts	119.0	269.1	-	Other current financials liabilities/ non-current financial liabilities	April 2021 – March 2022	1:1	77.19	(279.67)	(268.69)

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b. Disclosure of effects of hedge accounting on financial performance

(₹ in million)

As at 31.03.2022	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in profit or (loss)	Line item in the statement of profit or loss that includes the hedge ineffectiveness	Amount reclassified from cash flow hedging reserve to profit or (loss)	Line item affected in statement of profit or loss because of the reclassification
Cash flow hedge	336.8	0.5	Net (gain)/loss on Foreign Currency Transactions	363.1	Revenue from operations - Sale of goods

(₹ in million)

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

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

(₹ in million)

Movements in cash flow hedging reserve	
Balance at April 1, 2020	**(324.4)**
Add: Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	834.6
Less: Amounts re-classified to profit or loss	(106.5)
Less: Deferred tax	(203.9)
As at March 31, 2021	**199.8**
Add: Changes in the fair value of effective portion of outstanding cash flow derivative (net of settlement)	336.8
Less: Amounts re-classified to profit or loss	(363.6)
Less: Deferred tax	12.4
As at March 31, 2022	**185.4**

53. Off-setting or similar agreements:

The recognised financial instruments that are offset in balance sheet as at March 31, 2022:

(₹ in million)

As at 31.03.2022	Effects of offsetting on the balance sheet			Amounts subject to master netting	
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Related amounts not offset	Net amount
Financial assets					
Derivative instruments	242.8	-	242.8	-	242.8
Trade and other receivables					
Financial liabilities					
Derivative instruments					
Trade and other payables					

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

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(₹ in million)

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

Offsetting arrangements

(i) Trade receivables and payables

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

(ii) Derivatives

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

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

A. Relationships –

Category I: Entity having significant influence over the Company:

Lupin Investments Pvt. Limited

Category II: Subsidiaries:

Lupin Pharmaceuticals Inc. USA
Lupin Australia Pty Limited Australia
Nanomi B.V. Netherlands
Pharma Dynamics (Proprietary) Limited South Africa
Hormosan Pharma GmbH Germany
Multicare Pharmaceuticals Philippines Inc. Philippines
Lupin Atlantis Holdings SA Switzerland
Lupin Healthcare (UK) Limited UK
Lupin Pharma Canada Limited Canada
Lupin Mexico S.A. de C.V. Mexico
Generic Health Pty Limited Australia
Southern Cross Pharma Pty Limited Australia (w.e.f. from February 3, 2022)
Bellwether Pharma Pty Limited Australia
Lupin Philippines Inc. Philippines
Lupin Healthcare Limited India
Generic Health SDN. BHD. Malaysia
Lupin Middle East FZ-LLC UAE (upto July 02, 2020)
Lupin GmbH Switzerland (upto September 29,2020)
Lupin Inc. USA
Medquimica Industria Farmaceutica LTDA Brazil
Laboratorios Grin S.A. de C.V. Mexico
Novel Laboratories Inc. USA
Lupin Research Inc. USA
Avenue Coral Springs, LLC, USA (w.e.f. November 29, 2021)
Lupin Latam Inc. USA (merged with Lupin Management Inc. w.e.f. August 30, 2021)

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Lupin Japan & Asia Pacific K.K. Japan (upto December 17, 2020)
Lupin Management Inc., USA
Lupin Europe GmbH Germany
Lupin Foundation India
Lupin Biologics Limited India (w.e.f. January 28, 2021)
Lupin Oncology Inc., USA (w.e.f. March 15, 2021)
Lupin Digital Health Limited., India (w.e.f. May 21, 2021)

Category III: Jointly Controlled Entity:

YL Biologics Ltd. Japan

Category IV: Key Management Personnel (KMP)

Ms. Vinita Gupta	Chief Executive Officer
Mr. Nilesh D. Gupta	Managing Director
Mr. Ramesh Swaminathan	Executive Director, Global CFO & Head Corporate Affairs
Mr. R. V. Satam	Company Secretary

Non-Executive Directors

Mrs. Manju D. Gupta	Chairman
Dr. Kamal K. Sharma	Vice Chairman
Mr. Jean-Luc Belingard	
Ms. Christine Ann Mundkur	
Mr. R.A. Shah (upto August 12, 2020)	
Mr. Richard Zahn (upto August 12, 2020)	
Dr. K.U. Mada (upto August 12, 2020)	
Mr. Dileep C. Choksi (upto August 12, 2020)	
Mr. K.B.S. Anand (w.e.f August 12, 2020)	
Dr. Punita Kumar Sinha (w.e.f from August 12, 2020)	
Mr. Robert Funsten (w.e.f. November 10, 2020 upto May 09, 2021)	
Mr. Mark D. McDade (w.e.f. from January 28, 2021)	

Category V: Other related parties (Person/Entity with whom the Company had transactions during the year)

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

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B. Transactions with the related parties:

(₹ in million)

Sr. No.	Transactions	**For the year ended 31.03.2022**	For the year ended 31.03.2021
1.	Sale of Goods		
	Lupin Pharmaceuticals Inc. USA	19372.1	28890.1
	Other Subsidiaries	10580.4	7571.1
2.	Sale – Research Services-Others		
	Subsidiaries	1386.1	142.7
3.	Sale of Assets		
	Lupin Healthcare Limited India (₹ 20,000)		-
4.	Transfer of IP		
	Subsidiaries	460.7	-
5.	Royalty Income		
	Subsidiaries	3.6	10.1
6.	Fees Received against guarantees provided on their behalf		
	Subsidiaries	96.7	134.6
7.	Services Rendered (Income)		
	Subsidiaries	92.8	71.0
8.	Income from Assignment of Rights		
	Subsidiaries	3417.3	-
9.	Rent Paid		
	Others	42.3	54.9
10.	Research and Development Expenses		
	Lupin Research Inc. USA	541.3	1080.8
	Other Subsidiaries	56.7	180.7
11.	Expenses incurred on their behalf Recovered/Rent Received		
	Subsidiaries	484.3	492.7
	Others	1.9	1.6
12.	Remuneration Paid		
	Key Management Personnel	160.7	146.8
13.	Purchases of Goods/Materials		
	Subsidiaries	147.3	-
	Jointly Controlled Entity	-	8.8
	Others	151.4	208.2
14.	Commission, Advisory Fees & Sitting Fees to Non-Executive Directors		
	Key Management Personnel	86.5	67.8
15.	Donations Paid		
	Subsidiaries	-	107.5
	Others	332.3	237.6
16.	Dividend Paid		
	Entity having significant influence over the Company	1336.5	1233.6
	Key Management Personnel	8.1	7.6
	Others	38.6	35.5
17.	Services Received (Expense)		
	Lupin Pharmaceuticals Inc. USA	99.7	79.3
	Other Subsidiaries	785.2	978.9
	Others	92.8	83.8
18.	Expenses incurred on our behalf & Others Reimbursements		
	Subsidiaries	1247.0	968.4
	Others	4.0	4.0

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(₹ in million)

Sr. No.	Transactions	For the year ended 31.03.2022	For the year ended 31.03.2021
19.	Refund of Deposit		
	Others	-	14.4
20.	Interest Income		
	Subsidiaries	(0.02)	0.02
21.	Investment in Subsidiary		-
	Subsidiaries	19579.4	20228.9
22.	Received from Capital Contribution AGIO		
	Lupin Atlantis Holdings SA, Switzerland	5207.1	-
23.	Corporate guarantees issued by the Company to the bankers of subsidiary companies		
	Lupin Pharmaceuticals Inc. USA	-	11569.7
	Other Subsidiaries	712.7	1326.6
24.	Guarantees issued by the Company on behalf of subsidiaries for contractual obligations		
	Nanomi B.V., Netherlands	1550.7	-
25.	Withdrawal of corporate guarantees given by the Company to the bankers of subsidiary companies		
	Hormosan Pharma GMBH Germany	-	620.8
	Generic Health Pty. Ltd., Australia	-	271.8
	Lupin Atlantis Holdings SA, Switzerland	365.6	378.3
	Medquimica Industria Farmaceutica LTDA, Brazil	700.1	-
	Laboratorios Grin SA de CV, Mexico	548.3	-
	Lupin Healthcare (UK) Limited, UK	-	60.8
	Lupin Inc. USA	18084.6	21386.0
26.	Withdrawal of Letter of Comfort by the Company to the bankers of subsidiary companies		
	Lupin Pharmaceuticals Inc. USA	-	7566.5
27.	Withdrawal of Guarantees issued by the Company on behalf of subsidiary companies for contractual obligations		
	Lupin Atlantis Holdings SA, Switzerland	-	5864.0

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

(₹ in million)

Compensation paid to Key Management Personnel*	For the year ended 31.03.2022	For the year ended 31.03.2021
Short-term employee benefits	130.9	123.2
Post-employment benefits	16.7	12.1
Share based payments	13.1	11.5
Total	**160.7**	**146.8**

*Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall Company basis and accordingly have not been considered in the above information.

Terms and conditions of transactions with related parties:

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

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C. Balances due from/to the related parties:

(₹ in million)

Sr. No.	Balances	As at 31.03.2022	As at 31.03.2021
1.	Investments		
	Subsidiaries	86348.5	71976.2
2.	Deposits paid under Leave and License arrangement for premises		
	Others	29.0	29.0
3.	Trade Receivables		
	Subsidiaries	18901.2	22989.8
4.	Trade Payables		
	Subsidiaries	1286.6	848.6
	Others	9.3	6.4
5.	Expenses Payable		
	Subsidiaries	36.8	97.0
6.	Expenses Receivable		
	Subsidiaries	139.5	319.9
	Others	-	0.2
7.	Income/Interest Receivable		
	Subsidiaries	3469.6	58.6
8.	Deposits received under Leave and License arrangement for premises		
	Others	0.1	0.1
9.	Corporate guarantees issued by the Company to the bankers of subsidiary companies	32012.6	49702.5
10.	Guarantees issued by the Company on behalf of subsidiary companies for contractual obligations	5075.1	3399.6

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

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

(₹ in million)

Particulars	April 1, 2021	Cash Flows	Non-Cash Changes			March 31, 2022
			Acquisition	Foreign Exchange Movement	Fair Value Changes	
Non-Current Borrowings						
Unsecured						
Deferred Sales Tax Loan from Government of Maharashtra	1.5	(1.5)	-	-	-	-
Current Borrowings						
Secured						
Loans from banks	507.9	(507.9)	-	-	-	-
Unsecured						
Loans from banks	2480.0	5424.7	-	-	-	7904.7
Current maturities of Non-Current Borrowings	1.6	(1.6)	-	-	-	-
Lease Liabilities (Refer Note 40)	1863.6	(593.4)	333.6	-	-	1603.8
Total Liabilities from financing activities	**4854.6**	**4320.3**	**333.6**	**-**	**-**	**9508.5**

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(₹ in million)

Particulars	April 1, 2020	Cash Flows	Non-Cash Changes			March 31, 2021
			Acquisition	Foreign Exchange Movement	Fair Value Changes	
Non-Current Borrowings						
Unsecured						
Deferred Sales Tax Loan from Government of Maharashtra	3.1	(1.6)	-	-	-	1.5
Current Borrowings						
Secured						
Loans from banks	52.9	455.0	-	-	-	507.9
Unsecured						
Loans from banks	-	2480.0	-	-	-	2480.0
Current maturities of Non-Current Borrowings	2.3	(0.7)	-	-	-	1.6
Interest accrued but not due on Borrowings	-	-	-	-	-	-
Lease Liabilities (Refer Note 40)	1426.6	(650.2)	1087.2	-	-	1863.6
Total Liabilities from financing activities	**1484.9**	**2282.5**	**1087.2**	**-**	**-**	**4854.6**

56. The Company evaluates events or transactions that occur after the balance sheet date but prior to the issuance of financial statements and concluded that no subsequent events have occurred through May 18, 2022 that require adjustment to or disclosure in the financial statements. On 01 April 2022, the Company has entered into a Brand Sale Agreement with Anglo-French Drugs and Industries Limited and its Associates to strengthen the company's India Formulation business portfolio of vitamins, minerals, supplements and neurological products. The acquisition was completed subsequent to the year end and accordingly, no impact of the said agreement has been given in these financial statements.

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

(A) Trade receivable ageing

i) As at March 31, 2022

(₹ in million)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	**Total as at 31 March 2022**
(i) Undisputed Trade receivables – considered good	20380.8	6462.9	322.9	126.2	-	-	**27292.8**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables – credit impaired	-	6.5	4.6	52.9	29.5	33.0	**126.5**
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Total	20380.8	6469.4	327.5	179.1	29.5	33.0	**27419.3**
Less: Allowance for doubtful trade receivables							199.2
Total							**27220.1**

Notes

Forming part of the Standalone Financial Statements

ii) As at March 31, 2021

(₹ in million)

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total as at 31 March 2021
(i) Undisputed Trade receivables – considered good	28635.6	2995.9	122.9	207.9	0.3	-	**31962.6**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables – credit impaired	-	8.3	17.9	66.9	9.8	66.2	**169.1**
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
Total	28635.6	3004.2	140.8	274.8	10.1	66.2	**32131.7**
Less: Allowance for doubtful trade receivables							226.3
Total							**31905.4**

(B) Trade payable ageing

i) As at March 31, 2022

(₹ in million)

	Particulars	Outstanding for following periods from due date of payment					
		Not due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	**Total as at 31 March 2022**
(i)	MSME	802.4	39.9	-	2.1	3.5	**847.9**
(ii)	Others	5421.2	2605.7	1241.0	276.5	45.7	**9590.1**
(iii)	Disputed dues – MSME	-	-	-	-	-	**-**
(iv)	Disputed dues – other	-	-	-	-	2.3	**2.3**
(v)	Accrued Expenses	-	-	-	-	-	**3075.0**
	Total	**6223.6**	**2645.6**	**1241.0**	**278.6**	**51.5**	**13515.3**

ii) As at March 31, 2021

(₹ in million)

	Particulars	Outstanding for following periods from due date of payment					
		Not due	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total as at 31 March 2021
(i)	MSME	662.0	192.5	37.0	10.1	10.6	912.2
(ii)	Others	864.8	6367.3	1066.8	-	179.8	8478.7
(iii)	Disputed dues – MSME	-	-	-	-	-	-
(iv)	Disputed dues – other	-	-	-	-	2.3	2.3
(v)	Accrued Expenses	-	-	-	-	-	2570.7
	Total	**1526.8**	**6559.8**	**1103.8**	**10.1**	**192.7**	**11963.9**

Notes

Forming part of the Standalone Financial Statements

(C) Capital Work- In- Progress (CWIP)

(a) Capital work-in-progress (CWIP) ageing

i) As at March 31, 2022

(₹ in million)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	**Total as at 31 March 2022**
Projects in progress	2825.0	1215.2	1562.5	2134.7	7737.4
Projects temporarily suspended	-	-	-	-	-
Total	**2825.0**	**1215.2**	**1562.5**	**2134.7**	**7737.4**

ii) As at March 31, 2021

(₹ in million)

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total as at 31 March 2021
Projects in progress	1399.6	394.5	4217.6	1946.6	7958.3
Projects temporarily suspended	-	-	-	-	-
Total	**1399.6**	**394.5**	**4217.6**	**1946.6**	**7958.3**

(b) There are no CWIP where completion is overdue or cost has exceeded as compared to it's original plans as on March 31, 2022 and March 31, 2021, excluding plants that are not ready for intended use pending regulatory inspection and approvals.

(D) Intangible assets under development (IAUD)

(a) Intangible assets under development (IAUD) ageing

i) As at March 31, 2022

(₹ in million)

Particulars	Amount in IAUD for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	**Total as at 31 March 2022**
Projects in progress	76.3	195.6	191.3	1273.8	1737.0
Projects temporarily suspended	-	-	-	-	-
Total	**76.3**	**195.6**	**191.3**	**1273.8**	**1737.0**

ii) As at March 31, 2021

(₹ in million)

Particulars	Amount in IAUD for a period of				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total as at 31 March 2021
Projects in progress	213.5	63.1	-	1273.7	1550.3
Projects temporarily suspended	-	-	-	-	-
Total	**213.5**	**63.1**	**-**	**1273.7**	**1550.3**

(b) There are no IAUD where completion is overdue or cost has exceeded as compared to it's original plans as on March 31, 2022 and March 31, 2021.

Notes

Forming part of the Standalone Financial Statements

(E) Financial Ratios

Ratios	Numerator	Denominator	Current Period	Previous Period	% of Variances	Reason for Variances
Current Ratio	Total Current Asset	Total Current Liabilities	2.38	3.72	(36.02)	During the year, the Company has borrowed additional working loan
Debt-Equity Ratio	Total Debt=Non Current Borrowings+ Current Borrowings + Current Portion of NC Borrowings	Total Equity Attributable to owners	0.04	0.02	100.00	During the year, the Company has borrowed additional working loan
Debt service coverage ratio	Earnings available for Debt Service = Net Profit after taxes before OCI + Non-cash operating expenses like depreciation and other amortizations - Unrealised gain + Interest + loss on sale of Fixed assets	Debt service (Debt service =Interest & Lease Payments + Principal Repayments)	4.84	21.44	(77.43)	The increment is on account of additional working capital borrowed by the company and also on account of losses incurred attributed to Glumetza settlement
Return on equity ratio (ROE)	Net profits after taxes	Average Shareholder's Equity	(0.01)	0.07	(114.29)	The reduction is mainly on account of losses incured during the year attributed to Glumetza settlement
Inventory turnover ratio	Cost of Goods Sold	Average Inventory	1.52	1.61	(5.59)	
Trade receivables turnover ratio	Total sales	closing Trade receivable	4.14	3.42	21.05	
Trade payables turnover ratio	Total Purchases	Closing Trade Payables	4.04	4.06	(0.49)	
Net capital turnover ratio	Net sales	Working Capital = current assets minus current liabilities	2.30	1.55	48.39	The increment is on account of increase in Turnover and decrease in working capital

Notes

Ratios	Numerator	Denominator	Current Period	Previous Period	% of Variances	Reason for Variances
Net profit ratio	Net Profit after Tax	Revenue from Operations	(0.02)	0.11	(118.18)	The reduction is mainly on account of losses incured during the year attributed to Glumetza settlement
Return on capital employed (ROCE)	Earnings before interest and taxes	Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liability (net)	(0.00)	0.09	(100.00)	The reduction is mainly on account of losses incured during the year attributed to Glumetza settlement
Return on investment (ROI)	Income generated from investment (A)					
1) Mutual Fund		Average Investment (B)	0.03	0.03	-	
2) Financial Institution (CD)		Weighted Average Investment (B)	0.05	0.05	-	
3) Commercial Paper			0.04	0.04	-	
4) Non Convertible Debentures			0.05	-	-	

(F) Title deeds of all immovable properties are held in the name of the company, except as follows:

(₹ in million)

Particulars of the land and building	Gross Block (as at 31 March 2022)	Net Block (as at 31 March, 2022)	Tittle deeds held in the name of	Whether in the name of promoter, director or their relative or employee	Period held (Date of Amalgamation)	Reason for not being held in the name of the Company
Freehold land located in Maharashtra admeasuring 7 Hectare and 70.91 Acre	29.6	29.6	Lupin Laboratories Limited	No	From 2001	The file is pending with local authorities for final approval for affecting in the name of Lupin Limited
Freehold building located in Maharashtra admeasuring 8038 sq. ft.	133.9	84.6	LUPIN LABORATORIES LIMITED	No	From 2001	Refer Note below

Note: 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. Further, since the society is yet to be formed, the transfer of title in the name of the company is pending.

Notes

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in Note No. 2 to the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement, except the following:

(₹ in million)

Particulars	Gross Block (as at 31 March 2022)	Net Block (as at 31 March, 2022)	Tittle deeds held in the name of	Whether in the name of promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company
Leasehold building located in Delhi admeasuring 1628 sq.ft	2.8	2.2	Lupin Laboratories Limited	No	From 2001	Refer note below

Note - The title deeds are in the name of the erstwhile Company that was amalgamated with the Company pursuant to the Scheme of amalgamation sanctioned by the Hon'ble Bombay High Court. Further, this being a lease agreement, the lessor has already changed the name of the company in all it's routine invoices.

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	Gross Block (as at 31 March 2022)	Net Block (as at 31 March, 2022)	Tittle deeds held in the name of	Whether in the name of promoter, director or their relative or employee	Period held
Building located in Maharashtra	7.5	4.8	Lupin Laboratories Limited	No	From 2001
Land located in Uttarakhand	0.3	0.3	Lupin Laboratories Limited	No	From 2001

(G) The Company has not entered into any transactions with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 for the year ended 31 March 2022.

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

(I) The Company do not have any transaction not recorded in the books of account that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 for the year ended 31 March 2022 and 31 March 2021.

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

(K) The Company has complied with number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

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

Notes

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

58. Previous period figures have been re-grouped/re-classified wherever necessary, to confirm to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective April 01, 2021.

Signature to note 1 to 58

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

Venkataramanan Vishwanath
Partner
Membership No. 113156

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

Manju D. Gupta
Chairman
DIN: 00209461

Dr. Kamal K. Sharma
Vice Chairman
DIN: 00209430

Vinita Gupta
Chief Executive Officer

DIN: 00058631

Nilesh D. Gupta
Managing Director
DIN: 01734642

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

R. V. Satam
Company Secretary
ACS – 11973

Place: Mumbai
Dated: May 18, 2022

GRI Standard Index

Classification				
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	102-3	**Location of headquarters**	About Lupin	14
	102-4	**Location of operations**	Our Global Footprint	20-21
	102-5	**Ownership and legal form**	Corporate Governance Report	202-203
	102-6	**Markets served**	Our Global Footprint,	20-21
	102-7	**Scale of the organization**	Our Global Footprint	21-22
	102-8	**Information on employees and other workers**	Building High Performing Teams	91-92
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Strategy	**102-14**	**Statement from Senior decision maker**	From the Leadership	9
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	102-19	**Delegating authority**	Corporate Governance Report	187-188
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	102-22	**Composition of the highest governance body and its committees**	Corporate Governance Report	187-196
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	102-24	**Nominating and selecting the highest governance body**	Corporate Governance Report	190
	102-25	**Conflicts of interest**	BRSR Principle 1	215

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	102-27	**Collective knowledge of highest governance body**	Corporate Governance Report	188-189
	102-28	**Evaluating the highest governance body's performance**	Directors' Report	163
	102-29	**Identifying and managing economic, environmental, and social impacts**	Materiality Assessment, Stakeholder Engagement, Our Approach to Corporate Governance	22-3, 144-145, 152-153
	102-31	**Review of economic, environmental, and social topics**	Our Approach to Corporate Governance	152-153
	102-32	**Highest governance body's role in sustainability reporting**	About the Report	
	102-33	**Communicating critical concerns**	Corporate Governance Report	189-190
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Notes

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