



# **LUPIN HEALTHCARE LIMITED**

**AUDITED ACCOUNTS**

**FOR THE YEAR ENDED**

**MARCH 31, 2019**

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

**ARORA & ARORA**  
**CHARTERED ACCOUNTANTS**

105 Kadamgiri Apartments, Hanuman Road, Vile Parle (E), Mumbai 400 057  
TEL # 9821345802 Email : cagarora@gmail.com

**INDEPENDENT AUDITOR'S REPORT**

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

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

**Opinion**

We have audited the financial statements of **Lupin Healthcare Limited** ('the Company') which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibility of Management for Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

**Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an



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audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.



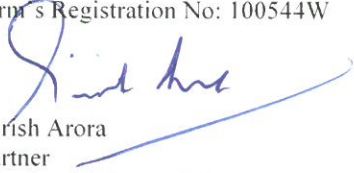


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- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, Other comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

  
Girish Arora  
Partner  
Membership No.: 41019  
Mumbai.



30 APR 2019

**ARORA & ARORA**  
**CHARTERED ACCOUNTANTS**

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**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in the paragraph 1 of the section Report on Other Legal and Regulatory Requirements of our report of even date to the Members of **LUPIN HEALTHCARE LIMITED** on the financial statements for the year ended **March 31, 2019**).

1. The Company does not have any fixed assets. Thus, Paragraph 3 (i) of the Order is not applicable to Company.
2. The Company does not have any inventories during the year. Thus, Paragraph 3 (ii) of the Order is not applicable to Company.
3. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act, with respect to investments made. As no loans have been given to directors, the provisions of section 185 of the Act are not attracted.
5. The Company has not accepted any deposits.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act in respect of activities of the Company.
7. According to the information and explanations given to us in respect of statutory and other dues and based on the records of the Company examined by us :
  - a) The company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess and such other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, Goods and Service Tax, Custom Duty, cess and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
  - b) There were no dues of Income Tax, Sales Tax, Wealth Tax, Service tax, Goods and Service Tax, Custom Duty, Excise Duty and Value added tax as at March 31, 2019, which have not been deposited on account of any disputes.
8. According to the information and explanations given to us, the Company has not borrowed from any financial institutions, banks or debenture holders and hence the question of repayment does not arise.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid or provided for managerial remuneration during the year. Accordingly, paragraph 3 (xi) of the Order is not applicable.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. We are informed that section 177 of the Act is not applicable to the Company.



## **ARORA & ARORA**

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14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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



Girish Arora  
Partner  
Membership No.: 41019  
Mumbai.



**30 APR 2019**



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**Annexure - B to the Independent Auditors' Report**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **LUPIN HEALTHCARE LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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



## **ARORA & ARORA**

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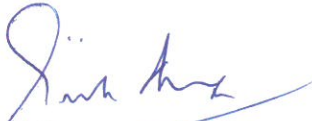
### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



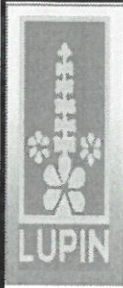
Girish Arora  
Partner

Membership No.: 41019

Mumbai, 30 APR 2019







# **LUPIN HEALTHCARE LIMITED**

**AUDITED ACCOUNTS**

**FOR THE YEAR ENDED**

**MARCH 31, 2019**

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

## LUPIN HEALTHCARE LIMITED

**BALANCE SHEET AS AT MARCH 31, 2019**

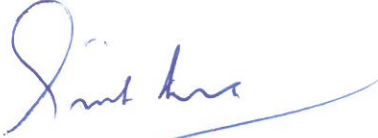
	Note	As at 31.03.2019 ₹	As at 31.03.2018 ₹
<b>ASSETS</b>			
<b>Current Assets</b>			
(a) Financial Assets			
(i) Investments	2	24,782,954	22,682,017
(ii) Cash and Cash Equivalents	3	11,577	35,004
(iii) Other Financial Assets	4	58,597,941	59,160,285
		<u>83,392,472</u>	<u>81,877,306</u>
<b>TOTAL</b>		<b>83,392,472</b>	<b>81,877,306</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	5	26,166,770	26,166,770
(b) Other Equity	6	57,103,115	55,681,036
		<u>83,269,885</u>	<u>81,847,806</u>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payables	7	64,322	29,500
(b) Current Tax Liabilities (net)		58,265	-
		<u>122,587</u>	<u>29,500</u>
<b>TOTAL</b>		<b>83,392,472</b>	<b>81,877,306</b>

See accompanying notes forming part of financial statement



In terms of our report attached

**For Arora & Arora**  
Chartered Accountants  
Registration No. 100544W



**Girish Arora**  
Partner  
Membership No. 41019

Place : Mumbai  
Dated : 30.04.2019



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



**Nilesh Deshbandhu Gupta**  
Director  
DIN: 01734642

Place : Mumbai  
Dated : 30.04.2019



**Sunil Makharia**  
Director  
DIN: 00064399

Place : Mumbai  
Dated : 30.04.2019



## LUPIN HEALTHCARE LIMITED

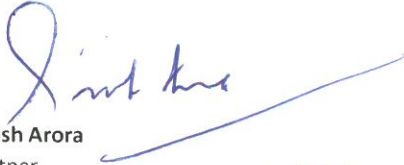
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**

		For The Current Year Ended 31.03.2019	For The Previous Year Ended 31.03.2018
	Note	₹	₹
<b>INCOME:</b>			
Other Income	8	2,100,946	1,473,867
<b>Total Income</b>		<b>2,100,946</b>	<b>1,473,867</b>
<b>EXPENSES:</b>			
Finance Costs	9	27,861	-
Other Expenses	10	52,936	114,165
<b>Total Expenses</b>		<b>- 80,797</b>	<b>114,165</b>
<b>Profit before Tax</b>		<b>2,020,149</b>	<b>1,359,702</b>
<b>Tax Expense:</b>			
Current Tax (Net)		394,100	-
Prior Year Tax		203,970	-
<b>Profit for the year</b>		<b>1,422,079</b>	<b>1,359,702</b>
<b>Other Comprehensive Income</b>			
(A)(i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to item that will not be reclassified to profit or loss		-	-
(B)(i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to item that will be reclassified to profit or loss		-	-
Other Comprehensive Income for the year, net of tax	<b>Total</b>	-	-
<b>Total Comprehensive Income for the year</b>		<b>1,422,079</b>	<b>1,359,702</b>
Earnings per equity share:			
<b>Basic and Diluted</b>	13	0.54	0.52
Face Value of Equity Share (in INR)		10	10
See accompanying notes forming part of financial statement			



In terms of our report attached

**For Arora & Arora**  
Chartered Accountants  
Registration No. 100544W



**Girish Arora**  
Partner  
Membership No. 41019



Place : Mumbai  
Dated : 30.04.2019

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



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Director  
DIN: 01734642

Place : Mumbai  
Dated : 30.04.2019



**Sunil Makharia**  
Director  
DIN: 00064399

Place : Mumbai  
Dated : 30.04.2019

LUPIN HEALTHCARE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

(a) Equity share capital	No. of Shares	Amount
Balance at April 1, 2017	2,616,677	26,166,770
Changes in equity share capital during 2017-18	-	-
Balance at March 31, 2018	2,616,677	26,166,770
Changes in equity share capital during 2018-19	-	-
Balance at March 31, 2019	2,616,677	26,166,770

## (b) Other equity

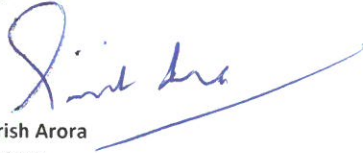
Particulars	Reserves & Surplus		Total
	Securities Premium Account	Retained earnings	
Balance at March 31, 2017	55,500,930	(1,179,596)	54,321,334
Profit for the year	-	1,359,702	1,359,702
Other comprehensive income for the year	-	-	-
Balance at March 31, 2018	55,500,930	180,106	55,681,036
Profit for the year	-	1,422,079	1,422,079
Other comprehensive income for the year	-	-	-
Balance at March 31, 2019	55,500,930	1,602,185	57,103,115





**In terms of our report attached**

For Arora & Arora  
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Registration No. 100544W

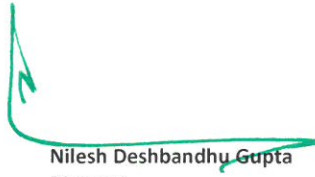


**Girish Arora**  
Partner  
Membership No. 41019

Place : Mumbai  
Dated : 30.04.2019

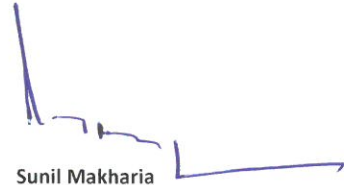


**For and on behalf of the Board of Directors  
of Lupin Healthcare Limited**



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Director  
DIN: 01734642

Place : Mumbai  
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**Sunil Makharia**  
Director  
DIN: 00064399

Place : Mumbai  
Dated : 30.04.2019

## LUPIN HEALTHCARE LIMITED

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019**

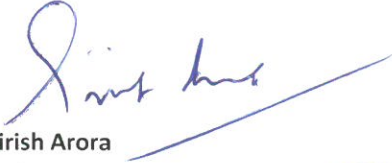
	For the Current Year ended 31.03.2019 ₹	For the Previous Year ended 31.03.2018 ₹
<b>A. Cash Flow from Operating activities</b>		
Profit before Tax	2,020,149	1,359,702
Adjustments for :		
Unrealised Gain on Mutual Fund Investments (net)	(671,029)	(1,184,592)
Dividend from Mutual Fund	-	(289,275)
Loss/(Gain) on Sale of Investments	(1,429,917)	72,705
<b>Operating Loss before Working Capital Changes</b>	<b>(80,797)</b>	<b>(41,460)</b>
Changes in working capital:		
Adjustments for :		
Trade Payables	34,822	6,500
Current Tax Liabilities (net)	58,265	-
Other Financial Assets	562,344	-
<b>Cash (used in) / generated from Operations</b>	<b>574,634</b>	<b>(34,960)</b>
Direct Taxes paid	598,070	-
<b>Net Cash Used in Operating Activities</b>	<b>(23,436)</b>	<b>(34,960)</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Investments	(22,990,820)	(216,570)
Sale of Investments	21,560,912	-
Dividend from Mutual Fund	-	289,275
(Loss)/Gain on Sale of Investments	1,429,917	(72,705)
<b>Net Cash (used in)/generated from Investing Activities</b>	<b>9</b>	<b>-</b>
Net decrease in Cash and Cash equivalents	(23,427)	(34,960)
Cash and Cash equivalents at the beginning of the year	35,004	69,964
<b>Cash and Cash equivalents at the end of the year</b>	<b>11,577</b>	<b>35,004</b>

Note :

1) The cash flow statement has been prepared under the "indirect method" as set out in the Indian Accounting Standard 7 (Ind AS-7) "Statement of Cash Flows".



**For Arora & Arora**  
Chartered Accountants  
Registration No. 100544W



**Girish Arora**  
Partner  
Membership No. 41019



Place : Mumbai  
Dated : 30.04.2019

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



**Nilesh Deshbandhu Gupta**  
Director  
DIN: 01734642

Place : Mumbai  
Dated : 30.04.2019



**Sunil Makharia**  
Director  
DIN: 00064399

Place : Mumbai  
Dated : 30.04.2019



**LUPIN HEALTHCARE LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**1A. Company Overview:**

The Company was incorporated under the Companies Act, 1956, on 17<sup>th</sup> March, 2011. The Company is a wholly owned Subsidiary of Lupin Limited.

**1B. Significant Accounting Policies**

i. Basis of preparation of Financial Statements:

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

ii. Use of Estimates:

The preparation of the 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/materialize.

iii. Property, Plant and Equipment:

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

iv. Financial Instruments

A) Financial Assets

Classification

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



### Initial recognition and measurement

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

### Equity investments

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

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

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

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

### Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - i) the Company has transferred substantially all the risks and rewards of the asset, or
  - ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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



### Impairment of financial assets

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

- i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- ii) Trade receivables.  
The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

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

## B) Financial Liabilities

### Classification

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

### Initial recognition and measurement

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

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

### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

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







	As at 31.03.2019 ₹	As at 31.03.2018 ₹
<b>2. CURRENT INVESTMENTS</b>		
<b>Non Trade, Unquoted</b>		
In Mutual Funds		
- Aditya Birla Sun Life Savings Fund - Growth (Number of units as on 31.03.2019 : Nil, as on 31.03.2018 : 66,339.747)	-	22,682,017
- ABSL FTP-Series QI-Regular Growth (Number of units as on 31.03.2019 : 2,299,082.000, as on 31.03.2018 : Nil)	24,782,954	-
<b>Total</b>	<b>24,782,954</b>	<b>22,682,017</b>
<b>3. CASH AND CASH EQUIVALENTS</b>	-	-
Cash and Cash Equivalents (as per Ind AS-7 "Statements of Cashflows")		
Bank Balances		
Others Bank Balance		
- In Current Account	11,577	35,004
<b>Total</b>	<b>11,577</b>	<b>35,004</b>
<b>4. OTHER FINANCIAL ASSETS</b>		
Other Receivable (Receivable from Holding Company )	58,597,941	59,160,285
<b>Total</b>	<b>58,597,941</b>	<b>59,160,285</b>



## 5 EQUITY SHARE CAPITAL

Particulars	As at 31.3.2019		As at 31.3.2018	
	Number of shares	₹	Number of shares	₹
<b>Authorised</b>				
Equity Shares of ₹ 10 each	3,000,000	30,000,000	3,000,000	30,000,000
Preference Shares of ₹ 10 each	9,000,000	90,000,000	9,000,000	90,000,000
<b>Issued, Subscribed &amp; Paid up</b>				
Equity Shares of ₹ 10 each fully paid (All the above shares are held by Lupin Limited, the Holding Company and its nominees)	2,616,677	26,166,770	2,616,677	26,166,770
<b>Total</b>	<b>2,616,677</b>	<b>26,166,770</b>	<b>2,616,677</b>	<b>26,166,770</b>

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

Particulars	As at 31.3.2019		As at 31.3.2018	
	Number of shares	₹	Number of shares	₹
Equity Shares outstanding at the beginning of the year	2,616,677	26,166,770	2,616,677	26,166,770
Equity Shares Issued during the year	-	-	-	-
Equity Shares outstanding at the end of the year	<b>2,616,677</b>	<b>26,166,770</b>	<b>2,616,677</b>	<b>26,166,770</b>

## c) Rights attached to Equity Shares

The Company has only one class of Equity shares having a par value of Rs. 10 per share. Each holder of Equity share is entitled to one vote per share. In the event of liquidation of the company, the shareholders of Equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by the shareholders.

## d) More than 5% shareholding in the Company by each shareholder

Name of Shareholder	As at 31.3.2019		As at 31.3.2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Lupin Limited & its nominees	2,616,677	100	2,616,677	100



	As at 31.03.2019 ₹	As at 31.03.2018 ₹
<b>6. OTHER EQUITY</b>		
<b>Securities Premium Account</b>		
Balance as per last Balance Sheet	55,500,930	55,500,930
Add : Additions during the year	-	-
Balance as at the year end	55,500,930	55,500,930
<b>Surplus</b>		
Balance as per last Balance Sheet	180,106	(1,179,596)
Add : Profit for the year	1,422,079	1,359,702
Balance as at the year end	1,602,185	180,106
<b>Total</b>	<b>57,103,115</b>	<b>55,681,036</b>
<b>7. TRADE PAYABLES</b>		
- Other than Acceptances	-	-
- Total outstanding dues of Micro and Small Enterprises	-	-
- Total outstanding dues of Others	64,322	29,500
<b>Total</b>	<b>64,322</b>	<b>29,500</b>





	For The Current Year Ended 31.03.2019 ₹	For The Previous Year Ended 31.03.2018 ₹
<b>8. OTHER INCOME</b>		
Dividend from Mutual Fund	-	289,275
Unrealised Gain on Mutual Fund Investments (net)	671,029	1,184,592
Gain on sale of Mutual Fund Investments	1,429,917	-
<b>Total</b>	<b>2,100,946</b>	<b>1,473,867</b>
<b>9. FINANCE COST</b>		
Interest on Income Tax (Includes interest cost of ₹22,539 for FY-17-18)	27,861	-
<b>Total</b>	<b>27,861</b>	<b>-</b>
<b>10. OTHER EXPENSES</b>		
Rates and Taxes	5,500	3,700
Legal and Professional Fees	17,936	8,260
Audit Fees	29,500	29,500
Loss on Sale of Investments	-	72,705
<b>Total</b>	<b>52,936</b>	<b>114,165</b>



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

12. **Auditors Remuneration:**

	2018-19 (₹)	2017-18 (₹)
Payments to Auditors	29,500	29,500

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

	2018-19	2017-18
Net Profit / (Loss) after tax attributable to Equity Shareholders (₹)	1,422,079	1,359,702
Weighted average number of equity shares outstanding during the year	2,616,677	2,616,677
Earnings per share - Basic and Diluted (₹)	0.54	0.52

14. **Related party Disclosures:**

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

**Category I : Company whose control exist:**

- Lupin Limited (Holding Company)

**Category II : Key management personnel:**

- Dr. Kamal K. Sharma (Director)
- Mr. Nilesh Deshbandhu Gupta (Director)
- Mr. Sunil Makharia (Director)
- Mr. K.R. Gupta (Director) (up to 10<sup>th</sup> August 2018)
- Mr. R.K. Khaitan (Director) (up to 10<sup>th</sup> August 2018)

- b) Related party Transactions:

Sr No.	Description and Nature of transactions	Holding Company (₹)	
		2018-19	2017-18
1.	Paid by Lupin Limited on our behalf & reimbursed to them	2,500	2,500
2.	Paid by Lupin Limited on our behalf	562,344	-

- c) Balance due from / to related parties:

Sr. No.	Description and Nature of transactions	Holding Company (₹)	
		As at 31 March 2019	As at 31 March 2018
1.	Receivables from Lupin Limited	58,597,941	59,160,285

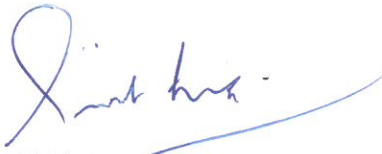
Related Party relationship is as identified by the Company and relied upon by the Auditors.



15. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Signatures to notes 1 to 15

**For Arora & Arora**  
Chartered Accountants  
Registration No. 100544W



**Girish Arora**  
Partner  
Membership No. 41019  
Place : Mumbai  
Dated: 30.04.2019

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



**Nilesh Deshbandhu Gupta**  
Director  
DIN: 01734642  
Place : Mumbai  
Dated: 30.04.2019



**Sunil Makharia**  
Director  
DIN: 00064399  
Place : Mumbai  
Dated : 30.04.2019

