AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

MARCH 31, 2022

LUPIN HEALTHCARE LIMITED

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

B S R & Co. LLP
Chartered Accountants

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

To the Members of Lupin Healthcare Limited

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 31 March 2022, 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 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 loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements *(Continued)*

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

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

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

Report on Other Legal and Regulatory Requirements

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

2. (A) As required by Section 143(3) we report that:

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

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

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

    e) On the basis of the written representations received from the directors as on 31 March 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".

Report on Other Legal and Regulatory Requirements *(Continued)*

(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:

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

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

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

d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 40(L) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other 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 40(L) to the financial statements, 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 mis-statement.

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

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the 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) which are required to be commented upon by us.

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

Sreeja Marar
Partner
Membership No. 111410
UDIN:22111410AJBXBF7052

Place: Mumbai
Date: 16 May 2022

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
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Lupin Healthcare Limited

Annexure A to the Independent Auditor's Report - 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.

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

(b) The Company has a regular program of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this program, the property, plant and equipment have 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) The Company does not have any immovable property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, clause3(i)(c) of the Order is not applicable.

(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 has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

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

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted loans to other parties during the year 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 as below:

(Rs in million)

Particulars	Loans
Aggregate amount during the year	
- Subsidiaries	-
- Joint ventures	-
- Associates	-
- Others	0.1
Balance outstanding as at balance sheet date	
- Subsidiaries	-
- Joint ventures	-
- Associates	-
- Others	0.1

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

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

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

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

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

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

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' state insurance, Income tax, Goods and Service tax 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 and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and 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 statutory dues relating to Provident Fund, Employees' state insurance, Income tax, Goods and Service tax and other statutory dues which have not been deposited with the appropriate authorities on account of any dispute.

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

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year, except the liability component of compound financial instrument. Accordingly, clause 3(ix)(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 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)/(f) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2022. Accordingly, clauses 3(ix)(e) and 3(ix)(f) of the Order are not applicable.

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

(b) In our opinion, in respect of private placement and preferential allotment of preference shares made during the year, the Company has duly complied with the requirements of Section 42 and Section 62 of the Act. The proceeds from issue of preference shares have been used for the purposes for which the funds were raised.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

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

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, section 177 of the Act is not applicable to the Company, and transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

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

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

(xvi)(a)/(b) In our opinion and according to the information and explanations given to us, 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 incurred cash losses of Rs. 266.6 million in the current financial year and Rs. 14.5 million 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, 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 financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

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

Chartered Accountants

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

Sreeja Marar

Place: Mumbai

Partner

Date: 16 May 2022

Membership No. 111410

UDIN:22111410AJBXBF7052

B S R & Co. LLP
Chartered Accountants

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Annexure B to the Independent Auditors' report on the financial statements of Lupin Healthcare Limited for the year ended 31 March 2022.

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the 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 Healthcare Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 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").

Auditors' 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

Annexure – B to the Independent Auditor's Report – 31 March 2022 *(Continued)*

Auditors' Responsibility *(Continued)*

effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

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

Sreeja Marar
Partner
Membership No. 111410
UDIN:22111410AJBXBF7052

Place: Mumbai
Date: 16 May 2022

LUPIN HEALTHCARE LIMITED
BALANCE SHEET AS AT MARCH 31, 2022

		Note	As at 31.03.2022 ₹ in million	As at 31.03.2021 ₹ in million
	ASSETS			
	Non-Current Assets			
a.	Property, Plant and Equipment	2	459.1	0.9
b.	Capital Work-in-Progress	40	38.6	-
c.	Intangible Assets	3	1.7	-
d.	Intangible Assets Under Development	40	-	0.2
			499.4	1.1
e.	Financial Assets			
	Other Non-Current Financial Assets	4	26.7	-
f.	Non-Current Tax Assets (Net)		1.4	-
g.	Other Non-Current Assets	5	17.3	-
			544.8	1.1
	Current Assets			
a.	Inventories	6	63.5	-
b.	Financial Assets			
	(i) Current Investments	7	-	558.2
	(ii) Trade Receivables	8	17.6	-
	(iii) Cash and Cash Equivalents	9	375.0	21.2
	(iv) Other Bank Balances	1	154.6	-
	(v) Current Loans	11	0.1	-
c.	Deferred tax assets (net)	32	0.6	-
d.	Other Current Assets	12	16.6	1.3
			628.0	580.7
	TOTAL		**1,172.8**	**581.8**
	EQUITY AND LIABILITIES			
	Equity			
a.	Equity Share Capital	13	26.2	26.2
b.	Other Equity		(191.2)	68.5
			(165.0)	94.7
	Liabilities			
	Non-Current Liabilities			
a.	Financial Liabilities			
	(i) Non-Current Borrowings	14	923.0	466.6
	(ii) Lease Liabilities	34	169.6	0.7
	(iii) Other Non-Current Financial Liabilities	15	56.3	13.3
b.	Non-Current Provisions	16	4.5	0.5
c.	Deferred Tax Liabilities (Net)	32	-	2.8
			1,153.4	483.9
	Current Liabilities			
a.	Financial Liabilities			
	(i) Lease Liabilities	34	30.0	0.2
	(ii) Trade Payables			
	- Total outstanding dues of Micro Enterprises and Small Enterprises	17	12.8	-
	- Total outstanding dues of other than Micro Enterprises and Small Enterprises	17	94.5	2.0
	(iii) Other Current Financial Liabilities	18	37.3	-
b.	Other Current Liabilities	19	9.0	0.9
c.	Current Provisions	20	0.8	0.1
			184.4	3.2
	TOTAL		**1,172.8**	**581.8**

See accompanying notes forming part of the financial statements

In terms of our report attached

For B S R & Co. LLP Chartered Accountants ICAI Firm Registration No. 101248W/W - 100022	**For and on behalf of the Board of Directors of** **Lupin Healthcare Limited**	
Sreeja Marar Partner Membership No. 111410	**Nilesh D. Gupta** Managing Director DIN: 01734642	**Sunil Makharia** Director & CFO DIN: 00064399
	R. V. Satam Company Secretary ACS - 11973	
Place : Mumbai Dated : May 16, 2022	Place : Mumbai Dated : May 16, 2022	

LUPIN HEALTHCARE LIMITED

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

	Note	For the Current Year ended 31.03.2022 ₹ in million	For the Previous Year ended 31.03.2021 ₹ in million
INCOME:			
Revenue from Operations	21	35.1	-
Other Income	22	14.1	9.5
Total Income		**49.2**	**9.5**
EXPENSES:			
Cost of Materials Consumed	23	37.5	-
Employee Benefits Expense	24	113.6	5.7
Finance Costs	25	53.0	13.3
Depreciation and Amortisation	2	36.6	-
Other Expenses	26	115.0	11.6
Net (gain) / loss on Foreign Currency Transactions		0.1	-
Total Expenses		**355.8**	**30.6**
Profit / (Loss) before Tax		**(306.6)**	**(21.1)**
Tax Expense	32		
- Current Tax (Net)		-	0.6
- Deferred Tax (Net)		(3.3)	1.8
Total Tax Expense		(3.3)	2.4
Profit / (Loss) for the year		**(303.3)**	**(23.5)**
Other Comprehensive Income / (Loss)			
(A) (i) Items that will not be reclassified subsequently to profit or loss:			
-Remeasurements of Defined Benefit Liability		(0.2)	-
(ii) Income tax relating to items that will not be reclassified to profit or loss:		0.1	-
(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		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss:		-	-
Other Comprehensive Income / (Loss) for the year, net of tax		**(0.1)**	**-**
Total Comprehensive Income / (Loss) for the year		**(303.4)**	**(23.5)**
Earnings per equity share (in ₹)	35		
Basic		**(115.89)**	**(7.92)**
Diluted		**(115.89)**	**(7.92)**
Face Value of Equity Share (in ₹)		10	10

See accompanying notes forming part of the financial statements

In terms of our report attached

For B S R & Co. LLP	**For and on behalf of the Board of Directors of**	
Chartered Accountants	**Lupin Healthcare Limited**	
ICAI Firm Registration No. 101248W/W - 100022		
Sreeja Marar	**Nilesh D. Gupta**	**Sunil Makharia**
Partner	Managing Director	Director & CFO
Membership No. 111410	DIN: 01734642	DIN: 00064399
	R. V. Satam	
	Company Secretary	
	ACS - 11973	
Place : Mumbai	Place : Mumbai	
Dated : May 16, 2022	Dated : May 16, 2022	

LUPIN HEALTHCARE LIMITED

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

A. Equity Share Capital [Refer note 13]	**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	2,616,677	26.2	2,616,677	26.2
Changes in Equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	2,616,677	26.2	2,616,677	26.2
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting year	**2,616,677**	**26.2**	2,616,677	26.2

B. Other Equity

Particulars	**Reserves and Surplus**			**Total Other Equity**
	Securities Premium	**Retained Earnings**	**0.01% Optionally Convertible Non-Cumulative Redeemable Preference Share Classified as Equity**	
Balance as at 31.03.2020	55.5	3.2	**-**	**58.7**
Profit / (Loss) for the year	-	(23.5)	-	**(23.5)**
Remeasurements of defined benefit plans (net of tax)	-	-	-	-
Total comprehensive income / (Loss) for the year	-	**(23.5)**	**-**	**(23.5)**
0.01% Optionally Convertible Non-Cumulative Redeemable Preference Share Classified as Equity	**-**	**-**	33.3	**33.3**
Balance as at 31.03.2021	**55.5**	**(20.3)**	**33.3**	**68.5**
Profit / (Loss) for the year	-	(303.3)	-	**(303.3)**
Remeasurements of defined benefit plans (net of tax)	-	(0.1)	-	**(0.1)**
Total comprehensive income / (Loss) for the year	-	**(303.4)**	-	**(303.4)**
0.01% Optionally Convertible Non-Cumulative Redeemable Preference Share Classified as Equity	-	-	43.7	**43.7**
Balance as at 31.03.2022	**55.5**	**(323.7)**	**77.0**	**(191.2)**

Nature of Reserves

(i) 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.

(ii) 0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares

During the year, the Company had issued 50 million (previous year 50 million) 0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares of ₹ 10/- each aggregating ₹ 500 million (previous year ₹ 500 million) by way of private placement /preferential offer. The holder has option to convert the Optionally Convertible Non-Cumulative Redeemable Preference Shares into equity shares any time from the expiry of five years from the date of issue till the end of 10 years from the date of issue in the ratio of one equity share for 3 Optionally Convertible Non-Cumulative Redeemable Preference Shares. The Optionally Convertible Non-Cumulative Redeemable Preference Shares can be redeemed anytime at the option of the Company, from the date of issue till the expiry of 10 years from the date of issue and redemption premium of 8% p.a. shall accrue from the date of issue till the date of exercising redemption option.

In terms of our report attached

For B S R & Co. LLP	**For and on behalf of the Board of Directors of**	
Chartered Accountants	**Lupin Healthcare Limited**	
ICAI Firm Registration No. 101248W/W - 100022		
Sreeja Marar	**Nilesh D. Gupta**	**Sunil Makharia**
Partner	Managing Director	Director & CFO
Membership No. 111410	DIN: 01734642	DIN: 00064399
	R. V. Satam	
	Company Secretary	
	ACS - 11973	
Place : Mumbai	Place : Mumbai	
Dated : May 16, 2022	Dated : May 16, 2022	

LUPIN HEALTHCARE LIMITED

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

	For the Current Year ended 31.03.2022 ₹ in million	For the Previous Year ended 31.03.2021 ₹ in million
A. Cash Flow from Operating Activities		
Profit / (Loss) before Tax	(306.6)	(21.1)
Adjustments for :		
Depreciation and Amortisation	36.6	-
Interest on Income Tax Refund	-	-
Finance Costs	53.0	13.4
Interest on Deposits with Banks and Others	(11.1)	-
Unrealised Gain on Mutual Fund Investments (net)	-	(7.2)
Net Gain on sale of Mutual Fund Investments	(3.0)	(2.2)
Share Based Payments Expense	0.3	-
Operating Cash Flows before Working Capital Changes	(230.8)	(17.1)
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(63.5)	-
Trade Receivables	(17.6)	-
Other Non-Current Financial Assets	(26.9)	-
Other Non-Current Assets	(5.8)	-
Current Loans	(0.1)	(1.3)
Other Current Assets	(15.3)	-
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	105.3	2.0
Other Current Liabilities	8.1	0.9
Non-Current Provision	4.0	0.5
Current Provision	0.5	0.1
Other Non-Current Financial Liabilities	0.1	-
Other Current Financial Liabilities	7.8	-
Cash Generated from Operations	(234.2)	(14.9)
Net Income tax paid	1.4	0.5
Net Cash Flow generated / (used in) from Operating Activities	**(235.6)**	**(15.4)**
B. Cash Flow from Investing Activities		
Capital expenditure on Property, Plant and Equipment/Intangibles including capital advances	(304.0)	(0.2)
Purchase of Current Investments	-	(1,000.5)
Proceeds from Sale of Current Investments	561.2	536.7
Bank balances not considered as Cash and Cash Equivalents (net)	(154.6)	-
Interest on Deposits with Banks and Others	11.1	-
Net Cash Flow generated / (used in) from Investing Activities	**113.7**	**(464.0)**
C. Cash Flow from Financing Activities		
Proceeds from issuance of Optionally Convertible Non-Cumulative Redeemable Preference Shares	500.0	500.0
Payment of Lease Liabilities	(24.1)	-
Finance Cost	(0.2)	-
Net Cash Flow generated / (used in) from Financing Activities	**475.7**	**500.0**
Net Increase / (Decrease) in Cash and Cash Equivalents	353.8	20.6
Cash and Cash equivalents at the beginning of the year	21.2	0.6
Cash and Cash Equivalents as at end of the reporting year (Refer note 9)	**375.0**	**21.2**

Note :

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

In terms of our report attached

For B S R & Co. LLP	**For and on behalf of the Board of Directors of**	
Chartered Accountants	**Lupin Healthcare Limited**	
ICAI Firm Registration No. 101248W/W - 100022		
Sreeja Marar	**Nilesh D. Gupta**	**Sunil Makharia**
Partner	Managing Director	Director & CFO
Membership No. 111410	DIN: 01734642	DIN: 00064399
	R. V. Satam	
	Company Secretary	
	ACS - 11973	
Place : Mumbai	Place : Mumbai	
Dated : May 16, 2022	Dated : May 16, 2022	

NOTES FORMING PART OF THE FINANCIAL STATEMENS

1A. OVERVIEW:

Lupin Healthcare Limited ('the Company') was incorporated under the Companies Act, 1956, on March 17, 2011. The Company is a Wholly Owned Subsidiary of Lupin Limited.

The Operations for the Company have commenced from October 2021. The Company is engaged in the business of running laboratories for carrying out pathological investigations of various branches of bio-chemistry, hematology, histopathology, microbiology, electrophoresis, immuno-chemistry, immunology, virology, cytology, and other pathological and radiological investigations.

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 Financial Statements:

Basis of preparation

i) These 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 Financial Statements were authorized for issue by the Company's Board of Directors on May 16, 2022.

Functional and Presentation Currency

ii) These Financial Statements are presented in Indian rupees, which is the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest million, except otherwise indicated.

Basis of measurement

iii) These Financial Statements are prepared under the historical cost convention unless otherwise indicated.

Use of Significant Estimates and Judgments

iv) The preparation of the 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 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 l)

b) 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 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**
Improvements on Leased Premises	Over the period of lease
Plant and Equipment	10 years
Office Equipment (Desktop and Laptop)	4 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).

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.

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. Amortisation

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

Particulars	**Estimated Useful Life**
Computer Software	5 years

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

d) 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 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.

e) Foreign Currency Transactions:

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

f) 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) 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.

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.

<u>Impairment of financial assets</u>

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 recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

II. Financial Liabilities

<u>Classification</u>

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities measured at fair value through profit or loss. Such liabilities, 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.

<u>Initial recognition and measurement</u>

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, at amortised cost (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 and the liability component of compound financial instrument-0.01% Optionally convertible non-cumulative Redeemable Preference shares.

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.

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 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.

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).

g) 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.

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.

h) Inventories:

Inventories comprise of reagents, chemicals, diagnostic kits, medicines and consumables. Inventories are valued at cost after providing for obsolescence and other losses, where considered necessary. Cost comprises the cost of purchase and all other costs attributed to bring the goods to that particular condition and location.

i) Revenue Recognition:

Service income

Revenue primarily comprises charges for diagnostic services. Charges for diagnostic services consist of fees received for various tests conducted in the field of pathological investigation.

Revenue from diagnostic services is recognized on amount billed net of discounts/concessions, if any. No element of financing is deemed present as the sales made are either on cash and carry basis or for institutional/organizational customers, a credit period of 45 days is given which is consistent with market practice.

The Company recognises revenue when the amount of revenue can be reliably measured, and it is probable that economic benefits will flow to the entity.

Revenue contracts are on principal-to-principal basis and the Company is primarily responsible for fulfilling the performance obligation. 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, net of discounts, if any, when the test report is generated i.e., when the performance obligation is satisfied.

Diagnostic service is the only principal activity and reportable segment from which the Company generates its revenue

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognized as revenue when the Company performs its obligation under the contract.

Interest income

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

j) 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.

k) Leases:

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in Ind AS 116.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative 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. 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.

l) Provisions and Contingent Liabilities:

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. If effect of the time value of money is material, provisions are discounted using an appropriate discount rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in the Notes to the Financial Statements. Contingent liabilities are disclosed for:

i) possible obligations which will be confirmed only by future events not wholly within the control of the Company, or
ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

m) 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.

n) 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.

o) 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.

p) 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.

q) Segment reporting:

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ('CODM') as defined in Ind AS 108 'Operating Segments' for allocating resources and assigning performance. The Company operates in one reportable business segment i.e. diagnostics.

r) 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.

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 Company will evaluate the same to give effect to them as required by law.

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	Disposals	As at 31.03.2022	As at 31.03.2022
Improvements on Leased Premises	-	**90.0**	-	**90.0**	-	**6.0**	-	**6.0**	**84.0**
	-	-	-	-	-	-	-	-	-
Plant & Equipment	-	**135.8**	-	**135.8**	-	**2.9**	-	**2.9**	**132.9**
	-	-	-	-	-	-	-	-	-
Furniture & Fixtures	-	**12.2**	-	**12.2**	-	**0.2**	-	**0.2**	**12.0**
	-	-	-	-	-	-	-	-	-
Office Equipment	-	**36.4**	-	**36.4**	-	**1.8**	-	**1.8**	**34.6**
	-	-	-	-	-	-	-	-	-
Right of use Assets									
Leasehold Buildings	-	**217.6**	-	**217.6**	-	**24.7**	-	**24.7**	**192.9**
	-	-	-	-	-	-	-	-	-
Leasehold Vehicles	**0.9**	**2.6**	-	**3.5**	-	**0.8**	-	**0.8**	**2.7**
	-	*0.9*	-	*0.9*	-	-	-	-	*0.9*
Total	**0.9**	**494.6**	-	**495.5**	-	**36.4**	-	**36.4**	**459.1**
	-	*0.9*	-	*0.9*	-	-	-	-	*0.9*

a) For details of Right-of-use asset (Refer note 34)
b) Previous year figures are given in italics below current year figures in each class of assets.
c) Additional disclosure persuant to amendment of revised schedule III are in note 40.

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	Disposals	As at 31.03.2022	As at 31.03.2022
Computer Software	-	1.9	-	1.9	-	0.2	-	0.2	**1.7**
	-	-	-	-	-	-	-	-	-
	-	1.9	-	1.9	-	0.2	-	0.2	1.7

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 40.

		As at 31.03.2022 ₹ in million	As at 31.03.2021 ₹ in million
4. OTHER NON-CURRENT FINANCIAL ASSETS			
Security Deposits			
With Others		26.7	-
	Total	**26.7**	**-**
5. OTHER NON-CURRENT ASSETS			
Capital Advances		11.5	-
Advances other than Capital Advances			
-Prepaid Expenses		5.8	-
	Total	**17.3**	**-**
6. INVENTORIES			
Reagents, Chemicals, Surgicals and laboratory supplies		63.5	-
	Total	**63.5**	**-**
7. CURRENT INVESTMENTS			
- Measured at Fair Value through Profit or Loss			
Unquoted			
In Mutual Funds		-	558.2
	Total	**-**	**558.2**
a) Aggregate amount of quoted investments and market value thereof			
Book value		-	-
Market value		-	-
b) Aggregate amount of Unquoted Investments		-	558.2
c) Unrealised Loss on Mutual Fund Investments (net) as adjusted above		-	-
8. TRADE RECEIVABLES			
Unsecured			
- Considered Good		17.6	-
- Credit Impaired		-	-
	Total	**17.6**	**-**

Additional disclosure persuant to amendment of revised schedule III are in note 40.
[There are no other trade receivables which have significant increase in credit risk. Refer note 37 (B) for information about credit risk and market risk of trade receivables]

		As at 31.03.2022 ₹ in million	As at 31.03.2021 ₹ in million
9. CASH AND CASH EQUIVALENTS			
Cash and Cash Equivalents (as per Ind AS-7 - "Statement of Cash Flows")			
Bank Balances			
- In Current Accounts		28.5	21.2
- Bank Deposits with original maturity of less than 3 months		346.4	-
Cash on hand		0.1	-
	Total	**375.0**	**21.2**
10. OTHER BANK BALANCES			
Bank Deposits with original maturity of more than 3 months but less than 12 months from the balance sheet date		154.6	-
	Total	**154.6**	**-**
11. CURRENT LOANS			
Unsecured, considered good			
Other Loans (includes Loans to employees, etc.)		0.1	-
	Total	**0.1**	**-**

[There are no current loans which have significant increase in credit risk.]

		As at 31.03.2022 ₹ in million	As at 31.03.2021 ₹ in million
12. OTHER CURRENT ASSETS			
Advances other than Capital Advances			
Prepaid Expenses		2.7	0.3
Advances to Employees		1.5	-
Advances to Vendors			
- Considered Good		11.6	0.6
- Credit Impaired		-	-
		15.8	0.9
With Government Authorities (GST Credit)		0.8	0.4
	Total	**16.6**	**1.3**

13. 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 ₹ 10 each	3,000,000	30.0	3,000,000	30.0
Preference Shares of ₹ 10 each	100,000,000	1,000.0	100,000,000	1,000.0
Issued, Subscribed and Paid up				
Equity Shares of ₹ 10 each fully paid	2,616,677	26.2	2,616,677	26.2
Total	**2,616,677**	**26.2**	**2,616,677**	**26.2**

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	2,616,677	26.2	2,616,677	26.2
Equity Shares outstanding at the end of the year	**2,616,677**	**26.2**	**2,616,677**	**26.2**

c) Rights attached to Equity Shares

The Company has only one class of equity shares with voting rights having a par value of ₹ 10 per share. 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) 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 Limited & its nominees	2,616,677	100	2,616,677	100

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
Lupin Limited & its nominees	2,616,677	100	2,616,677	100

f) 0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares

During the year, the Company had issued 50 million (previous year 50 million) 0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares of ₹ 10/- each aggregating ₹ 500 million (previous year ₹ 500 million) by way of private placement /preferential offer. The holder has option to convert the Optionally Convertible Non-Cumulative Redeemable Preference Shares into equity shares any time from the expiry of five years from the date of issue till the end of 10 years from the date of issue in the ratio of one equity share for 3 Optionally Convertible Non-Cumulative Redeemable Preference Shares. The Optionally Convertible Non-Cumulative Redeemable Preference Shares can be redeemed anytime at the option of the Company, from the date of issue till the expiry of 10 years from the date of issue and redemption premium of 8% p.a. shall accrue from the date of issue till the date of exercising redemption option.

		As at 31.03.2022 ₹	As at 31.03.2021 ₹
14. NON- CURRENT BORROWINGS			
Liability Component of Compound Financial Instrument		923.0	466.6
0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares (Refer note 13 (f))			
	Total	**923.0**	**466.6**
15. OTHER NON-CURRENT FINANCIAL LIABILITIES			
Employee Benefits Payables		0.1	-
Other Payables		56.2	13.3
	Total	**56.3**	**13.3**
16. NON - CURRENT PROVISIONS			
Provisions for Employee Benefits [Refer note 20]			
Gratuity [Refer note 31 (ii)]		1.6	0.1
Compensated Absences		2.9	0.4
	Total	**4.5**	**0.5**
17. TRADE PAYABLES			
Other than Acceptances			
- Total outstanding dues of Micro and Small Enterprises [Refer note 36]		12.8	-
- Total outstanding dues of Others		94.5	2.0
	Total	**107.3**	**2.0**
Additional disclosure persuant to amendment of revised schedule III are in note 40.			
18. OTHER CURRENT FINANCIAL LIABILITIES			
Payable for Capital Expenditure		29.5	-
Employee Benefits Payables		7.8 q	-
	Total	**37.3**	**-**
19. OTHER CURRENT LIABILITIES			
Statutory Dues Payables (includes GST, Provident Fund, Withholding Taxes etc.)		5.2	0.9
Advances from customers		3.8	-
	Total	**9.0**	**0.9**
20 CURRENT PROVISIONS			
Provisions for Employee Benefits [Refer note 16]			
Compensated Absences		0.8	0.1
	Total	**0.8**	**0.1**

		For the Current Year ended 31.03.2022 ₹ in million	For the Previous Year ended 31.03.2021 ₹ in million
21. REVENUE FROM OPERATIONS			
Service Income [Refer note 30]		34.8	-
		34.8	**-**
Other Operating Revenue			
Miscellaneous Income		0.3	-
		0.3	
	Total	**35.1**	**-**
22. OTHER INCOME			
Income on Financial Assets carried at amortised cost			
Interest on Deposits with Banks		10.1	-
Other Interest		1.0	-
Income on Financial Assets carried at fair value through profit or loss			
Net gain on Sale of Mutual Fund Investments		3.0	2.2
Unrealised Gain on Mutual Fund Investments (net)		-	7.2
Miscellaneous Income (including interest on income tax refund)		-	0.1
	Total	**14.1**	**9.5**
23. COST OF MATERIALS CONSUMED			
Inventories of Reagents, Chemicals, Surgicals and laboratory supplies at the beginning of the year		-	-
Add: Purchases		101.0	-
Less: Inventories of Reagents, Chemicals, Surgicals and laboratory supplies at the year end of the year		(63.5)	-
	Total	**37.5**	**-**
24. EMPLOYEE BENEFITS EXPENSE			
Salaries and Wages		102.5	5.3
Contribution to Provident and Other Funds		7.3	0.4
Share Based Payments Expense		0.3	-
Staff Welfare Expenses		3.5	-
	Total	**113.6**	**5.7**
25. FINANCE COSTS			
Interest on Financial Liabilities - borrowing carried at amortised cost		42.8	13.3
Interest cost on Finance lease obligation		9.9	-
Other Borrowing Costs (includes bank charges, etc.)		0.3	-
	Total	**53.0**	**13.3**
26. OTHER EXPENSES			
Repairs and Maintenance:			
- Plant and Machinery		0.5	-
- Others		4.8	0.6
Rent and Other Hire Charges [Refer note 34]		7.2	0.0
Rates and Taxes		3.8	8.7
Insurance		2.2	-
Power and Fuel		5.8	-
Contract Labour Charges		0.5	-
Selling and Promotion Expenses		18.2	-
Commission and Brokerage		0.2	
Freight and Forwarding		12.6	-
Postage ,Printing and Stationary Expenses		11.9	0.0
Travelling and Conveyance		11.0	0.2
Legal and Professional Charges		21.7	1.6
Audit Fees [Refer Note 33]		2.5	0.5
Clinical and Analytical Charges		2.8	-
Directors Sitting Fees		0.1	-
Recruitment Expenses		2.2	-
Membership Fees and Subscription		4.7	-
Watch and Ward Expenses		1.5	-
Business Compensation and Settlement Expenses		0.3	
Miscellaneous Expenses		0.5	-
	Total	**115.0**	**11.6**

27. Segment Reporting:
The Company operates only in one segment viz. diagnostic business in India.

28. Commitments:

(a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances ₹ 111.24 Million (previous year ₹ 1.4 million).

(b) The Company has entered into reagent agreement for a period ranging from 5 to 10 years with some of its major raw material suppliers to purchase agreed value of raw materials. The value of purchase commitments for the remaining number of years are ₹ 646.7 million (31 March 2021 ₹ Nil) as per the terms of these arrangements.

29. Contingent Liability
During the year, the Company does not have any contingent liability (previous year ₹ Nil).

30. Revenue (Ind AS 115)

a) The operations of the Company are limited to only one segment viz. diagnostic business of India.

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 Company has assessed that it is primarily responsible for fulfilling the performance obligation of 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").

b) Disaggregation of revenue:

(₹ in million)

Nature of segment	**2021-2022**	2020-2021
A. Major Product/Service line:		
- Service Fees	34.8	-
		-
B. Primary geographical market:		
- India	34.8	-
C. Timing of the revenue recognition:		
- Services transferred at a point in time	34.8	-

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	35.3	-
Adjusted for:		-
- Discounts	0.4	-
- Others	0.1	-
Total revenue from contracts with customers	**34.8**	**-**

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	-	-

Add: Increases due to cash received during the year excluding amounts recognized as revenue during the year	3.8	-
Less: Revenue recognized that was included in the contract liability balance at the beginning of the period	-	-
Balance in contract liability at the end of the period that is not recognized as revenue	3.8	-

31. Post-Employment Benefits:

(i) Defined Contribution Plans:

The Company makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees.

The Company recognised ₹ 5.8 million (previous year ₹ 0.3 million) for provident and pension fund contributions in the Statement of Profit and Loss.

(ii) Defined Benefit Plan:

The Company 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.

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 (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 Balance Sheet	(1.6)	(0.1)
IV)	**Expense recognised in the Statement of Profit and Loss:**		
	Current service cost	1.4	0.1

Sr. No.	Particulars	Gratuity (Unfunded)	
		As at 31.03.2022	**As at 31.03.2021**
	Past service cost	-	-
	Interest cost	-	-
	Total expense recognised in the Statement of Profit and Loss	1.4	0.1
V)	**Other Comprehensive Income**		
	Actuarial loss / (gain)		
	- Due to demographic assumption	-	-
	- Due to finance assumption	-	-
	- Due to experience assumption	0.2	-
	Return on plan assets excluding net interest	-	-
	Total amount recognised in OCI	-	-
VI)	**Category of assets as at the end of the year:**	0.2	
	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	
100	Discount rate (%)	7.10%	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 above 5 years	 15.0 5.0	 15.0 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	-
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

32. Income taxes:

a) Tax expenses/(benefit) recognized in profit and loss:

(₹ in million)

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Current Tax expense	-	0.6
Deferred income tax liability /(asset) net	-	**0.6**
Origination and reversal of temporary differences	(3.3)	1.8
Total tax expense	**(3.3)**	**2.4**

b) Tax expense /(benefit) recognized 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		
Remeasurement of defined benefit plans	(0.1)	-
Total	**(0.1)**	**-**

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

(₹ in million)

Particulars	Year Ended 31.03.2022	Year Ended 31.03.2021
Profit/(Loss) before tax	(306.6)	(21.1)
Tax using the Company's domestic tax rate (March 31, 2022: 25.17%, March 31, 2021: 25.17%)	(77.2)	(5.3)
Tax effect of:		
Expenses not deductible for tax purposes	26.1	7.7
Unrecognised Deferred Tax Assets /(recognition of previously unrecognized deferred tax assets),net	48.6	-
Change in tax base due to indexation	(0.8)	-
Total tax expense	**(3.3)**	**2.4**

d) Movement in deferred tax balances:

(₹ in million)

Particulars	Net balance as on April 1, 2021	Recognised in Profit & Loss Account	Recognised in OCI	Net balance as on March 31,2022	Deferred Tax Asset as on March 31, 2022	Deferred Tax Liability as on March 31, 2022
Deferred tax assets/ (liabilities)	-	-	-	-	-	-
Property plant and Equipment	-	**(2.4)**	-	**(2.4)**	-	**(2.4)**
Mark to Market Gain/(loss)	(2.8)	2.8	-	-		-

Employee benefits	-	1.3	0.1	1.3	1.3	-
Other items	-	1.7	-	1.7	1.7	-
Total Deferred tax asset / (liability)	**(2.8)**	**3.3**	**0.1**	**0.6**	**3.0**	**(2.4)**

(₹ in million)

Particulars	**Net balance as on April 1,2020**	**Recognised in Profit & Loss Account**	**Recognised in Retained earnings/ OCI**	**Net balance as on March 31, 2021**	**Deferred Tax Asset**	**Deferred Tax Liability**
Deferred tax assets/ (liabilities)						
Mark to Market (Gain)/Loss	(1.0)	(1.8)	-	(2.8)	-	(2.8)
Net Deferred tax asset / (liability)	**(1.0)**	**(1.8)**	**-**	**(2.8)**	**-**	**(2.8)**

e) Operating Loss carry forward consists of business losses, and unabsorbed depreciation. Deferred tax assets have not been recognized on operating losses of ₹ 194.1 million (previous year ₹ NIL) because currently there is no reasonable certainty that the company will be utilizing the benefits in the near future. A portion of this total loss can be carried forward indefinitely and the remaining amounts expires at 2030.

33. **Auditors Remuneration:**

(₹ in million)

	2021-22	2020-21
Payments to Auditors *		
a) As Auditors	2.0	0.5
b) For other services including Certifications	-	-
c) Reimbursement of out-of-pocket expenses	0.1	-
Total	**2.1**	**0.5**

*Excluding GST

34. **Leases:**

The Company leases Vehicles and Buildings. The leases typically run for the period between 12 months to 108 months.

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

i) Right of use assets

(₹ in million)

Particulars	Right-of-Use: Vehicles	Right-of-Use: Buildings	Total
Cost			
Balance at April 1, 2021	0.9	-	**0.9**
Additions	2.6	217.6	**220.2**
Disposal / Derecognized during the year	-	-	
Balance at March 31, 2022	3.5	217.6	**221.1**
Accumulated depreciation			
Balance at April 1, 2021	**-**	**-**	**-**
Depreciation expense	0.8	24.7	25.5
Disposal / Derecognized during the year	-	-	
Balance at March 31, 2022	0.8	24.7	**25.5**
Net Balance at March 31, 2022	**2.7**	**192.9**	**195.6**
Net Balance at March 31, 2021	**0.9**	**-**	**0.9**

(₹ in million)

Particulars	Vehicles	Building	Total
Cost			
Balance at April 1, 2020	-	-	-
Additions	0.9	-	**0.9**
Disposal / Derecognized during the year	-	-	-
Balance at March 31, 2021	**0.9**	-	**0.9**
Accumulated depreciation			
Balance at April 1, 2020	-	-	-
Depreciation expense	-	-	-
Disposal / Derecognized during the year	-	-	-
Balance at March 31, 2021	**-**	-	-
Net Balance at March 31, 2021	**0.9**	-	**0.9**
Net Balance at March 31, 2020	**-**	-	**-**

Lease liabilities

(₹ in million)

Particulars	Vehicles	Building	Total
Balance at April 1, 2021	**0.9**	**-**	**0.9**
Addition	2.6	210.3	212.9
Accreditation of interest	0.2	9.7	9.9
Payments	0.9	23.2	24.1
Adjustments for Disposals	-	-	-
Balance at March 31, 2022	**2.8**	**196.8**	**199.6**
Current	**1.1**	**28.9**	**30.0**
Non-current	**1.7**	**167.9**	**169.6**

(₹ in million)

Particulars	Vehicles	Building	Total
Balance at April 1, 2020	-	-	-
Addition	0.9	-	0.9
Accreditation of interest	-	-	-
Payments	-	-	-
Adjustments for Disposals	-	-	-
Balance at March 31, 2021	**0.9**	**-**	**0.9**
Current	**0.2**	**-**	**0.2**
Non-current	**0.7**	**-**	**0.7**

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

Amounts recognised in Profit and Loss

(₹ in million)

Particulars	For the Current Year Ended 31.3.2022	For the Current Year Ended 31.3.2021
Depreciation expense of right-of-use assets (Refer Note No. 2)	25.5	-
Interest expense on lease liabilities (Refer Note No. 25)	9.9	-
Total	**35.4**	**-**

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 flows.

(₹ in million)

Contractual maturities of financial liabilities	Less than 1 Year	More than 1 Year	Total
As at March 31, 2022 Lease liabilities	43.8	204.6	248.4
As at March 31, 2021 Lease liabilities	0.2	0.8	1.0

iii) Commitments and contingencies

The Company has not entered into lease contracts that have not yet commenced as at March 31, 2022.

Commitment in respect of Non-cancellable short term leases and low value leases is ₹ Nil.

35. 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)	(303.3)	(23.6)
Weighted average number of Equity Shares:		
- Basic	2,616,677	2,616,677
Add : Effect of dilution upon issue of Optionally Convertible Non-Cumulative Redeemable Preference Share during the year	1,179,038	368,368
- Diluted	3,79,5715	2,985,045
Earnings per Share (in ₹)		
- Basic	**(115.89)**	(7.92)
- Diluted (Restricted to Basic EPS as it is Anti Dilutive)	**(115.89)**	(7.92)

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

(₹ 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	12.8 (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	-	-

37. 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. derivefd from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

(₹ 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								
Other non-current Financials Asset								
-Security Deposit	-	-	26.7	26.7	-	-	-	-
Trade Receivables	-	-	17.6	17.6	-	-	-	-
Cash and Cash Equivalents	-	-	375.0	375.0	-	-	-	-
Other Bank Balances	-	-	154.6	154.6	-	-	-	-
Current Loans	-	-	0.1	0.1	-	-	-	-
			574.0	**574.0**				
Financial liabilities								
Non-Current Borrowings	-	-	923.0	923.0	-	-	-	-
Lease Liabilities	-	-	169.6	169.6	-	-	-	-
Other Non-Current Financial Liabilities								
- Others	-	-	56.3	56.3	-	-	-	-
Lease Liabilities	-	-	30.0	30.0	-	-	-	-
Trade Payables	-	-	107.3	107.3	-	-	-	-
Other Current Financial Liabilities								
- Others	-	-	37.3	37.3	-	-	-	-
	-	**-**	**1323.5**	**1323.5**				

(₹ 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								
Current Investments	558.2	-	-	558.2	558.2	-	-	558.2
Cash and Cash Equivalents	-	-	21.2	21.2	-	-	-	-
	558.2	**-**	**21.2**	**579.4**	**558.2**	**-**	**-**	**558.2**
Financial liabilities								
Non-Current Borrowings		-	466.6	466.6		-	-	-
Lease Liabilities	-	-	0.7	0.7	-	-	-	-
Trade Payables	-	-	-	-	-	-	-	-
Other Non-Current Financial Liabilities								
- Others	-	-	13.3	13.3	-	-	-	-
Current Borrowings	-	-	-	-	-	-	-	-
Lease Liabilities	-	-	0.2	0.2	-	-	-	-
Trade Payables	-	-	2.0	2.0	-	-	-	-

Other Current Financial Liabilities								
- Others	-	-	-	-	-	-	-	-
	-	**-**	**482.8**	**482.8**	**-**	**-**	**-**	**-**

B. Measurement of fair values:

Valuation techniques and significant unobservable inputs: 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

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. The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivable and investments.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. 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 HLM Varad Multispeciality Hosp was ₹ 6.4 million (previous year ₹ NIL).

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	-	-
Neither past due not impaired	14.3	-
Past due not impaired	-	-
- 1-180 days	3.3	-
- 181-365 days	-	-
- more than 365 days	-	-
Past due impaired	-	-
- 1-180 days	-	-
- 181-365 days	-	-
- more than 365 days	-	-
Total	**17.6**	-

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.

Cash and cash equivalents

As at the year end the Company held cash and cash equivalents of ₹ 375.0 million (previous year ₹ 21.2 million). The cash and cash equivalents are held with banks.

Investment in mutual funds
The Company limits its exposure to credit risk by generally investing in liquid securities

Other financial assets
Other financial assets are neither past due nor impaired

ii. Liquidity risk:

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

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

(₹ in million)

As at 31.03.2022	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	923.0	923.0	-	-	-	923.0
Lease Liabilities Non-current	169.6	169.6	-	33.0	101.0	35.6
Trade Payables Non-Current						
Other Non-Current Financial Liabilities	56.3	56.3	-	0.1	-	56.2
Lease Liabilities –current	30.0	30.0	30.0	-	-	-
Trade Payables Current	107.3	107.3	107.3		-	-
Other Current Financial Liabilities	37.3	37.3	37.3	-	-	-
Total	**1323.5**	**1323.5**	**174.6**	**33.1**	**101.0**	**1014.8**

(₹ 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	466.6	466.6	-	-	-	466.6
Lease Liabilities	0.7	0.7	-	0.2	0.2	0.3
Other Non-Current Financial Liabilities	13.3	13.3	-	-	-	13.3
Trade Payables Current	2.0	2.0	2.0	-	-	-
Lease liabilities	0.2	0.2	0.2	-	-	-
Total	**482.8**	**482.8**	**2.2**	**0.2**	**0.2**	**480.2**

iii. **Market risk:**

Market risk is the risk that changes in market prices – such as foreign exchange rates interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt.

Currency risk

The functional currency of the Company is Indian Rupee. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent periods and may continue to fluctuate in the future.

The Company has not entered into foreign currency forward contract to hedge the foreign exchange rate risk.

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	-	-	-	-	-
Trade Receivables	-	-	-	-	-
Other current financial assets	-	-	-	-	-
	-	-	-	-	-
Financial liabilities					
Trade Payables	9.25	4.21	-	-	-
Other current financial liabilities	-	-	-	-	-
	9.25	4.21	-	-	-
Net statement of financial position exposure	**(9.25)**	**(4.21)**	**-**	**-**	**-**

(₹ in million)

Particulars	As at 31.03.2021				
	USD	EURO	GBP	JPY	Others
Financial assets	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-
Trade Receivables	-	-	-	-	-
Other current financial assets	-	-	-	-	-
Financial liabilities	-	-	-	-	-
Trade Payables	-	-	-	-	-
Other current financial liabilities	-	-	-	-	-
Net statement of financial position exposure	**-**	**-**	**-**	**-**	**-**

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	(0.1)	0.1	(0.1)	0.1
EUR	-	-	-	-
GBP	-	-	-	-
JPY	-	-	-	-
Others	-	-	-	-
	(0.1)	**0.1**	**(0.1)**	**0.1**

				(₹ in million)
March 31, 2021	Profit or (loss)		Equity net of tax*	
1% movement	Strengthening	Weakening	Strengthening	Weakening
USD	-	-	-	-
EUR	-	-	-	-
GBP	-	-	-	-
JPY	-	-	-	-
Others	-	-	-	-
	-	**-**	**-**	**-**

* 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	923.0	466.6
Variable rate borrowings	-	-
	923.0	466.6
Current Borrowings		
Fixed rate borrowings	-	-
Variable rate borrowings	-	-
	-	-
Total	**923.0**	**466.6**

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.

37A. 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 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	923.0	466.6
Less : Cash and cash equivalent	375.0	21.2
Less : Other Bank Balances	154.6	-
Less : Current Investments	-	558.2
Adjusted net debt	393.4	(112.7)
Total equity	(165.0)	94.7
Adjusted net debt to total equity ratio	(2.4)	(1.2)

38. Related party Disclosures:

a) Name of Related parties and description of relationship:

Category I : Holding Company:

- Lupin Limited

Category II : Key management personnel (KMP):

a. Dr. Kamal K. Sharma (Director)
b. Mr. Nilesh D. Gupta (Managing Director)
c. Mr. Sunil Makharia (Director & CFO)
d. Mr. Rajeev Sibal (Director)
e. Mr. R. V. Satam (Company Secretary)

b) Transactions with the related parties:

(₹ in million)

Sr No.	**Description and Nature of transactions**	**Holding Company (₹)**	
		For the year ended 31 March 2022	**For the year ended 31 March 2021**
1.	Expenses incurred on our behalf & Other Reimbursements	15.0	0.98
3.	0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares Preference Shares issued	500.0	500.0

c) Balance due from / to related parties:

(₹ in million)

Sr. No.	Description and Nature of transactions	Holding Company (₹)	
		As at 31.03 2022	As at 31.03 2021
1.	Payable towards issuance of 0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares	1,000.0	500.0
2	Trade payable	5.07	-
3.	Expenses Payable	-	0.4

39. The main object of the Company is to carry out the diagnostic business and other related activities. During the year, the Board of Directors of the Company in its meeting dated March 8, 2022 passed the resolution to arrange funding by way of issuance of 0.01% Optionally Convertible Non-Cumulative Redeemable Preference Shares amounting to ₹ 500 million which were fully subscribed by Lupin Limited for the purpose of expanding diagnostics business.

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

(A) Trade receivable Ageing

(₹ in million)

Particular	Outstanding for following periods from due date of payment		
	Not due	Less than 6 months	**Total as at 31 March 2022**
(i)Undisputed Trade receivables - considered good	14.3	3.3	17.6
(ii)Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-
(iii)Undisputed Trade Receivables - credit impaired	-	-	-
(iv)Disputed Trade Receivables-considered good	-	-	-
(v)Disputed Trade Receivables - which have significant increase in credit risk	-	-	-
(vi)Disputed Trade Receivables - credit impaired	-	-	-
Grand Total	**14.3**	**3.3**	**17.6**

There was no trade receivable as on March 31, 2021

(B) Trade payable ageing

(₹ in million)

Particular	Outstanding for following periods from due date of payment			
	Not due	Less than 1 year	1-2 Years	**Total as at 31 March 2022**
(i) MSME	-	12.8	-	12.8
(ii) Others	51.7	18.1	0.3	70.1
(iii) Disputed dues – MSME	-	-	-	-
(iv) Disputed dues -other	-	-	-	-

Total	**51.7**	**30.9**	**0.3**	**82.9**
(v) Accured Expenses	24.4	-	-	24.4
Grand Total	**76.1**	**30.9**	**0.3**	**107.3**

(₹ in million)

Particular	Outstanding for following periods from due date of payment	
	Less than 1 year	**Total as at 31 March 2021**
(i) MSME	-	-
(ii) Others	2.0	2.0
(iii) Disputed dues – MSME	-	-
(iv) Disputed dues -other	-	-
Total	**2.0**	**2.0**
(v) Accured Expenses	-	-
Grand Total	**2.0**	**2.0**

(C) Capital Work- In- Progress (CWIP)

(a) Capital work-in-progress (CWIP) ageing

(₹ in million)

Particular	Amount in CWIP for a period of	
	Less than 1 year	**Total as at 31 March 2022**
Projects in progress	38.6	38.6
Projects temporarily suspended	-	-

There was no CWIP as on March 31,2021. There is no CWIP where completion is overdue or cost has exceeded as compared to its original plans as on March 31,2022.

(D) Intangible assets under development (IAUD)

(₹ in million)

Particular	Amount in IAUD for a period of	
	Less than 1 year	**Total as at 31 March 2022**
Projects in progress	0.2	0.2
Projects temporarily suspended	-	-

There is no IAUD as on March 31,2022. There is no IAUD where completion is overdue or cost has exceeded as compared to its original plans as on March 31,2021.

(E) Financial Ratios

(₹ in million)

Ratios	**Numerator**	**Denominator**	**Current Period**	**Previous Period**	**% of Variances**	**Reason for Variances**
Current Ratio	Total Current Asset	Total Current Liabilities	3.4	183.5	(98.1)	The Company has started business operation in the current year.

Debt-Equity Ratio	Total Debt= Non Current Borrowings	Total Equity Attributable to owners	(5.6)	4.9	(214.2)	The Company has started business operation in the current year.
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	Debt service (Debt service =Interest & Lease Payments)	(3.2)	(1.3)	146.1	The Company has started business operation in the current year.
Return on equity ratio (ROE)	Net profits after taxes	Average Shareholder's Equity	8.6	(0.3)	(2966.7)	The Company has started business operation in the current year.
Inventory turnover ratio	Sales	Average Inventory	Not applicable			
Trade receivables turnover ratio	Total sales	closing Trade receivable	2.0	-	-	
Trade payables turnover ratio	Total Purchases	Closing Trade Payables	0.9	-	-	
Net capital turnover ratio	Net sales	Working Capital = current assets minus current liabilities	0.1	-	-	
Net profit ratio	Net Profit after Tax	Revenue from operations	(8.6)	-	-	
Return on capital employed (ROCE)	Earnings before interest and taxes	Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax	(0.3)	-	-	

(F) The Company has not entered into any transaction with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(G) The provision of Section 135 to Companies Act, 2013 on Corporate Social responsibility (CSR) are not applicable to the Company.

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

(I) The Company does not have any transaction not recorded in the books of account that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 for the year ended 31 March 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 do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(L) 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

41. 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.

Signatures to notes 1 to 41

For **BSR & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Sreeja Marar
Partner
Membership No. 111410

Place : Mumbai
Dated : 16.05.2022

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

Nilesh D. Gupta
Managing Director
DIN: 01734642

Sunil Makharia
Director & CFO
DIN: 00064399

R. V. Satam
Company Secretary
ACS-11973

Place : Mumbai
Dated : 16.05.2022