

INDEPENDENT AUDITOR'S REPORT

To The Members of Laurus Bio Private Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Laurus Bio Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report including Annexures to Board's 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 during the course of our audit or otherwise appears to be materially misstated.

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- 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is 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 financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including 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 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, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 financial controls 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 Section 143(3) of the Act, based on our audit, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books of account.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant 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 March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 38(b) to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 41(vi) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the note 41(vii) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

C Manish Muralidhar
(Partner)
(Membership No. 213649)
(UDIN: 24213649BKCJFI7817)

Place: Hyderabad
Date: April 20, 2024

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **Laurus Bio Private Limited** ("the Company") as at March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls 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 was established and maintained and if such controls operated effectively in all material respects.

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

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

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Meaning of Internal Financial Controls with reference to financial statements

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


Inherent Limitations of Internal Financial Controls with reference to 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 control 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.

Opinion

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

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.008072S)


C Manish Muralidhar
(Partner)
(Membership No. 213649)

Place: Hyderabad
Date: April 20, 2024

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets.

B. The Company does not hold any intangible assets.
- (b) The Company has a program of verification of property, plant and equipment, capital work- in-progress, and right-of-use assets so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on the examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the Richcore Life Sciences Private Limited("Richcore"), The Company name changed to Laurus Bio Private Limited ("Laurus Bio") on April 15, 2021, accordingly the Company is in the process of updating its title deeds from Richcore Life Sciences private Limited to Laurus Bio Private Limited.
- (d) The Company has not revalued any of its property, plant and equipment including Right of Use assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, statements on ageing analysis of the debtors / creditors and other stipulated financial information filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

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- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans secured or unsecured to companies, firms, Limited liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.
- (iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a delay in remittance of Income tax dues.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of Statute	Nature of Dues	Amount (in ₹ Millions)	Period for which the amount relates to	Forum where dispute is pending
Income-Tax Act, 1961	Income Tax	5.77	AY 2018-2019	Commissioner of Income Tax (Appeals)
		0.57	AY 2021-2022	Commissioner of Income Tax (Appeals)

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

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- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
(c) As represented to us by the management, there were no whistle blower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
(b) We have considered, the internal audit reports issued to the Company during the year and covering the period March 2024.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

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- (d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
- b) In respect of ongoing projects, the Company does not have any unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year and also at the end of the current financial year. Hence, reporting under this clause is not applicable for the year.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.008072S)


C Manish Muralidhar
(Partner)
(Membership No. 213649)

Place: Hyderabad
Date: April 20, 2024

Laurus Bio Private Limited

CIN: U02423KA2005PTC036770

Balance Sheet as at March 31, 2024

(All amounts in Indian Rupees (Millions), except for share information or unless otherwise stated)

Particulars	Note	March 31, 2024	March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,302.70	813.39
Right-of-use assets	37	294.00	91.60
Capital work in progress	3	111.98	21.84
Other intangible assets	4	-	-
Financial Assets			
Other financial assets	5A	11.39	9.57
Income tax assets (net)	16A	7.12	8.31
Other non-current assets	6A	20.26	279.25
Total non-current assets		1,747.45	1,223.96
Current assets			
Inventories	8	305.31	208.25
Financial Assets			
Trade receivables	9	126.46	275.95
Cash & cash equivalents	10A	47.95	4.58
Other Balances with Banks	10B	3.26	-
Loans	5B	3.48	3.59
Other current assets	6B	168.93	266.21
Total current assets		655.39	758.58
Total Assets		2,402.84	1,982.54
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11	2.59	2.59
Other Equity		522.60	479.05
Total Equity		525.19	481.64
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	12A	762.08	603.54
Lease liabilities	37	71.95	74.81
Provisions	15A	19.88	13.61
Deferred Tax Liability (net)	7	29.33	25.07
Total non-current liabilities		883.24	717.03
Current liabilities			
Financial Liabilities			
Borrowings	12C	578.33	282.92
Trade payables			
-Total outstanding dues of micro enterprises and small enterprises	13	29.56	13.53
-Total outstanding dues of creditors other than micro enterprises and small enterprises	13	129.62	208.74
Lease liabilities	37	4.99	4.89
Other financial liabilities	14	62.78	26.27
Other current liabilities	17	185.38	243.94
Provisions	15B	3.75	3.58
Total current liabilities		994.41	783.87
Total Equity and Liabilities		2,402.84	1,982.54

Summary of material accounting policies

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The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Deloitte Haskins & Sells

Chartered Accountants

ICAI Firm Registration Number : 0080725



C Manish Muralidhar
Partner
Membership No. 213649



Place: Hyderabad
Date: April 20, 2024

For and on behalf of the Board of Directors

Laurus Bio Private Limited




Rajesh Krishnamurthy
WholeTime Director
DIN : 03329827

Krishna Kalyan T D
WholeTime Director
DIN : 03102812



Hansika Hulas Jain
Company Secretary

Place: Bengaluru
Date: April 20, 2024



Laurus Bio Private Limited

CIN: U02423KA2005FTC036770

Statement of Profit and Loss for the year ended March 31, 2024

(All amounts in Indian Rupees (Millions), except for share information or unless otherwise stated)

Particulars	Note	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
I. INCOME			
Revenue from operations	18	1,641.68	1,286.26
Total income (I)		1,641.68	1,286.26
II. EXPENSES			
Cost of materials consumed	19	388.53	297.03
Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	(11.81)	(45.43)
Employee benefits expenses	21	418.68	292.88
Other expenses	22	497.52	372.78
Total expenses (II)		1,292.92	917.26
III. Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (I-II)		348.76	369.00
Depreciation and amortisation	3,4 & 37	174.88	106.93
Finance income	24	(0.16)	(0.14)
Finance costs	23	111.21	57.94
IV. Profit Before Tax (IV)		62.83	204.27
V. Tax expense			
Current tax		10.97	54.65
Deferred tax		7.94	7.72
Income tax expense (V)		18.91	62.37
VI. Profit for the year (IV-V)		43.92	141.90
Other comprehensive income (OCI)	25		
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement losses on defined benefit plans		(0.52)	(2.87)
Tax on remeasurement of defined benefit plans		0.15	0.84
Total other comprehensive loss for the year, net of tax		(0.37)	(2.03)
Total comprehensive income for the year, net of tax		43.55	139.87
Earnings per equity share ₹ 10/- each fully paid (March 31, 2023: ₹ 10/- each fully paid)	26A		
Computed on the basis of total profit for the year			
Basic (₹)		169.68	548.20
Diluted (₹)		168.64	545.54

Summary of material accounting policies 2.2

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Deloitte Haskins & Sells
Chartered Accountants
ICAI Firm Registration Number : 008072S

Manish
C Manish Muralidhar
Partner
Membership No. 213649



Place: Hyderabad
Date: April 20, 2024

For and on behalf of the Board of Directors
Laurus Bio Private Limited

Rajesh
Rajesh Krishnamurthy
WholeTime Director
DIN : 03329827

Krishna
Krishna Kalyan T D
WholeTime Director
DIN : 03102812

Hansika
Hansika Hulas Jain
Company Secretary

Place: Bengaluru
Date: April 20, 2024



Laurus Bio Private Limited

CIN: U02423KA2005PTC036770

Statement of Cash Flows for the year ended March 31, 2024**(All amounts in Indian Rupees (Millions), except for share information or unless otherwise stated)**

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Profit before tax	62.83	204.27
Cash Flows from operating activities		
Adjustments for :		
Depreciation and amortisation	174.88	106.93
Loss on sale of Property, plant and equipment (net)	1.22	-
Finance income	(0.16)	(0.14)
Interest expense	111.21	57.94
Net loss/(gain) on foreign exchange fluctuations (unrealised)	0.37	(0.30)
Allowance for bad and doubtful advance and debts	0.09	4.96
Operating profit before working capital changes	350.44	373.66
Movement in working capital:		
Increase in inventories	(97.06)	(57.60)
(Increase)/decrease in trade receivables	149.02	(207.22)
(Increase)/decrease in financial and non-financial assets	102.17	(65.34)
Increase/(decrease) in trade payables	(70.19)	92.57
Increase/(decrease) in financial, non-financial liabilities and provisions	(52.64)	94.50
Cash generated from operations	381.74	230.57
Income tax paid	(13.61)	(48.77)
Net cash flows from operating activities (A)	368.13	181.80
Cash flows used in investing activities		
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(417.56)	(507.64)
Investment in fixed deposits	-	0.13
Interest received	0.16	0.14
Net cash flows used in investing activities (B)	(417.40)	(507.37)
Net cash flows from financing activities		
Repayment of long - term borrowings	(127.08)	(62.50)
Proceeds from long - term borrowings	365.00	335.00
Proceeds from Short - term borrowings (net)	136.04	118.05
Payment of lease liabilities	(253.40)	(17.26)
Proceeds of Loans from related parties	100.00	-
Repayment of Loans to related parties	(20.00)	-
Interest paid	(104.66)	(46.09)
Net cash flows from financing activities (C)	95.90	327.20
Net increase in cash and cash equivalents (A+B+C)	46.63	1.63
Cash and cash equivalents at the beginning of the year	4.58	2.95
Cash and cash equivalents at the year end	51.21	4.58
Components of cash and cash equivalents:		
Cash on hand	0.31	0.10
Balances with banks		
On current accounts	47.64	4.48
On deposit accounts	3.26	-
Total cash and cash equivalents	51.21	4.58

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Deloitte Haskins & Sells


Chartered Accountants

ICAI Firm Registration Number : 0080725

*Manish*C Manish Muralidhar
Partner
Membership No. 213649

Place: Hyderabad

Date: April 20, 2024

For and on behalf of the Board of Directors
Laurus Bio Private Limited


Rajesh Krishnamurthi Krishna Kalyan T D
WholeTime Director WholeTime Director
DIN : 03329827 DIN : 03102812



Hansika Hulas Jain
Company Secretary
Place: Bengaluru
Date: April 20, 2024

Laurus Bio Private Limited

CIN: U02423KA2005PTC036770

Statement of Changes in Equity for the year ended March 31, 2024

(All amounts in Indian Rupees (Millions), except for share information or unless otherwise stated)

a. Equity share capital

Equity shares of ₹ 10/- each, fully paid up

As at April 01, 2022

Shares issued during the year

As at March 31, 2023

Shares issued during the year

As at March 31, 2024

	No.	₹
As at April 01, 2022	258,845	2.59
Shares issued during the year	-	-
As at March 31, 2023	258,845	2.59
Shares issued during the year	-	-
As at March 31, 2024	258,845	2.59

b. Other Equity

Particulars	Reserves and surplus			Other Comprehensive Income	Total
	General Reserve	Securities Premium	Retained Earnings	Re-measurement gains or losses on employee defined benefit plans	
As at April 01, 2022	0.41	723.30	(383.10)	(1.43)	339.18
Profit for the year	-	-	141.90	-	141.90
Remeasurement on net defined benefit liability, net of tax	-	-	-	(2.03)	(2.03)
As at March 31, 2023	0.41	723.30	(241.20)	(3.46)	479.05
Profit for the year	-	-	43.92	-	43.92
Remeasurement on net defined benefit liability, net of tax	-	-	-	(0.37)	(0.37)
As at March 31, 2024	0.41	723.30	(197.28)	(3.83)	522.60

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Deloitte Haskins & Sells
Chartered Accountants
ICAI Firm Registration Number : 0080725

C Manish Muralidhar
Partner
Membership No. 213649



For and on behalf of the Board of Directors
Laurus Bio Private Limited

Rajesh Krishnamurthy
WholeTime Director
DIN : 03329827

Krishna Kalyan T D
WholeTime Director
DIN : 03102812

Hansika Hulas Jain
Company Secretary

Place: Hyderabad
Date: April 20, 2024

Place: Bengaluru
Date: April 20, 2024



Laurus Bio Private Limited

CIN: U02423KA2005PTC036770

Notes to Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees (Millions), except for share information or unless otherwise stated)

1 Corporate Information

Laurus Bio Private Limited (Formerly known as Richcore Lifesciences Private Limited) (the "Company") is a biotechnology company dedicated to develop novel enzyme solutions for Industrial Biotechnology and Animal Origin Free recombinant proteins and enzymes for biopharma. The Company is a private limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Plot no. 204 and 237, Bommasandra, Jigani Link Road, KIADAB Industrial Area, Jigani, Hobli, Anekal Taluk, Bengaluru, Karnataka, India - 562105.

The Company is equipped with manufacturing facilities situated in KIADAB Industrial Area at Bangalore and Tumkur.

These separate financial statements were authorised by the Board of Directors for issue in accordance with their resolution dated April 20, 2024

2 Material Accounting Policies

2.1 Basis of Preparation

- (a) The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS'), under the historical cost basis except for certain financial instruments which are measured at fair values at the end of each reporting period as explained in the accounting policies below, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

2.2 Summary of material accounting policies

(a) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

(b) Foreign currencies

The financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

(c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's chief decision maker determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. Any change in the fair value of each asset and liability is also compared with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.



Laurus Bio Private Limited

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Notes to Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees (Millions), except for share information or unless otherwise stated)

(d) Revenue Recognition

Revenue from contracts with customers is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. When a performance obligation is satisfied, the revenue is measured at the transaction price which is consideration received or receivable, net of returns and allowances, trade discounts and volume rebates after taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company derives revenues primarily from manufacture and sale of animal origin free recombinant proteins and custom development manufacturing operation services.

The following is summary of significant accounting policies relating to revenue recognition. Further, refer note no. 18 for disaggregate revenues from contracts with customers.

Sale of products

The Company recognises revenue for supply of goods to customers against orders received. The majority of contracts that company enters into relate to sales orders containing single performance obligations for the delivery of pharmaceutical products as per Ind AS 115. Product revenue is recognised when control of the goods is passed to the customer. The point at which control passes is determined based on the terms and conditions by each customer arrangement. Revenue is not recognised until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Amount representing the profit share component is recognised as revenue only to the extent that it is highly probable that a significant reversal will not occur.

The Company also recognises revenue where goods are ready as per customer request and pending dispatch at the instance of the customer. In such cases, the products are separately identified as belonging to the customer and the Company does not hold the right to redirect the product to another customer. On satisfaction of all performance obligations, invoice is raised on the customer in accordance with customer request at regular payment terms.

Sale of services

Revenue from services rendered, which primarily relate to contract research, is recognised in the statement of profit and loss as the underlying services are performed. Upfront non-refundable payments received under these arrangements are deferred and recognised as revenue over the expected period over which the related services are expected to be performed.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or the amount is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest income

For all debt financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in finance income in the Statement of Profit and Loss.

(e) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

(f) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income ("OCI") or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (MAT Credit) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.



Laurus Bio Private Limited

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Notes to Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees (Millions), except for share information or unless otherwise stated)

(g) Property, plant and equipment

Under the previous GAAP (Indian GAAP), property, plant and equipment and capital work in progress were carried in the balance sheet at cost of acquisition. The Company has elected to regard those values of property, plant and equipment as deemed cost at the date of the acquisition since there is no change in the functional currency as at 1 April 2019 (date of transition to Ind AS) on the date of transition to Ind AS. The Company has also determined that cost of acquisition or construction at deemed cost as at 1 April 2019.

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extends its estimated useful life. Freehold land is not depreciated.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Factory buildings	: 30 years
Plant and equipment	: 7.5 to 8 years
Furniture and fixtures	: 10 years
Lab Equipment	: 10 years
Vehicles	: 4 years
Office Equipments	: 5 years
Computers	: 3 years

The Company, based on technical assessment and management estimate, depreciates certain items of plant and equipment and vehicles over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(h) Intangible assets

Computer Software

Costs relating to software, which is acquired, are capitalised and amortised on a straight-line basis over their estimated useful lives of five years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 01, 2019, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

(i) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. 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. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. 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 assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term and useful life of the underlying asset. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. Further, refer note no. 37, for effect of transition to Ind AS 116, classification of leases and other disclosures relating to leases.



Laurus Bio Private Limited

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Notes to Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees (Millions), except for share information or unless otherwise stated)

(j) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences if any to the extent regarded as an adjustment to the borrowing costs.

(k) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on weighted average basis. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Stores, spares and packing materials are valued at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(l) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/ years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(m) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax 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.

(n) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The cost of providing benefits under the defined benefit plan is determined based on projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The Company treats accumulated leaves which are to be settled after 12 months as a long-term employee benefit and accumulated leaves which are to be settled in the next 12 months as a short-term employee benefit for measurement purposes. Such accumulated leaves are provided for based on an actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire liability in respect of leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date.



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(o) Share-based payments

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments.

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Black Scholes valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(p) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, 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.

Subsequent measurement

For purposes of subsequent measurement, a 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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 on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. This category generally applies to trade and other receivables.

For purposes of subsequent measurement, Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. FVTPL is a residual category for debt instruments.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL due to recognition inconsistency.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group 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
 - the Company has transferred substantially all the risks and rewards of the asset, or
 - 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.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure on trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

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

The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. ECL impairment loss allowance (or reversal) for the period is recognized as income/ expense in the statement of profit and loss (P&L).

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:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits and bank balances.
- Trade receivables that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss. 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.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.



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ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. When estimating the cash flows, an entity is required to consider:

- ▶ All contractual terms of the financial instrument (including prepayment, extension and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- ▶ Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

Financial liabilities

Initial recognition and measurement

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

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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.

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 or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

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.

(q) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

(r) Research and Development

Revenue expenditure on research and development is charged to the statement of profit and loss in the year in which it is incurred. The Company does not generate any intangible asset internally.

(s) Measurement of EBITDA

The Company presents EBITDA in the statement of profit or loss, which is neither specifically required by Ind AS 1 nor defined under Ind AS. Ind AS complaint Schedule III allows companies to present line items, sub-line items and sub-totals shall be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the company's financial position or performance or to cater to industry/sector-specific disclosure requirements or when required for compliance with the amendments to the Companies Act or under the Indian Accounting Standards.

Accordingly, the Company has elected to present EBITDA as a separate line item on the face of the statement of profit and loss and does not include depreciation and amortization expense, finance income, finance costs, share of profit/ loss from associate and tax expense in the measurement of EBITDA.

(t) New standards and interpretations not yet adopted

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. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company



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3 Property, Plant and equipment

Particulars	Freehold Land	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Computers	Lab Equipments	Vehicles	Total
Gross Carrying Value at cost									
As at April 01, 2022	31.70	156.99	467.18	10.62	4.58	9.65	53.03	1.10	734.85
Additions	-	88.38	131.84	11.36	3.36	2.95	43.56	2.15	283.60
Disposal	-	-	-	-	-	-	-	-	-
As at March 31, 2023	31.70	245.37	599.02	21.98	7.94	12.60	96.59	3.25	1,018.45
Additions	-	152.64	355.26	12.56	7.52	6.12	89.09	0.38	623.57
Disposal	-	-	3.04	-	-	-	-	0.08	3.12
As at March 31, 2024	31.70	398.01	951.24	34.54	15.46	18.72	185.68	3.55	1,638.90
Depreciation									
As at April 01, 2022	-	8.60	86.93	3.47	1.47	2.67	13.07	(0.34)	115.87
Charge for the year	-	6.04	67.94	1.55	0.91	3.42	8.47	0.86	89.19
Disposals	-	-	-	-	-	-	-	-	-
As at March 31, 2023	-	14.64	154.87	5.02	2.38	6.09	21.54	0.52	205.06
Charge for the year	-	10.45	97.67	2.84	2.23	4.99	13.72	1.13	133.03
Disposals	-	-	1.86	-	-	-	-	0.03	1.90
As at March 31, 2024	-	25.09	250.67	7.86	4.61	11.08	35.26	1.62	336.19
Net Carrying Value									
As at March 31, 2023	31.70	230.73	444.15	16.96	5.56	6.51	75.05	2.73	813.38
As at March 31, 2024	31.70	372.92	700.57	26.68	10.85	7.64	150.42	1.93	1,302.70

Notes:

(i) Property, plant and equipment (other than vehicles) with a net carrying amount of ₹ 1300.76 (March 31, 2023: ₹ 810.66) are subject to a hypothecation of existing and new plant and machinery, research & development equipments and equitable mortgage of company land and building at plot no 204 & 237, Bommasandra, Jigani link road, KIADB Industrial area, Bangalore (consisting of land area 4040 Sq. Mtrs and buildings thereof) and on charge on present and future movable fixed assets of Vasanthanarsapura plant.

(ii) All the title deeds are held in the name of the Richcore Life Sciences Private Limited ("Richcore"). The Company name changed to Laurus Bio Private Limited ("Laurus Bio") on April 15, 2021, accordingly the Company is in the process of updating its title deeds from Richcore to Laurus Bio. The Company has not revalued its property, plant and equipment.

(iii) Capital work-in-progress (CWIP) ageing schedule:

For the year ended March 31, 2024

CWIP	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in Progress	111.79	0.19	-	-	111.98
Projects temporarily suspended	-	-	-	-	-
Total	111.79	0.19	-	-	111.98

For the year ended March 31, 2023

CWIP	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in Progress	21.84	-	-	-	21.84
Projects temporarily suspended	-	-	-	-	-
Total	21.84	-	-	-	21.84

Note: There is no CWIP whose completion is overdue or has exceeded its cost compared to its original plan.



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4 Other intangible assets

Particulars	Computer Software	Total
<u>Gross Carrying Value at cost</u>		
As at April 01, 2022	2.29	2.29
Additions	-	-
Disposal	-	-
As at March 31, 2023	2.29	2.29
Additions	-	-
Disposal	-	-
As at March 31, 2024	2.29	2.29
<u>Amortization</u>		
As at April 01, 2022	1.60	1.60
Charge for the year	0.69	0.69
Disposal	-	-
As at March 31, 2023	2.29	2.29
Charge for the year	-	-
Disposal	-	-
As at March 31, 2024	2.29	2.29
<u>Net Carrying Value</u>		
As at March 31, 2023	-	-
As at March 31, 2024	-	-



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5 Financial Assets
A Other financial assets

Particulars	March 31, 2024	March 31, 2023
Non-Current (Unsecured, considered good unless stated otherwise)		
Security Deposits	11.39	9.57
Total	11.39	9.57
B Current (Unsecured, considered good unless otherwise stated)		
Loans to employees	3.48	3.59
Total	3.48	3.59

6 Other Assets

Particulars	March 31, 2024	March 31, 2023
A Non-Current (Unsecured, considered good unless otherwise stated)		
Capital Advances	18.55	277.12
Prepayments	1.71	2.13
Total	20.26	279.25
B Current (Unsecured, Considered good unless otherwise stated)		
Advances recoverable in cash or kind	10.78	113.96
Prepayments	18.51	5.60
Balances with statutory/ government authorities	139.64	146.65
Total	168.93	266.21

7 Deferred Tax Assets/(Liabilities)

Particulars	March 31, 2024	March 31, 2023
Deferred Tax Liability		
Income tax at the applicable rate on the difference between the aggregate book written down value and tax written down value of property, plant and equipment	(56.30)	(33.80)
	(56.30)	(33.80)
Deferred Tax Asset		
Expenses allowable on payment basis	20.40	5.87
MAT credit entitlement	6.57	2.86
	26.97	8.73
Deferred Tax Assets/(Liabilities) (Net)	(29.33)	(25.07)

For the year ended March 31, 2024:

Particulars	Opening balance	Recognised in profit & loss	Recognised in other comprehensive income	Closing balance
Accelerated depreciation for tax purposes	(33.80)	(22.50)	-	(56.30)
MAT credit entitlement	2.86	3.71	-	6.57
Other items giving rise to temporary differences	5.87	14.38	0.15	20.40
Total	(25.07)	(4.41)	0.15	(29.33)

For the year ended March 31, 2023:

Particulars	Opening balance	Recognised in profit & loss	Recognised in other comprehensive income	Closing balance
Accelerated depreciation for tax purposes	(22.07)	(11.73)	-	(33.80)
MAT credit entitlement	6.08	(3.22)	-	2.86
Other items giving rise to temporary differences	(2.20)	7.22	0.84	5.87
Total	(18.19)	(7.72)	0.84	(25.07)

a) The Company has accounted for deferred tax liabilities (net) of Rs 29.33 (March 31, 2023: Rs 25.07) based on approval of business plan by board, agreements entered with customers, orders on hand.

b) There are no unrecognised deferred tax assets and liabilities as at March 31, 2024 and March 31, 2023.

8 Inventories

Particulars	March 31, 2024	March 31, 2023
(At lower of cost and net realisable value)		
Raw Materials	140.61	77.23
Work-in-progress	5.52	4.58
Finished Goods	93.05	82.18
Stores, spares and packing materials	66.14	44.26
Total	305.31	208.25

9 Trade Receivables

Particulars	March 31, 2024	March 31, 2023
Unsecured		
Considered Good	117.51	259.28
Receivable from related parties (Refer note no. 30)	8.95	16.67
Total	126.46	275.95

a) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

b) Trade receivables are non-interest bearing and are generally on terms of 30 - 120 days.



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c) Of the trade receivables balance, ₹ 93.98 in aggregate (as at March 31, 2023 ₹ 227.74) is due from the Company's customers individually representing more than 5 % of the total trade receivables balance.

d) The Company has used practical expedient by computing the expected credit loss allowance for doubtful trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking estimates. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates used in the provision matrix.

Trade Receivables ageing schedule for the year ended March 31,2024:

Particulars	Not due	Outstanding from due date of payment					Total
		< 6 months	6 months - < 1 Year	1-2 Years	2-3 Years	> 3 years	
i) Undisputed Trade receivables - considered good	34.53	70.98	20.95	-	-	-	126.46
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	-	-	-	-	-	-	-
Total	34.53	70.98	20.95	-	-	-	126.46

Trade Receivables ageing schedule for the year ended March 31,2023:

Particulars	Not due	Outstanding from due date of payment					Total
		< 6 months	6 months - < 1 Year	1-2 Years	2-3 Years	> 3 years	
i) Undisputed Trade receivables - considered good	122.17	153.51	0.27	-	-	-	275.95
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	-	-	-	-	-	-	-
Total	122.17	153.51	0.27	-	-	-	275.95

10 Cash & cash equivalents and Other Bank Balances

Particulars	March 31, 2024	March 31, 2023
A Cash & Cash Equivalents		
Balances with Banks		
- On Current Accounts	47.64	4.48
Cash on hand	0.31	0.10
Total	47.95	4.58
B Other Bank Balances		
On Deposit Accounts		
- Remaining maturity for less than twelve months	3.26	-
Total	3.26	-



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11 Share Capital

Particulars	March 31, 2024	March 31, 2023
Authorised shares		
38,438,847 (March 31, 2023: 38,438,847) equity shares of ₹ 10 each	384.39	384.39
	<u>384.39</u>	<u>384.39</u>
Issued, subscribed and fully paid-up shares		
258,845 (March 31, 2023: 258,845) equity shares of ₹ 10 each	2.59	2.59
Total issued, subscribed and fully paid-up share capital	<u>2.59</u>	<u>2.59</u>

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	For the Year Ended March 31, 2024		For the Year Ended March 31, 2023	
	No.	₹	No.	₹
Equity shares of ₹ 10 each fully paid up				
At the beginning of the year	258,845	2.59	258,845	2.59
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>258,845</u>	<u>2.59</u>	<u>258,845</u>	<u>2.59</u>

Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share at the general meetings of the Company. For liquidation terms refer note below.

Liquidation terms and preferential rights

The liquidation terms of the equity shares are as follows:

(a) If the company shall be wound up, the Liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act divide amongst the shareholders, in specie or kind the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the shareholders or different classes of shareholders.

b. Details of shareholders holding more than 5% shares in the Company

Particulars	For the Year Ended March 31, 2024		For the Year Ended March 31, 2023	
	No.	% holding in the class	No.	% holding in the class
Equity shares of ₹ 10 each fully paid				
Laurus Labs Limited	235,919	91.14%	198,278	76.60%
Mr. Subramani R	-	0.00%	25,000	9.66%
Mr. Rajesh Krishnamurthy	13,797	5.33%	13,797	5.33%

c. Details of shareholders holding of Promoters of the Company:

Shares held by promoters at the end of March 31, 2024

Promoter Name	No of Shares	% of total shares	Change during the year
Mr. Subramani R*	-	0.00%	-9.66%
Mr. Rajesh Krishnamurthy	13,797	5.33%	0.00%
Mr. T.D. Krishna Kalyan	8,459	3.27%	0.00%

Shares held by promoters at the end of March 31, 2023

Promoter Name	No of Shares	% of total shares	Change during the year
Mr. Subramani R*	25,000	9.66%	0.00%
Mr. Rajesh Krishnamurthy	13,797	5.33%	0.00%
Mr. T.D. Krishna Kalyan	8,459	3.27%	0.00%

*Laurus Labs Ltd has acquired 25,000 equity shares from Mr. Subramani R on October 16, 2023 and also Mr. Subramani R is ceased to be promoter and Director of the company.

d. Details of Shares reserved for issue under options

For details of shares reserved for issue under Employee Stock Options Scheme plan of the company, Refer note no. 31

e. Other equity

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Securities premium	723.30	723.30
General reserve	0.41	0.41
Retained earnings	(197.28)	(241.20)
Other comprehensive income	(3.83)	(3.46)
Total	<u>522.60</u>	<u>479.05</u>



Nature and purpose of reserves

Securities premium:

Securities premium is used to record the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

General reserve:

General Reserve is the amount kept aside from the company's profit during its normal operation to meet future needs

Retained earnings:

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to share holders.

Other Comprehensive Income:

Comprises of: (i) Re-measurement of defined employee benefit plans: Difference between the interest income on plan assets and the return actually achieved, any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments with in the plans, are recognised in other comprehensive income and subsequently not reclassified in to statement of profit and loss.

f. Share Warrants

As on November 25, 2020, Company had entered into agreement with its promoters and shares holders to issue the share warrants of 7,765 shares at exercisable price of ₹ 13,135 per share with lock in period of 3 years. These share warrants got exercisable within a period of 2 years from date of issuance. As on March 31, 2024, these share warrants are not exercised.

Company had entered Shareholders agreement ("SHA") with its promoters and Laurus Labs Ltd as on October 20, 2023, the 3,717 share warrants issued to Mr. Subramani R has been cancelled as a part of the said SHA.

As per board meeting held as on April 20, 2024, the Board had granted extension of 3 (three) months to apply, exercise and allot 4,048 share Warrants on private placement basis for a consideration of ₹ 13,135 (Rupees Thirteen Thousand One Hundred Thirty-Five) per Warrant i.e. on or before July 20, 2024



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Notes to Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees (Millions), except for share information or unless otherwise stated)

12 Financial Liabilities

Particulars	March 31, 2024	March 31, 2023
A Non Current borrowings		
Term Loans		
Indian Rupee loans from banks (Secured)	502.08	423.54
Loans from related parties (Refer note no. 30)	260.00	180.00
Total	762.08	603.54
B Current Maturities of Non Current borrowings		
Term Loans		
Indian Rupee loans from banks (Secured)	258.33	98.96
Loans from related parties (Refer note no. 30)	20.00	20.00
	278.33	118.96
Less: Amount disclosed under the head 'current borrowings'	(278.33)	(118.96)
Total	-	-
C Current borrowings		
Cash Credits and Working Capital Demand Loans		
Indian Rupee loans from banks (Secured)	300.00	163.96
Current maturities of non-current Borrowings	278.33	118.96
Total	578.33	282.92

(a) The details of Indian rupee term loans from banks are as under:

Name of the Bank	Outstanding as on March 31, 2024	Outstanding as on March 31, 2023	Sanction Amount	No of Installments	Commencement of Installments	Effective Interest Rate
CITI Bank Term Loan I	104.17	187.50	250.00	12 quarterly installments of ₹ 20.83	August 2022	3M T-Bill+1.86%
CITI Bank Term Loan II	656.25	335.00	700.00	16 quarterly installments of ₹ 43.75	March 2024	3M T-Bill+1.5%

(b) All term loans are secured by pari passu first charge on existing and new plant and machinery, research & development equipments and equitable mortgage of company land and building at plot no 204 & 237, Bommasandra, Jigani link road, KIADB Industrial area, Bangalore (consisting of land area 4040 Sq. Mtrs and buildings thereof) and on charge on present and future movable fixed assets of Vasanthanarsapura plant except to the extent of assets exclusively charged to banks. They are further secured by pari passu second charge on current assets (both present and future).

Current borrowings are availed in Rupee. Interest on rupee loans range from MCLR plus 0.15% to MCLR plus 0.20%. These borrowings are secured by first exclusive charge on current assets and second exclusive charge on property, plant and equipment of the company (both present & future) and are also backed by corporate guarantee issued by Laurus Labs Limited. (March 31 2023: Current borrowings are secured by first exclusive charge on current assets and second exclusive charge on fixed assets of the company (both present & future) and are also backed by corporate guarantee issued by Laurus Labs Limited.)

(c) The Company has used the borrowings for the purposes for which it was taken.

(d) The quarterly returns of current assets filed by the Company with banks are in agreement with the books of account.

13 Trade Payables

Particulars	March 31, 2024	March 31, 2023
- Outstanding dues to creditors other than micro enterprises and small enterprises	100.54	177.15
- Outstanding dues to related parties (Refer note no. 30)	29.08	31.60
	129.62	208.75
- Outstanding dues to micro enterprises and small enterprises	29.56	13.53
	29.56	13.53

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-120 day terms.

For explanations on the Company's credit risk management processes, refer note no. 34.

Trade Payables ageing schedule for the year ended March 31, 2024

Particulars	Outstanding from due date of payment						Total
	Unbilled	Not due	< 1 year	1-2 Years	2-3 Years	> 3 years	
i) Total Outstanding dues to micro enterprises and small enterprises	-	29.56	-	-	-	-	29.56
ii) Total outstanding dues to creditors other than micro enterprises and small enterprises	56.62	35.17	37.84	-	-	-	129.62
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	56.62	64.73	37.84	-	-	-	159.19



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Trade Payables ageing schedule for the year ended March 31, 2023

Particulars	Outstanding from due date of payment						Total
	Unbilled	Not due	< 1 year	1-2 Years	2-3 Years	> 3 years	
i) Total Outstanding dues to micro enterprises and small enterprises	-	13.53	-	-	-	-	13.53
ii) Total outstanding dues to creditors other than micro enterprises and small enterprises	57.94	57.70	93.08	0.02	0.02	-	208.76
iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	57.94	71.23	93.08	0.02	0.02	-	222.29

14 Other Financial Liabilities

Particulars	March 31, 2024	March 31, 2023
Capital Creditors	59.63	23.26
Interest accrued*	3.15	3.01
Total	62.78	26.27

* Interest accrued but not due is normally settled monthly/quarterly throughout the financial year

15 Provisions

Particulars	March 31, 2024	March 31, 2023
A Non-Current Provisions		
Provision for Gratuity (Refer note no.27)	12.72	10.18
Provision for Compensated absences	7.16	3.43
Total	19.88	13.61
B Current Provisions		
Provision for Gratuity (Refer note no.27)	1.95	2.56
Provision for Compensated absences	1.80	1.02
Total	3.75	3.58

16 Income tax assets

Particulars	March 31, 2024	March 31, 2023
A Income tax assets		
Advance tax [net of provision for tax of ₹ 10.97 (March 2023: ₹ 38.25)]	7.12	8.31
Total	7.12	8.31

17 Other Liabilities

Particulars	March 31, 2024	March 31, 2023
Current		
Advances from customers	176.19	235.45
Statutory dues	9.19	8.49
Total	185.38	243.93



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(All amounts in Indian Rupees (Millions), except for share information or unless otherwise stated)

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
18 Revenue from operations		
Sale of products		
Income from sale of Finished Goods	892.46	487.77
	(A) 892.46	487.77
Sale of Services		
Income from services	749.20	798.49
	(B) 749.20	798.49
Other operating revenue		
Sale of Scrap	0.02	-
	(C) 0.02	-
Revenue from operations	(A+B+C) 1,641.68	1,286.26
Notes:		
(i) Reconciliation of revenue from sale of products with the contracted price:	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Revenue as per contracted price, net of returns	892.46	487.77
Adjusted for:		
Profit sharing adjustments	-	-
Total revenue from contracts with customers	892.46	487.77
(i) Disaggregated revenue information:	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Below is the disaggregation of the Company's revenue from contracts with customers.		
Revenue from operations - Domestic	233.22	179.21
Revenue from operations - Exports	1,408.47	1,107.05
Total	1,641.68	1,286.26
Timing of revenue recognition		
Goods transferred at a point of time	892.49	487.77
Services transferred over time	749.20	798.49
Total	1,641.68	1,286.26
(ii) Details of contract balances	March 31, 2024	March 31, 2023
Trade receivables (Refer note no. 9)	126.46	275.95
Advance from customers (Refer note no. 17)	176.19	235.45
(iii) The amount of revenue recognised from advances from customers at the beginning of the year ₹ 231.09 (March 31, 2023 : ₹ 79.29)		
(iv) Revenue from customers contributing more than 10% of total revenue amounts to ₹ 410.69 (March 31, 2023 : ₹ 561.54)		
19 Cost of raw materials and packing materials consumed	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Particulars		
Inventory at the beginning of the year	121.49	109.32
Add: Purchases	473.79	309.20
Less: Inventory at the end of the year	206.75	121.49
Cost of raw materials and packing materials consumed	388.53	297.03
20 Changes in inventories of finished goods, work-in-progress and stock-in-trade	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Particulars		
Opening stock of inventories		
Finished goods	82.18	40.05
Work-in-progress	4.58	1.28
	(A) 86.76	41.33
Closing stock of inventories		
Finished goods	93.05	82.18
Work-in-progress	5.52	4.58
	(B) 98.57	86.76
(Increase)/Decrease in inventories of finished goods and work-in-progress	(A)-(B) (11.81)	(45.43)
21 Employee benefits expense	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Particulars		
Salaries, allowances and wages	292.79	198.43
Contribution to provident fund and other funds	15.44	9.93
Gratuity expense (Refer note no. 27)	4.84	2.87
Managerial remuneration	48.03	45.24
Recruitment and training	4.68	0.78
Staff welfare expenses	52.90	35.63
Total	418.68	292.88



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Notes to Financial Statements for the year ended March 31, 2024

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22 Other expenses

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Consumption of stores and spares	34.65	17.18
Conversion charges	6.94	6.47
Factory Maintenance	78.86	59.69
Effluent treatment expenses	42.26	43.75
Power and fuel	119.22	117.14
Repairs and maintenance		
Plant & Machinery	65.71	29.74
Buildings	6.50	6.78
Others	7.95	2.44
Testing and analysis charges	8.12	5.17
Rent	0.22	0.67
Rates and taxes	4.28	4.14
Insurance	16.37	4.50
Printing and stationery	2.54	1.40
Consultancy and other professional charges	10.21	9.56
Membership and subscription	13.29	7.10
Remuneration to auditors		
-Audit fee	2.30	2.30
-Tax audit fee	-	0.20
Travelling and conveyance	38.40	24.63
Communication expenses	3.04	1.97
Loss on sale of property, plant and equipment (net)	1.22	-
Advances and bad debts written off	0.09	4.96
Net loss on foreign exchange fluctuations	8.36	5.92
Carriage outwards	9.02	2.04
Royalty	2.75	3.38
Business promotion and advertisement	11.69	10.20
CSR expenditure (Refer note no. 26B)	3.53	1.85
Total	497.52	372.78

23 Finance costs

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Interest		
- on term loan	60.05	22.34
- on inter corporate loan	18.24	15.00
- on working capital	15.29	8.99
- on lease liabilities	6.39	5.57
- on others	9.33	4.45
Total interest expense	109.30	56.34
Bank charges	1.91	1.60
Total	111.21	57.94

24 Finance Income

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Interest income on		
Bank deposits	0.09	0.02
Loan given to employees	0.06	0.12
Total	0.16	0.14

25 Components of other comprehensive income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Remeasurement losses on defined benefit plans	(0.52)	(2.87)
Deferred tax on remeasurement of defined benefit plans	0.15	0.84
Total	(0.37)	(2.03)

26A Earnings Per Share

Particulars	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Profit available for equity shareholders	43.92	141.90
Weighted average number of equity shares in computing basic EPS	258,845	258,845
Add: Effect of dilution		
Share warrants	1,607	1,263
Weighted Average number of Equity Shares in computing diluted earnings per share	260,452	260,108
Face value of each equity share (₹)	10	10
Earnings per share		
- Basic (₹)	169.68	548.20
- Diluted (₹)	168.64	545.54

26B Details of CSR expenditure

As per the requirement of the Companies Act, 2013, gross amount required to be spent by the Company during the year is ₹ 3.53

(March 31, 2023: ₹ 1.85)

The nature of CSR activities undertaken by the company includes promoting education, health care and environmental sustainability.

The detail of CSR expenditure is given below.

CSR Activities	For the Year Ended March 31, 2024		
	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	(1.85)	(-)	(1.85)
(ii) On purposes other than (i) above	3.53	(-)	3.53

Amounts in bracket indicate previous year numbers. There is no shortfall at the end of March 31, 2024 and March 31, 2023 in terms of amount required to be spent by the company.



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27 Gratuity

Defined Benefit Plan

The Company has a defined benefit gratuity plan and governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to a gratuity on departure at 15 days salary for each completed year of service. The following tables summarise net benefit expenses recognised in the Statement of Profit and Loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:

Particulars	March 31, 2024	March 31, 2023
A) Net employee benefit expense (recognised in Employee benefits expenses)		
Current service cost	4.01	2.18
Interest cost on benefit obligation	0.83	0.69
Net benefit expense	4.84	2.87
B) Amount recognised in the Balance Sheet		
Present value of defined benefit obligation	14.67	12.74
Fair value of plan assets	-	-
Plan liability	14.67	12.74
C) Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	12.74	11.73
Current service cost	4.01	2.18
Interest cost	0.83	0.69
Benefits paid	(3.43)	(4.72)
Net actuarial losses on obligation for the year recognised under OCI	0.52	2.87
Closing defined benefit obligation	14.67	12.74
D) Remeasurement adjustments:		
(i) The principal assumptions used in determining gratuity for the Company's plans are shown below:		
Particulars	March 31, 2024	March 31, 2023
Discount rate	7.24%	7.52%
Salary escalation rate	10.00%	10.10%
Withdrawal rate	21.60%	25.00%
Retirement age	60 years	60 years

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

(ii) Disclosure related to indication of effect of the defined benefit plan on the entity's future cashflows:

Expected benefit payments for the year ending:

Particulars	March 31, 2024	March 31, 2023
Year 1	1.95	2.56
Year 2	1.85	2.18
Year 3	1.99	1.93
Year 4	2.25	1.85
Year 5	1.98	1.69
Beyond 5 years	12.52	7.88

The average duration of the defined benefit plan obligation at the end of the reporting period is 6.00 years (March 31, 2023: 4.71 years)

(iii) Sensitivity analysis:

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	March 31, 2024	March 31, 2023
(a) Effect of 1% change in assumed discount rate on defined benefit obligation		
- 1% increase	(0.69)	(0.47)
- 1% decrease	0.75	0.51
(b) Effect of 1% change in assumed salary escalation rate on defined benefit obligation		
- 1% increase	0.67	0.42
- 1% decrease	(0.62)	(0.40)
(c) Effect of 1% change in assumed withdrawal rate on defined benefit obligation		
- 1% increase	(0.16)	(0.06)
- 1% decrease	0.17	0.06

(iv) Defined contribution plan

Particulars	March 31, 2024	March 31, 2023
Contribution to Provident Fund	15.77	9.31



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28 Trade Payables (Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006):

Particulars	March 31, 2024	March 31, 2023
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	29.56	13.53
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-
Total	29.56	13.53

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

29 Research and development

i). Details of Revenue expenditure (expensed as and when incurred):

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries & Wages	75.74	46.29
Lab Consumables	51.54	10.45
Other Expenses	20.83	-
Total	148.11	56.74

30 Related party disclosures

Names of related parties and description of relationship

Name of the related party	Relationship
Holding Company	
i) Laurus Labs Limited	91.14 % Holding Company
ii) Sriam Labs Private Limited	Fellow Subsidiary
iii) Laurus Synthesis Private Limited	Fellow Subsidiary
iv) Laurus Holdings Limited	Fellow Subsidiary
v) Laurus Generics Inc	Fellow Subsidiary
vi) Laurus Generics GmbH	Fellow Subsidiary
vii) Laurus Generics SA (Pty) Limited	Fellow Subsidiary
viii) Laurus Ingredients Private Limited *	Fellow Subsidiary
ix) Laurus Specialty Chemicals Private Limited	Fellow Subsidiary
x) Immuno-Adoptive Cell Therapy Private Limited	Associate of holding company
xi) Ethan Energy India Private Limited	Associate of holding company
Key Management Personnel	
i) Mr. Subramani Ramachandrappa	Non Executive Director (Resigned w.e.f Oct 16, 2023)
ii) Mr. Krishna Kalyan T D	Wholetime Director
iii) Mr. Rajesh Krishnamurthy	Wholetime Director
iv) Mrs. Aruna Bhinge	Independent Director
v) Mr. Vishes Rajaram	Independent Director (Resigned w.e.f April 16, 2023)
vi) Mr. Dr. M. Venu Gopal Rao	Independent Director (w.e.f July 20, 2023)
vi) Ms. Hansika Hulas Jain	Company Secretary

* The Company has not commenced its operations and no share capital has been infused and the Company has filed for striking off of the name of the company as on February 21, 2022 and MCA has approved the striking off with effect from June 01, 2023.

Transactions during the year :

Name of Party	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
i) Mr. Subramani Ramachandrappa		
Remuneration	0.56	17.97
ii) Mr. Krishna Kalyan T D		
Remuneration	20.65	15.53
iii) Mr. Rajesh Krishnamurthy		
Remuneration	26.43	19.70
iv) Laurus Labs Limited		
Inter Corporate Loans taken	100.00	-
Inter Corporate Loans repaid	20.00	-
Sale of Services	36.26	42.60
Purchase of Corporate support services	9.55	8.51
Commission on Corporate Guarantee	9.00	3.68
Interest on Corporate Loan	18.23	15.00
v) Mrs. Aruna Bhinge		
Sitting Fees	0.20	0.18



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vi) Mr. Visesh Rajaram		
Sitting Fees	-	0.13
vii) Mr. Dr. M. Venu Gopal Rao		
Sitting Fees	0.19	-
viii) Ms Hansika Hulas Jain		
Employee Benefit Expenses - Salaries	1.16	1.10

Closing balances (Unsecured)

Name of Party	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
i) Mr. Subramani Ramachandrappa		
Remuneration Payable	-	7.04
ii) Mr. Krishna Kalyan T D		
Remuneration Payable	6.88	5.28
iii) Mr. Rajesh Krishnamurthy		
Remuneration Payable	8.80	6.70
iv) Laurus Labs Limited		
Inter Corporate Loan	280.00	200.00
Trade Receivables	8.95	16.67
Trade Payables	13.14	12.50
v) Mrs. Aruna Bhinge		
Sitting Fees	0.11	0.04
vi) Mr. Visesh Rajaram		
Sitting Fees	-	0.05
vii) Mr. Dr. M. Venu Gopal Rao		
Sitting Fees	0.16	-

Note:

The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees of the Company as a whole

*Maximum balance outstanding during the year ₹ 290.00 (March 31, 2023 : ₹ 200.00) loan taken for business purposes at the rate of interest 8.5% (March 31, 2023: 8.00%)

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured.

31 During the year ended March 31, 2022, all the option holders had exercised their option.

As per the Shareholders agreement ("SHA") entered by the company along with its promoters and Laurus Labs Ltd as on October 20, 2023, it is agreed to create an ESOP Pool to an extent of 6,471 stock options which amounts to 2.40% of Share Capital of the Company on fully diluted basis with no pre-emption rights to the Promoters and Laurus Labs Ltd.



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Notes to Financial Statements for the year ended March 31, 2024

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32 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(A) Use of estimates, Judgements and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following note

(i) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimation requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The Black Scholes valuation model has been used by the Management for share-based payment transactions. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note no 31.

(ii) Defined employee benefit plans (Gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in Note no 27.

(iii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow ('DCF') model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 33 and 34 for further disclosures.

(iv) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives and residual values of all its property, plant and equipment estimated by the management. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II of the Companies Act, 2013.

33 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

Particulars	Carrying value		Fair value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Financial assets at amortised cost:				
Loans	3.48	3.59	3.48	3.59
Deposits and others	11.39	9.57	11.39	9.57
Trade receivables	126.46	275.95	126.46	275.95
Cash and cash equivalents	47.95	4.58	47.95	4.58
Other balances with banks	3.26	-	3.26	-
Financial liabilities at amortised cost:				
Borrowings (Non-current and current)	1,340.42	886.46	1,340.42	886.46
Interest accrued	3.15	3.01	3.15	3.01
Trade payables	159.19	222.27	159.19	222.27
Capital creditors and others	59.63	23.26	59.63	23.26
Lease Liabilities (Non-Current and Current)	71.95	74.82	71.95	74.82

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value of borrowings approximate their carrying amounts largely since they are carried at floating rate of interest.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.



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34 Financial risk management objectives and policies

Financial risk management framework

The Company is exposed primarily to credit risk, liquidity risk and market risk (fluctuations in foreign currency exchange rates and interest rate), which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

A Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk, except for trade receivables.

Trade receivables:

The customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the individual credit limits are defined in accordance with this assessment and outstanding customer receivables are regularly monitored. Of the trade receivables balance, ₹ 91.03 in aggregate (as at March 31, 2023 ₹ 227.74) is due from the Company's customers individually representing more than 5 % of the total trade receivables balance and accounted for approximately 77.72% (March 31, 2023: 82.50%) of all the receivables outstanding. The Company's receivables turnover is quick and historically, there was no significant defaults on account of those customer in the past. Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

Before accepting any new customer, the Company uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on periodic basis. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk includes carrying amount of balances with trade receivables.

B Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	Up to 1 Year	1 to 3 years	3 to 5 years	> 5 years	Total
March 31, 2024:					
Non-current borrowings (including current maturities)	278.33	410.83	171.25	180.00	1,040.41
Current borrowings	300.00	-	-	-	300.00
Interest accrued	3.15	-	-	-	3.15
Trade payables	159.18	-	-	-	159.18
Other payables	59.63	-	-	-	59.63
	800.28	410.83	171.25	180.00	1,562.36
March 31, 2023:					
Non-current borrowings (including current maturities)	623.54	98.96	-	-	722.50
Current borrowings	163.96	-	-	-	163.96
Interest payable	3.01	-	-	-	3.01
Trade payables	222.27	-	-	-	222.27
Other payables	23.26	-	-	-	23.26
	1,036.04	98.96	-	-	1,135.00

Excludes lease liabilities. Refer note no 37 for contractual cash flows relating to leases

C Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest risk management by balancing the proportion of fixed rate and



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Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the

Particulars	Change in basis points		Effect on profit before tax	
	Increase	Decrease	Decrease	Increase
March 31, 2024				
Indian Rupees	0.50%	0.50%	(5.50)	5.50
March 31, 2023				
Indian Rupees	0.50%	0.50%	(1.49)	1.49

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar against the functional currencies of the Company. The information as follows:



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a) Details of Unhedged Foreign Currency Exposure:

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as under :

Particulars	Currency	March 31, 2024			March 31, 2023		
		Amount in foreign currency	Amount in ₹	Conversion Rate	Amount in foreign currency	Amount in ₹	Conversion Rate
Trade Receivables	USD	1.12	93.57	83.37	2.20	181.22	82.22
	EUR	0.05	4.77	90.22	0.07	5.86	89.61
Trade Payables	USD	0.10	8.28	83.37	0.00	0.41	82.22
	EUR	0.04	3.83	90.22	-	-	-
Cash and cash equivalents	USD*	-	-	-	0.00	0.00	82.36
	THB*	-	-	-	0.00	0.00	2.38
	SGD*	-	-	-	0.00	0.00	61.79
	JPY	0.00	0.00	0.55	0.01	0.01	0.57

* Amount less than Indian rupees 10,000

b) Foreign currency sensitivity:

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	Change in USD rate		Effect on profit before tax	
	Increase	Decrease	Increase	Decrease
March 31, 2024				
USD	1.00%	1.00%	0.85	(0.85)
EURO	1.00%	1.00%	0.01	(0.01)
March 31, 2023				
USD	1.00%	1.00%	1.81	(1.81)
EURO	1.00%	1.00%	0.06	(0.06)

35 Taxes

(a) Income tax expense:

The major components of income tax expenses for the year ended March 31, 2024 and for the year ended March 31, 2023 are:

(i) Statement of Profit and Loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax	10.97	54.65
Deferred tax credit	7.94	7.72
Total income tax expense recognised in Statement of Profit and Loss	18.92	62.37

(ii) Other comprehensive income (OCI)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Tax on remeasurement of defined benefit plans	0.15	0.84
Tax on fair value movements on cash flow hedges	-	-
Total tax recognised in OCI	0.15	0.84

(b) Reconciliation of effective tax rate:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax (A)	62.83	204.27
Enacted tax rate in India (B)	29.12%	29.12%
Expected tax expenses (C = A*B)	18.30	59.48
Permanent Difference		
Carryforward losses and unabsorbed depreciation	-	-
Others	2.10	9.92
Total (D)	2.10	9.92
Profit after adjusting permanent difference	64.93	214.19
Expected tax expense	18.91	62.37
Total Tax expense	18.91	62.37
Effective Tax rate	30.09%	30.53%

(c) The details of component of deferred tax assets/(liabilities) are given under Note 7.



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36 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company intends to keep the gearing ratio between 0.5 to 1.5. The Company includes within net debt, borrowings including interest accrued on borrowings less cash and short-term deposits.

Particulars	March 31, 2024	March 31, 2023
Borrowings including interest accrued on borrowings (Note 14)	1,043.56	725.51
Less: Cash and cash equivalents; other balances with banks (Note 10A & 10B)	(51.21)	(4.58)
	<u>992.36</u>	<u>720.93</u>
Equity	2.59	2.59
Other equity	522.60	479.05
Total equity	<u>525.19</u>	<u>481.64</u>
Gearing ratio (Net debt/ Total equity)	0.53	0.67

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024.

37 Leases

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.

Operating lease commitments - Company as lessee

The Company's lease asset classes primarily consist of leases for land. 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 can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

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.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2024 and March 31, 2023

Particulars	March 31, 2024	March 31, 2023
Opening Balance	91.60	103.40
Additions	244.25	5.25
Depreciation	(41.85)	(17.05)
Closing Balance	<u>294.00</u>	<u>91.60</u>

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of profit and loss

The following is the movement in lease liabilities during the year ended March 31, 2024 and March 31, 2023

Particulars	March 31, 2024	March 31, 2023
Opening Balance	79.69	86.13
Additions	244.25	5.25
Finance cost accrued during the year	6.39	5.57
Payment of lease liabilities	(253.40)	(17.26)
Closing Balance	<u>76.93</u>	<u>79.69</u>

The following is the break-up of current and non-current lease liabilities as at March 31, 2024 and March 31, 2023

Particulars	March 31, 2024	March 31, 2023
Non-current lease liabilities	71.95	74.81
Current lease liabilities	4.99	4.89
Total	<u>76.93</u>	<u>79.69</u>

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2024 and as at March 31, 2023 on discounted basis

Particulars	March 31, 2024	March 31, 2023
Within one year	4.99	4.89
After one year but not more than five years	42.20	51.83
More than five years	29.75	22.97

38 Commitments & Contingent Liabilities
a Commitments

Particulars	March 31, 2024	March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	213.60	367.67



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b Contingent Liabilities

Particulars	March 31, 2024	March 31, 2023
Claims arising from disputes not acknowledged as debts - direct taxes	6.34	23.51

39 In accordance with Indian Accounting Standard (Ind AS) 108 on Operating segments, segment information has been given in the consolidated financial statements of the Company, and therefore no separate disclosure on segment information is given in these financial statements.

40 Ratios

Particulars	Numerator	Denominator	March 31, 2024	March 31, 2023	Variance	Reasons for variance
Current Ratio	Current Assets	Current Liabilities	0.66	0.97	-31.90%	Decrease in Receivables and increase in current maturities resulted in lower current ratio
Debt-Equity Ratio	Total Debt (1)	Shareholder's Equity	2.56	1.85	38.53%	Additional term loans for capex resulted in high Debt Equity ratio
Debt Service Coverage Ratio	Earnings available for debt service (2)	Debt service (3)	1.10	3.04	-63.99%	The coverage has decreased due to increase in interest cost & current maturities
Return on Equity (ROE)	Net profit after taxes	Average Shareholder's Equity	8.72%	34.47%	-74.69%	Decreased due to decrease in net profit and increase in average shareholders Equity
Inventory Turnover Ratio	Revenue from Operations	Average Inventory	6.39	7.17	-10.81%	Increase in inventory levels are not in proportionate with revenue increase resulted in lower ratio
Trade Receivables Turnover Ratio	Revenue from Operations	Average Receivables	8.16	7.36	10.82%	Increase in revenue and decrease in receivables resulted in higher ratio
Trade Payables Turnover Ratio	Purchases	Average Trade Payables	2.48	1.75	41.75%	Decrease in payables inspite of increase in cost of goods sold resulted in higher ratio
Net Capital Turnover Ratio	Revenue from Operations	Working Capital (4)	(4.84)	(50.86)	-90.48%	Substantial decrease in Receivables, increase in Inventory and increase in short term borrowings resulted better ratio
Net Profit Ratio	Net Profit	Revenue from Operations	2.68%	11.03%	-75.75%	Decrease in net profit resulted in lower ratio
Return on Capital Employed (ROCE)	Earnings Before Interest and Taxes (EBIT)	Capital Employed (5)	9.16%	18.77%	-51.20%	Decrease in profit and increase in debt resulted in decrease in ROE

(1) Long Term borrowings + Short Term borrowings + Inter corporate loans + Interest accrued

(2) Net profit after tax + Non-operating cash expenses like depreciation + Interest + Other adjustments like loss on sale of fixed assets etc.

(3) Interest + Lease payments + Principal repayments + Intercorporate loan payments

(4) Current assets - Current liabilities

(5) Tangible networth + Total debt including interest accrued +Deferred tax liability (Net)

(6) The company does not have any market linked incentives



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41 Other statutory information

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami Property.
- ii) The Company does not have any transactions with companies struck off.
- iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- viii) The Company doesn't have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

- 42 The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

For and on behalf of the Board of Directors
Laurus Bio Private Limited


Rajesh Krishnamurthy
WholeTime Director
DIN : 03329827


Krishna Kalyan T D
WholeTime Director
DIN : 03102812


Hansika Hulas Jain
Company Secretary

Place: Bengaluru
Date: April 20, 2024

