



INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of  
Laurus Holdings Limited,

1. We have reviewed the accompanying consolidated Ind AS financial statements of Laurus Holdings Limited ("the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance Sheet as at March 31, 2024, the consolidated Statement of Profit and Loss, including the statement of Other Comprehensive Income, the consolidated Statement of Cash Flows and the consolidated Statement of Changes in Equity for the Period ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "consolidated Ind AS financial statements"). These Reviewed Financial Statements is issued only for the limited purpose of incorporating in Consolidated Financial Statements of its Holding Company Laurus Labs Limited.
2. This Consolidated Ind AS financial statements which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the consolidated Ind AS financial statements based on our review.
3. We conducted our review of the consolidated Ind AS financial statements in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the consolidated Ind AS financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. The statement includes the results of the following entities  
**Parent:**  
a) Laurus Holdings Limited (LHL), United Kingdom  
**Subsidiaries:**  
a) Laurus Generics Inc, United States of America  
b) Laurus Generics GmbH, Germany



5. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying consolidated Ind AS financial statements, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, or that it contains any material misstatement.
6. The Financial information of 2 Subsidiaries included in the Consolidated audited financial information of the entities included in the Group, whose information reflects total revenues of GBP 1,71,45,589, GBP 18,32,489 and total net profit after tax of GBP (9,51,179) , GBP (7,36,842) for the year ended 31<sup>st</sup> March 2024, as considered in the respective Consolidated audited financial information of the entities included in the Group. The financial information of these subsidiaries have been reviewed by us, we do not express an audit opinion

For Ramasamy Koteswara Rao and Co LLP  
Chartered Accountants

Firm Registration Number :010396S/S200084



*M. K. Reddy*

Murali Krishna Reddy Telluri  
Partner

M.no: 223022

UDIN: 24223022BKARKU4945

Date: 18-04-2024

Place: Hyderabad



# RAMASAMY KOTESWARA RAO AND CO LLP

## CHARTERED ACCOUNTANTS

### INDEPENDENT AUDITOR'S REPORT

To The Members of Laurus Holdings Limited

Report on the Consolidated Ind AS Financial Statements

#### Opinion

We have audited the accompanying financial statements of Laurus Holdings Limited ("the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2024, and its financial performance, its cash flows and the changes in equity for the year ended on that date. These Audited Financial Statements is issued only for the limited purpose of incorporating in Consolidated Financial Statements and statutory filings.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Holding 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.

#### Management's Responsibility for the Financial Statements

The Holding 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 Group in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease

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operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Group'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.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Group'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 Group 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 control that we identify during our audit.



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

**Report on Other Requirements**

As required by Section 143(3) of the Act, based on our audit, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

**For Ramasamy Koteswara Rao and Co LLP**  
Chartered Accountants  
Firm Registration Number :010396S/S200084



*Melli*  
**Murali Krishna Reddy Telluri**  
Partner  
M.no: 223022  
UDIN: 24223022BKARKX6101

Place: Hyderabad  
Date: April 18, 2024

# Laurus Holdings Limited

Consolidated Balance Sheet as at March 31, 2024

	Notes	March 31, 2024 Amount in GBP	March 31, 2023 Amount in GBP	March 31, 2024 Amount in INR	March 31, 2023 Amount in INR
<b>ASSETS</b>					
<b>Non Current Assets</b>					
Property, Plant and Equipment	3	36,964	48,218	38,89,065	48,99,938
<b>Financial Assets</b>					
Other financial assets	4A	22,568	23,035	23,74,402	23,40,847
		<b>59,532</b>	<b>71,253</b>	<b>62,63,467</b>	<b>72,40,785</b>
<b>Current Assets</b>					
<b>Financial Assets</b>					
Inventory	5	87,61,741	72,80,941	92,18,31,532	73,98,98,719
Trade receivables	6	1,10,05,465	1,14,94,563	1,15,78,95,978	1,16,80,92,495
Cash and cash equivalents	7	7,61,290	10,68,874	8,00,96,082	10,86,20,370
Other Current Assets	4B	2,10,061	1,51,388	2,21,00,728	1,53,84,246
		<b>2,07,38,557</b>	<b>1,99,95,766</b>	<b>2,18,19,24,320</b>	<b>2,03,19,95,830</b>
<b>Total Assets</b>		<b>2,07,98,088</b>	<b>2,00,67,018</b>	<b>2,18,81,87,787</b>	<b>2,03,92,36,615</b>
<b>EQUITY and LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	8	11,24,107	11,24,107	10,53,22,230	10,53,22,230
<b>Other Equity</b>					
Retained earnings	9A	(26,94,244)	(10,21,180)	(20,79,09,229)	(6,16,73,389)
Other reserves	9B	13,04,025	11,41,812	7,45,89,287	8,28,43,363
<b>Total Equity</b>		<b>(2,66,112)</b>	<b>12,44,739</b>	<b>(2,79,97,713)</b>	<b>12,64,92,203</b>
<b>Current Liabilities</b>					
<b>Financial Liabilities</b>					
Borrowings	10	37,62,656	38,40,537	39,58,72,800	39,02,80,378
Trade Payables	11	1,25,70,545	87,20,579	1,32,25,59,632	88,61,96,631
Other current liabilities	12	47,27,489	62,06,855	49,73,83,883	63,07,48,655
Income tax liabilities	13	3,509	54,307	3,69,185	55,18,748
		<b>2,10,64,199</b>	<b>1,88,22,278</b>	<b>2,21,61,85,500</b>	<b>1,91,27,44,412</b>
<b>Total Equity and Liabilities</b>		<b>2,07,98,088</b>	<b>2,00,67,018</b>	<b>2,18,81,87,787</b>	<b>2,03,92,36,615</b>

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

As per our report of even date

For Ramasamy Koteswara Rao and Co LLP  
Chartered Accountants  
Firm Registration Number :010396S/S200084

Murali Krishna Reddy Telluri  
Partner  
Membership No : 223022

Place: Hyderabad  
Date: April 18, 2024



For and on behalf of the Board of Directors  
Laurus Holdings Limited

Dr. Satyanarayana Chava  
Director

V.V. Ravi Kumar  
Director

Place: Hyderabad  
Date: April 18, 2024

**Laurus Holdings Limited**  
**Consolidated Profit and Loss for the year ended March 31, 2024**

	Notes	For the year ended March 31, 2024 Amount in GBP	For the year ended March 31, 2023 Amount in GBP	For the year ended March 31, 2024 Amount in INR	For the year ended March 31, 2023 Amount in INR
<b>I. INCOME</b>					
Revenue from Operations	14	1,94,50,962	1,80,47,415	2,02,39,28,717	1,74,57,07,280
<b>Total Revenue ( I )</b>		<b>1,94,50,962</b>	<b>1,80,47,415</b>	<b>2,02,39,28,717</b>	<b>1,74,57,07,280</b>
<b>II. EXPENSES</b>					
Cost of Materials Consumed	15	1,37,92,628	1,08,14,346	1,40,73,11,438	1,02,35,96,670
Employee Benefits Expenses	16	22,13,721	39,12,697	23,03,44,057	37,84,71,018
Other Expenses	17	48,14,711	40,39,459	50,09,84,571	39,07,32,549
<b>Total Expenses ( II )</b>		<b>2,08,21,060</b>	<b>1,87,66,502</b>	<b>2,13,86,40,066</b>	<b>1,79,28,00,237</b>
<b>III. Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (I-II)</b>		<b>(13,70,098)</b>	<b>(7,19,087)</b>	<b>(11,47,11,349)</b>	<b>(4,70,92,957)</b>
Depreciation and Amortisation	3	6,556	6,943	6,82,175	6,71,557
Finance Expenses	18	2,92,901	2,03,678	3,04,77,194	1,97,01,556
<b>IV. Loss Before Tax for the year</b>		<b>(16,69,555)</b>	<b>(9,29,708)</b>	<b>(14,58,70,718)</b>	<b>(6,74,66,070)</b>
<b>V. Tax Expense</b>					
Current Tax		3,509	67,864	3,65,122	65,64,413
<b>Income tax expense</b>		<b>3,509</b>	<b>67,864</b>	<b>3,65,122</b>	<b>65,64,413</b>
<b>VI. Loss for the year</b>		<b>(16,73,064)</b>	<b>(9,97,572)</b>	<b>(14,62,35,840)</b>	<b>(7,40,30,483)</b>

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

As per our report of even date

For Ramasamy Koteswara Rao and Co LLP

Chartered Accountants  
Firm Registration Number :010396S/S200084

Murali Krishna Reddy Telluri  
Partner  
Membership No : 223022

Place: Hyderabad  
Date: April 18, 2024



For and on behalf of the Board of Directors

Laurus Holdings Limited

Dr. Satyanarayana Chava  
Director

WE KE

V.V. Ravi Kumar  
Director

Place: Hyderabad  
Date: April 18, 2024

**Laurus Holdings Limited**

Consolidated Notes to the financial statements for the year ended March 31, 2024

	March 31, 2024 Amount in GBP	March 31, 2023 Amount in GBP	March 31, 2024 Amount in INR	March 31, 2023 Amount in INR
<b>4. Financial Assets</b>				
<b>A Other financial assets</b>				
<b>Non-Current (unsecured, considered good unless otherwise stated)</b>				
Security Deposits	22,568	23,035	23,74,402	23,40,847
	<u>22,568</u>	<u>23,035</u>	<u>23,74,402</u>	<u>23,40,847</u>
<b>B Other current assets</b>				
<b>Current (unsecured, considered good unless otherwise stated)</b>				
Prepayments	2,09,857	1,51,029	2,20,79,265	1,53,47,764
Balances with Statutory/Government Authorities	204	359	21,463	36,482
	<u>2,10,061</u>	<u>1,51,388</u>	<u>2,21,00,728</u>	<u>1,53,84,246</u>
<b>5. Inventories</b>				
Closing Stock	87,61,741	72,80,941	92,18,31,532	73,98,98,719
	<u>87,61,741</u>	<u>72,80,941</u>	<u>92,18,31,532</u>	<u>73,98,98,719</u>
<b>6. Trade Receivables</b>				
Trade receivables	1,09,71,177	1,12,64,227	1,15,42,88,503	1,14,46,85,436
Receivable from related parties	34,288	2,30,336	36,07,475	2,34,07,059
	<u>1,10,05,465</u>	<u>1,14,94,563</u>	<u>1,15,78,95,978</u>	<u>1,16,80,92,495</u>

**Trade Receivables ageing schedule for the year ended March 31, 2024: Amount in GBP**

Particulars	Not Due	Outstanding from due date of payment			Total
		Less than 6 months	6 months - 1 year	1- 2 years	
i) Undisputed Trade receivables - considered good	94,64,081	4,76,004	10,65,380	-	1,10,05,465
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-
iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-
<b>Total</b>	<b>94,64,081</b>	<b>4,76,004</b>	<b>10,65,380</b>	<b>-</b>	<b>1,10,05,465</b>

**Trade Receivables ageing schedule for the year ended March 31, 2024: Amount in INR**

Particulars	Not Due	Outstanding from due date of payment			Total
		Less than 6 months	6 months - 1 year	1- 2 years	
i) Undisputed Trade receivables - considered good	99,57,25,389	5,00,80,807	11,20,89,782	-	1,15,78,95,978
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-
iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-
<b>Total</b>	<b>99,57,25,389</b>	<b>5,00,80,807</b>	<b>11,20,89,782</b>	<b>-</b>	<b>1,15,78,95,978</b>

**Trade Receivables ageing schedule for the year ended March 31, 2023: Amount in GBP**

Particulars	Not Due	Outstanding from due date of payment			Total
		Less than 6 months	6 months - 1 year	1- 2 years	
i) Undisputed Trade receivables - considered good	97,98,429	16,96,134	-	-	1,14,94,563
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-
iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-
<b>Total</b>	<b>97,98,429</b>	<b>16,96,134</b>	<b>-</b>	<b>-</b>	<b>1,14,94,563</b>

**Trade Receivables ageing schedule for the year ended March 31, 2023: Amount in INR**

Particulars	Not Due	Outstanding from due date of payment			Total
		Less than 6 months	6 months - 1 year	1- 2 years	
i) Undisputed Trade receivables - considered good	99,57,29,128	17,23,63,367	-	-	1,16,80,92,495
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-
iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-
<b>Total</b>	<b>99,57,29,128</b>	<b>17,23,63,367</b>	<b>-</b>	<b>-</b>	<b>1,16,80,92,495</b>

**7. Cash and cash equivalents**

Cash and Cash Equivalents				
Balances with Banks				
- On Current Accounts	7,61,290	10,68,874	8,00,96,082	10,86,20,370
	<u>7,61,290</u>	<u>10,68,874</u>	<u>8,00,96,082</u>	<u>10,86,20,370</u>

**8. Share Capital**

Issued, Subscribed and Paid Up				
8,500 Equity share of GBP 100 each fully paid up	8,50,000	8,50,000	7,78,97,649	7,78,97,649
3,600 Equity shares of USD 100 each full paid up - LGI	2,74,107	2,74,107	2,74,24,581	2,74,24,581
	<u>11,24,107</u>	<u>8,50,000</u>	<u>10,53,22,230</u>	<u>10,53,22,230</u>

**Other Equity**

<b>9A. Retained Earnings</b>				
Opening balance	(10,21,180)	(23,608)	(6,16,73,389)	1,23,57,094
Add : Loss for the year	(16,73,064)	(9,97,572)	(14,62,35,840)	(7,40,30,483)
Closing balance	<u>(26,94,244)</u>	<u>(10,21,180)</u>	<u>(20,79,09,229)</u>	<u>(6,16,73,389)</u>
<b>9B. Foreign currency translation reserve</b>				
Balance as per last financial statements	(1,06,895)	14,005	(4,20,92,056)	(80,10,674)
Current year Foreign Currency Translation Reserve (FCTNR)	1,62,213	(1,20,900)	(82,54,076)	(3,40,81,382)
Closing at the end of year	<u>55,318</u>	<u>(1,06,895)</u>	<u>(5,03,46,132)</u>	<u>(4,20,92,056)</u>
<b>9C. Securities Premium</b>				
Opening Balance	12,48,707	12,48,707	12,49,35,419	12,49,35,419
Additions during the year	-	-	-	-
Closing Balance	<u>12,48,707</u>	<u>12,48,707</u>	<u>12,49,35,419</u>	<u>12,49,35,419</u>

**10. Borrowings**

-Current borrowings				
Borrowing from Banks	37,62,656	38,40,537	39,58,72,800	39,02,80,378
	<u>37,62,656</u>	<u>38,40,537</u>	<u>39,58,72,800</u>	<u>39,02,80,378</u>



**Laurus Holdings Limited**

Consolidated Notes to the financial statements for the year ended March 31, 2024

	March 31, 2024 Amount in GBP	March 31, 2023 Amount in GBP	March 31, 2024 Amount in INR	March 31, 2023 Amount in INR	
<b>11. Trade Payables</b>					
- Outstanding dues to creditors other than micro enterprises and small enterprises	26,17,725	30,31,732	27,54,13,487	30,80,88,581	
- Outstanding dues to related parties	99,52,820	56,88,847	1,04,71,46,145	57,81,08,050	
	<u>1,25,70,545</u>	<u>87,20,579</u>	<u>1,32,25,59,632</u>	<u>88,61,96,631</u>	
<b>Trade Payables ageing schedule for the year ended March 31, 2024 - Amount in GBP</b>					
Particulars	Not due	Outstanding from due date of payment			Total
		Less than 1 year	1-2 year	2-3 year	
i) MSME		-	-	-	-
ii) Others	30,76,413	94,94,132	-	-	1,25,70,545
<b>Total</b>	<b>30,76,413</b>	<b>94,94,132</b>	<b>-</b>	<b>-</b>	<b>1,25,70,545</b>
<b>Trade Payables ageing schedule for the year ended March 31, 2024 - Amount in INR</b>					
Particulars	Not due	Outstanding from due date of payment			Total
		Less than 1 year	1-2 year	2-3 year	
i) MSME		-	-	-	-
ii) Others	32,36,72,515	99,88,87,117	-	-	1,32,25,59,632
<b>Total</b>	<b>32,36,72,515</b>	<b>99,88,87,117</b>	<b>-</b>	<b>-</b>	<b>1,32,25,59,632</b>
<b>Trade Payables ageing schedule for the year ended March 31, 2023 - Amount in GBP</b>					
Particulars	Not due	Outstanding from due date of payment			Total
		Less than 1 year	1-2 year	2-3 year	
i) MSME		-	-	-	-
ii) Others	45,07,779	42,12,800	-	-	87,20,579
<b>Total</b>	<b>45,07,779</b>	<b>42,12,800</b>	<b>-</b>	<b>-</b>	<b>87,20,579</b>
<b>Trade Payables ageing schedule for the year ended March 31, 2023 - Amount in INR</b>					
Particulars	Not due	Outstanding from due date of payment			Total
		Less than 1 year	1-2 year	2-3 year	
i) MSME		-	-	-	-
ii) Others	45,80,86,393	42,81,10,238	-	-	88,61,96,631
<b>Total</b>	<b>45,80,86,393</b>	<b>42,81,10,238</b>	<b>-</b>	<b>-</b>	<b>88,61,96,631</b>
<b>12. Other Liabilities</b>					
<b>Current</b>					
Interest accrued	7,968	7,250	8,38,300	7,36,711	
Charge back reserves and rebates	46,41,807	61,99,605	48,83,69,156	63,00,11,944	
Advances from Ultimate Holding company	77,715	-	81,76,427	-	
	<u>47,27,489</u>	<u>62,06,855</u>	<u>49,73,83,883</u>	<u>63,07,48,655</u>	
<b>*Details of charge back reserves and rebates</b>					
Opening Balance	60,60,292	51,19,631	63,00,11,944	52,02,63,560	
Provisions relating to sales during the year	4,18,20,225	3,20,40,707	(4,37,28,93,675)	3,25,60,18,525	
Credits/payments during the year	(4,32,38,710)	(3,09,60,733)	4,23,12,50,887	(3,14,62,70,142)	
<b>Closing Balance</b>	<b>46,41,807</b>	<b>61,99,605</b>	<b>48,83,69,156</b>	<b>63,00,11,944</b>	
<b>13. Income tax assets liabilities</b>					
Provision for taxes	3,509	54,307	3,69,185	55,18,748	
	<u>3,509</u>	<u>54,307</u>	<u>3,69,185</u>	<u>55,18,748</u>	
<b>14. Revenue from Operations</b>					
Sale of Services	36,30,523	34,48,128	37,77,66,393	33,35,33,753	
Sale of Products	1,58,20,439	1,45,99,287	1,64,61,62,324	1,41,21,73,527	
<b>Revenue from Operations (Gross)</b>	<b>1,94,50,962</b>	<b>1,80,47,415</b>	<b>2,02,39,28,717</b>	<b>1,74,57,07,280</b>	
<b>Reconciliation of revenue from sale of products with the contracted price:</b>					
Revenue as per contracted price, net of returns	5,76,34,179	4,72,03,485	5,99,70,02,614	4,56,59,42,912	
Chargebacks, rebates and discounts	(4,20,25,684)	(3,27,78,629)	(4,37,28,93,675)	(3,17,06,41,910)	
Profit sharing adjustments	2,11,944	1,74,431	2,20,53,385	1,68,72,525	
<b>Total revenue from contracts with customers</b>	<b>1,58,20,439</b>	<b>1,45,99,287</b>	<b>1,64,61,62,324</b>	<b>1,41,21,73,527</b>	
<b>15. Cost of Materials Consumed</b>					
Opening stock at the beginning of the year	72,80,941	51,71,071	73,98,98,719	51,33,49,655	
Add : Purchases	1,52,73,428	1,29,24,216	1,58,92,44,251	1,25,01,45,734	
Less : Closing stock at the end of the year	87,61,741	72,80,941	92,18,31,532	73,98,98,719	
	<u>1,37,92,628</u>	<u>1,08,14,346</u>	<u>1,40,73,11,438</u>	<u>1,02,35,96,670</u>	
<b>16. Employee Benefits Expenses</b>					
Salaries, allowances and wages	22,13,721	39,12,697	23,03,44,057	37,84,71,018	
	<u>22,13,721</u>	<u>39,12,697</u>	<u>23,03,44,057</u>	<u>37,84,71,018</u>	
<b>17. Other Expenses</b>					
Rent	79,137	75,849	82,34,433	73,36,793	
Rates and taxes	5,33,376	4,11,849	5,54,99,312	3,98,37,716	
Storage & Title distribution charges	28,00,953	17,18,354	29,14,47,241	16,62,14,554	
Office maintenance	1,236	3,138	1,28,609	3,03,535	
Insurance	84,397	79,426	87,81,751	76,82,792	
Printing and stationery	17,755	15,938	18,47,459	15,41,666	
Consultancy and other professional charges	4,66,857	5,85,329	4,85,77,818	5,66,18,251	
Freight Charges	-	1,72,472	-	1,66,83,033	
Travelling and conveyance	1,01,287	97,882	1,05,39,205	94,68,022	
Communication expenses	34,865	35,919	36,27,804	34,74,407	
Business Support Services	3,51,087	5,57,364	3,65,31,615	5,39,13,204	
Other selling expenses	2,81,080	2,18,393	2,92,47,185	2,11,24,923	
Net Forex loss	13,393	24,430	13,93,580	23,63,088	
Royalty	49,288	43,116	51,28,559	41,70,565	
	<u>48,14,711</u>	<u>40,39,459</u>	<u>50,09,84,571</u>	<u>39,07,32,549</u>	
<b>18. Finance Expenses</b>					
Interest					
- on loans	2,92,460	1,97,846	3,04,31,307	1,91,37,433	
Bank charges	441	5,832	45,887	5,64,123	
	<u>2,92,901</u>	<u>2,03,678</u>	<u>3,04,77,194</u>	<u>1,97,01,556</u>	

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Laurus Holdings Limited  
Consolidated cash flow statement for the year ended March 31, 2024

Particulars	March 31, 2024 Amount in GBP	March 31, 2023 Amount in GBP	March 31, 2024 Amount in INR	March 31, 2023 Amount in INR
Loss Before Tax	(16,69,555)	(9,29,708)	(14,58,70,718)	(6,74,66,070)
Cash Flow from/ (used in) Operating Activities				
Adjustments for :				
Depreciation of property, plant and equipment	6,556	6,943	6,82,175	6,71,557
Interest Expense	2,92,901	2,03,678	3,04,77,194	1,97,01,556
<b>Operating Profit Before Working Capital Changes</b>	<b>(13,70,098)</b>	<b>(7,19,087)</b>	<b>(11,47,11,349)</b>	<b>(4,70,92,957)</b>
Foreign currency translation adjustments	1,66,906	(1,26,170)	(1,16,29,997)	(3,48,55,614)
<b>Movement In Working Capital:</b>				
(Increase)/Decrease in Trade Receivables	4,89,098	(24,13,454)	1,01,96,656	(26,65,80,011)
Increase in Inventories	(14,80,800)	(21,09,870)	(18,19,32,813)	(22,65,49,064)
(Increase)/ Decrease in Short Term Loans and Advances	(77,881)	33,502	55,92,422	1,23,43,176
(Increase)/ Decrease in Other Non Current Assets	467	(1,343)	(33,555)	(1,87,409)
Increase in Other Current Assets	(58,673)	(10,722)	(67,16,482)	(14,19,858)
Increase in Trade Payables	38,49,966	51,01,953	43,63,63,001	52,69,63,424
(Increase)/ Decrease in Other Current Liabilities	(14,79,365)	13,81,055	(13,33,64,773)	15,16,75,236
<b>Cash Generated From Operations</b>	<b>39,621</b>	<b>11,35,864</b>	<b>37,63,111</b>	<b>11,42,96,923</b>
Direct Taxes paid	(54,307)	(26,848)	(56,47,164)	(25,93,348)
<b>Net Cash Flow from/ (used in) Operating Activities (A)</b>	<b>(14,686)</b>	<b>11,09,016</b>	<b>(18,84,053)</b>	<b>11,17,03,575</b>
<b>Cash Flow Used In Investing Activities</b>				
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances			-	-
<b>Net Cash Flow Used In Investing Activities (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash Flow From Financing Activities</b>				
Interest Paid	(2,92,901)	(2,03,678)	(3,04,77,194)	(1,97,01,556)
<b>Net Cash Flow From/ (used in) Financing Activities (C)</b>	<b>(2,92,901)</b>	<b>(2,03,678)</b>	<b>(3,04,77,194)</b>	<b>(1,97,01,556)</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(3,07,587)</b>	<b>9,05,339</b>	<b>(3,23,61,247)</b>	<b>9,20,02,019</b>
Cash and Cash Equivalents at the beginning of the Year	10,68,874	1,63,532	10,86,20,370	1,62,34,373
Effect of exchange differences on cash and cash equivalents	-	-	38,36,958	3,83,977
<b>Cash and Cash Equivalents at the end of the year</b>	<b>7,61,290</b>	<b>10,68,874</b>	<b>8,00,96,082</b>	<b>10,86,20,370</b>
<b>Notes:</b>				
<b>Components of Cash and Cash Equivalents:</b>				
Balances with banks				
On current accounts	7,61,290	10,68,874	8,00,96,082	10,86,20,370
<b>Total Cash and Cash Equivalents</b>	<b>7,61,290</b>	<b>10,68,874</b>	<b>8,00,96,082</b>	<b>10,86,20,370</b>

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

For Ramasamy Koteswara Rao and Co LLP  
Chartered Accountants  
Firm Registration Number :010396S/S200084

Murali Krishna Reddy Telluri  
Partner  
Membership No : 223022



Place: Hyderabad  
Date: April 18, 2024

For and on behalf of the Board of Directors  
Laurus Holdings Limited

Dr. Satyanarayana Chava  
Director

V.V. Ravi Kumar  
Director

Place: Hyderabad  
Date: April 18, 2024

Laurus Holdings Limited

Consolidated Notes to the financial statements for the year ended March 31, 2024

3. Property, plant and equipment

Particulars	Amount in INR		Total Property, plant and equipment	Amount in GBP		Total Property, plant and equipment
	Computers	Furniture and Fixtures		Computers	Furniture and Fixtures	
As at March 31, 2022	87,063	1,27,03,916	1,27,90,979	877	1,27,769	1,28,646
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Exchange Difference	3,780	1,10,924	7,73,051	29	962	992
As at March 31, 2023	90,843	1,28,14,841	1,35,64,030	906	1,28,732	1,29,638
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Exchange Difference	-	-	-	-	-	-
As at March 31, 2024	90,843	1,28,14,841	1,35,64,030	906	1,28,732	1,29,638
As at March 31, 2022	26,481	79,15,498	86,00,326	255	79,231	79,487
Charge for the Year	1,41,225	5,70,478	7,11,703	1,460	5,483	6,943
Disposals	-	-	-	-	-	-
Exchange Difference	(4,051)	(5,64,346)	(5,68,396)	(106)	(5,013)	(5,119)
As at March 31, 2023	1,63,655	79,21,631	87,43,632	1,609	79,701	81,310
Charge for the Year	(45,692)	7,27,867	6,82,175	(439)	6,995	6,556
Disposals	-	-	-	-	-	-
Exchange Difference	(1,37,980)	3,87,138	2,49,158	(1,318)	6,125	4,807
As at March 31, 2024	(20,017)	90,36,635	96,74,965	(147)	92,821	92,674
<b>Net Block</b>						
As at March 31, 2022	60,582	47,88,418	41,90,654	622	48,538	49,160
As at March 31, 2023	(72,812)	48,93,210	48,20,398	(703)	49,031	48,328
As at March 31, 2024	1,10,860	37,78,205	38,89,065	1,054	35,911	36,964

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# Laurus Holdings Limited

Consolidated Notes to the financial statements for the year ended March 31, 2024

## 1. Corporate information

The consolidated financial statements comprise financial statements of Laurus Holdings Limited (LHL 'the Company') and its subsidiaries (collectively, the Group) for the Year ended March 31, 2024. The Company offers wide range of business support services in the fields of Pharmaceuticals and related services to the global Pharmaceutical community, incorporated under the Companies Act 2006 as a private company, that the company is limited by shares, and the situation of its registered office is in England and Wales.

## 2. Material accounting policies

### 2.1 Basis of preparation

- (a) The financial statements of the Group have been prepared in accordance with Indian Accounting Standards ('Ind AS'), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). 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.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- ▶ Certain financial assets and liabilities measured at fair value.

### 2.2 Summary of material accounting policies

#### (a) Current versus non-current classification

The Group 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 Year, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting Year

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 Year, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting Year

The Group 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 Group has identified twelve months as its operating cycle.

The Group has following investments in subsidiaries :

Name of Entity	Principal place of business and Country of Incorporation	Investee relationship	Proportion of ownership interest
Laurus Generics Inc*	USA	Subsidiary	100%
Laurus Generics GmbH	Germany	Subsidiary	100%

\* With effect from December 31, 2020, Laurus Synthesis Inc, the wholly owned subsidiary of Laurus Labs Limited merged with Laurus Generics Inc. The post merger capital structure of Laurus Generics Inc is as follows : 62 % held by Laurus Holdings Limited and 38% held by Laurus Labs Limited. However, for consolidation purpose 100% numbers included in Laurus Holdings Limited.

#### Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.
  - Eliminate the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
  - Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements.
  - When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.
- (b) **Foreign currencies**

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

#### Transactions and balances

Transactions in foreign currencies are initially recorded by the Group 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.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net Investment of A foreign operation. These are recognised in OCI until the net Investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

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. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

#### (c) Fair value measurement

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 Group.

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.

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 Group 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 Year.

For the purpose of fair value disclosures, the Group 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.

#### (d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

##### Sale of products

Product revenue represents net invoice value including fixed and variable consideration. Variable consideration arises on the sale of goods as a result of discounts and allowances given and accruals for estimated future returns and rebates. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. Once the uncertainty associated with the returns and rebates is resolved, revenue is adjusted accordingly.

##### Provision for chargeback, rebates and discounts

Provisions for chargeback, rebates, discounts and Medicaid payments are estimated and provided for in the year of sales and recorded as reduction of revenue. A chargeback claim is a claim made by the wholesaler for the difference between the price at which the product is initially invoiced to the wholesaler and the net price at which it is agreed to be procured from the Company. Provisions for such chargebacks are accrued and estimated based on historical average chargeback rate actually claimed over a period of time, current contract prices with wholesalers/other customers and estimated inventory holding by the wholesalers/other customers.

##### Sale of services

Revenue from contract research operations is recognised in accordance with the terms of the relevant contracts with customers and when the agreed milestones are achieved, which are substantiated by the performance of related service work.

##### 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 Year, 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 other income in the statement of profit and loss.

##### Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

##### Export incentives

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.

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(e) 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 Group operates and generates taxable income.

Management Yearically 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 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.

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.

(f) **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 Group has elected to regard those values of property as deemed cost at the date of the acquisition since they were broadly comparable to fair value. The Group has also determined that cost of acquisition or construction does not differ materially from fair valuation as at 1 April 2015 (date of transition to Ind AS).

Capital work in progress, 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 Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

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. 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 Year during which such expenses are incurred.

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

Factory buildings	:	30 Years
Other buildings	:	60 Years
Plant and equipment	:	5 to 20 Years
Furniture and fixtures	:	10 Years
Vehicles	:	5 Years
Computers	:	3 to 6 Years

The Group, 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 Year 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 income statement 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.

(g) **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.

(h) **Leases**

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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.

**Group as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**Group as a lessor**

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting Years so as to reflect a constant Yearic rate of return on the net investment outstanding in respect of the lease.

**(i) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial Year 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 Year 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 to the extent regarded as an adjustment to the borrowing costs.

**(j) Cash and cash equivalents**

Cash and cash equivalent 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 Group's cash management.

**(k) Measurement of EBITDA**

The Group has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. The Group measures EBITDA on the basis of profit/ (loss) from continuing operations and does not include depreciation and amortisation expense, finance costs and tax expense.

**(l) foreign currency translation**

The company converted the Consolidated Ind AS financial statements for presentation purposes from the relevant currency i.e GBP for the business into the presentation currency (INR). The average foreign currency rate applied was 104.0528852 INR/GBP for profit and loss account transactions. The closing foreign currency rate applied was 105.211 INR/GBP for Balance sheet items. The equity was translated with a historical foreign currency rate. The resulting translation difference is presented in the retained earnings as a foreign currency translation reserve.

**Related Party Transactions**

**Names of related parties and description of relationship**

	March 31, 2024 Amount in GBP	March 31, 2023 Amount in GBP	March 31, 2024 Amount in INR	March 31, 2023 Amount in INR
<b>Holding Company</b>				
<b>Transactions During the year</b>				
<b>i) Laurus Labs Limited</b>				
Purchases	1,53,68,296	74,89,464	1,59,91,15,496	72,44,47,890
Business Support Services- Income	4,72,884	4,34,884	4,92,04,945	4,20,65,867
Business Support Services- Expenses	3,51,088	5,57,364	3,65,31,684	5,39,13,204
Service billing	28,58,683	29,19,176	29,74,54,184	28,23,68,744
Product filing fee	-	94,068	-	90,99,098
Bank Guarantee Commission	29,842	20,766	31,05,183	20,08,660
<b>Closing Balances</b>				
<b>i) Laurus Labs Limited</b>				
Disclosed under Trade Payables	99,52,821	56,88,847	1,04,71,46,212	57,81,08,020
Disclosed under Trade Receivables	34,288	2,30,336	36,07,475	2,34,07,059
Disclosed under Trade Advance Payable	77,715	-	81,76,427	-

For Ramasamy Koteswara Rao and Co LLP

Chartered Accountants

Firm Registration Number :010396S/S200084

Murali Krishna Reddy Telluri

Partner

Membership No : 223022

Place: Hyderabad

Date: April 18, 2024



For and on behalf of the Board of Directors

Laurus Holdings Limited

Dr. Satyanarayana Chava

Director

V.V. Ravi Kumar

Director

Place: Hyderabad

Date: April 18, 2024