

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, 2022, 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, 2022, 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.

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 Management Discussion and Analysis, Board's report including annexures to Board's report, Business Responsibility report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone Ind As financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind As financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 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.

R Krishna & Associates

Chartered Accountants

- e) 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 does not have any pending litigations which would impact its financial position in its 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.

Limitation

This report is intended solely for the use by Laurus (Laurus Labs Limited) for the purpose of preparation of its consolidated financial statements for the year ended on 31st March, 2022 and should not be used for any other purpose without prior written consent

For R Krishna & Associates
Chartered Accountants
Firm Regn. No 013658S

Meda
Ramakrishna

Digitally signed by
Meda Ramakrishna
Date: 2022.06.10
11:40:52 +05'30'

M. Rama Krishna
Partner

Mno. 221908

UDIN: 22221908AHLABO7203

Place: Hyderabad

Date: April 20, 2022

Laurus Holdings Limited

Consolidated Balance Sheet as at March 31, 2022

	Notes	March 31, 2022 Amount in GBP	March 31, 2021 Amount in GBP	March 31, 2022 Amount in INR	March 31, 2021 Amount in INR
ASSETS					
Non Current Assets					
Property, Plant and Equipment	3	49,886	12,810	4,952,346	1,303,381
Financial Assets					
Other financial assets	4A	21,692	20,695	2,153,438	2,088,229
		71,578	33,505	7,105,784	3,391,610
Current Assets					
Financial Assets					
Inventory	5	5,171,071	2,227,017	513,349,655	224,717,193
Trade receivables	6	9,081,109	3,253,325	901,512,345	328,276,816
Cash and cash equivalents	7	163,532	799,459	16,234,373	80,669,426
Other Current Assets	4B	140,666	63,843	13,964,388	6,442,228
		14,556,378	6,343,644	1,445,060,761	640,105,663
Total Assets		14,627,955	6,377,150	1,452,166,545	643,497,273
EQUITY and LIABILITIES					
Shareholders' Funds					
Share Capital	8	1,124,107	850,000	105,322,230	77,897,649
Other Equity					
Retained earnings	9A	(23,608)	(217,721)	12,357,094	(5,548,171)
Other reserves	9B	1,262,712	74,035	116,924,745	(1,067,816)
Total Equity		2,363,211	706,315	234,604,068	71,281,662
Current Liabilities					
Financial Liabilities					
Borrowings	10	3,807,035	-	377,937,202	-
Trade Payables	11	3,618,626	2,740,309	359,233,207	276,510,931
Other current liabilities	12	4,825,800	2,925,192	479,073,420	295,166,554
Income tax liabilities	13	13,283	5,333	1,318,648	538,126
		12,264,744	5,670,834	1,217,562,477	572,215,611
Total Equity and Liabilities		14,627,955	6,377,150	1,452,166,545	643,497,273

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

As per our report of even date

For R Krishna & Associates

Chartered Accountants

ICAI Firm Registration Number : 013658S

M Rama Krishna

M Rama Krishna

Partner

Membership No : 221908



For and on behalf of the Board of Directors

Laurus Holdings Limited

Dr. C. Satyanarayana

Dr. C. Satyanarayana

Director

V V Ravi Kumar

V V Ravi Kumar

Director

Place: Hyderabad

Date: April 20, 2022

Place: Hyderabad

Date: April 20, 2022

Laurus Holdings Limited
Consolidated Profit and Loss for the Year ended March 31, 2022

	Notes	For the Year ended March 31, 2022 Amount in GBP	For the Year ended March 31, 2021 Amount in GBP	For the Year ended March 31, 2022 Amount in INR	For the Year ended March 31, 2021 Amount in INR
I. INCOME					
Revenue from Operations	14	7,937,612	4,846,317	807,514,514	469,439,817
Other Income	15	-	11,258	-	1,090,509
Total Revenue (I)		7,937,612	4,857,575	807,514,514	470,530,326
II. EXPENSES					
Cost of Materials Consumed	16	2,815,203	567,844	288,240,457	52,459,278
Employee Benefits Expenses	17	2,438,194	1,365,799	248,044,015	132,298,498
Other Expenses	18	2,434,494	1,053,505	247,667,561	102,048,032
Total Expenses (II)		7,687,890	2,987,148	783,952,033	286,805,808
III. Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (I-II)					
		249,721	1,870,427	23,562,481	183,724,518
Depreciation and Amortisation	3	6,632	1,943	674,656	188,171
Finance Expenses	19	35,694	30,672	3,631,246	2,971,052
IV. Profit Before Tax for the Year		207,396	1,837,812	19,256,580	180,565,296
V. Tax Expense					
Current Tax		13,283	5,333	1,351,315	516,583
Income tax expense		13,283	5,333	1,351,315	516,583
VI. Profit for the Year		194,113	1,832,479	17,905,265	180,048,713

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

As per our report of even date

For R Krishna & Associates

Chartered Accountants

ICAI Firm Registration Number : 013658S

M Rama Krishna

M Rama Krishna

Partner

Membership No : 221908



For and on behalf of the Board of Directors

Laurus Holdings Limited

Dr. C. Satyanarayana

Dr. C. Satyanarayana

Director

V V Ravi Kumar

V V Ravi Kumar

Director

Place: Hyderabad

Date: April 20, 2022

Place: Hyderabad

Date: April 20, 2022

Laurus Holdings Limited
Consolidated Cash Flow Statement for the Year ended March 31, 2022

Particulars	March 31, 2022 Amount in GBP	March 31, 2021 Amount in GBP	March 31, 2022 Amount in INR	March 31, 2021 Amount in INR
Profit Before Tax	207,396	1,837,812	19,256,580	180,565,295
Cash Flow from/ (used in) Operating Activities				
Adjustments for:				
Depreciation of property, plant and equipment	6,632	1,943	674,656	188,171
Interest Expense	35,694	30,672	3,631,246	2,971,052
Operating Profit Before Working Capital Changes	249,721	1,870,427	23,562,481	183,724,518
Foreign currency translation adjustments	(97,163)	135,869	(9,904,861)	6,941,702
Movement In Working Capital:				
Increase in Trade Receivables	(5,827,784)	(1,617,735)	(573,235,390)	(176,860,003)
Increase in Inventories	(2,944,054)	(1,849,511)	(288,632,462)	(189,769,119)
Decrease in Short Term Loans and Advances	3,807,035	-	377,937,202	-
Increase/ (Decrease) in Other Non Current Assets	(997)	2,328	(65,209)	43,153
Increase/ (Decrease) in Other Current Assets	(76,823)	316,163	(7,522,160)	28,737,379
Increase/ (Decrease) in Trade Payables	872,616	478,575	82,722,276	67,655,951
Increase in Other Current Liabilities	1,900,608	1,435,650	183,906,866	157,270,404
Cash Generated From Operations	(2,116,840)	771,766	(211,231,257)	77,743,985
Direct Taxes paid	(5,333)	-	(538,896)	3,630
Net Cash Flow from/ (used in) Operating Activities (A)	(2,122,173)	771,766	(211,770,153)	77,747,615
Cash Flow Used In Investing Activities				
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(877)	(877)	(89,220)	(84,980)
Net Cash Flow Used In Investing Activities (B)	(877)	(877)	(89,220)	(84,980)
Cash Flow From Financing Activities				
Proceeds from Issue of Equity Shares	1,522,814	-	152,360,000	-
Interest Paid	(35,694)	(30,672)	(3,631,246)	(2,971,052)
Net Cash Flow From Financing Activities (C)	1,487,120	(30,672)	148,728,754	(2,971,052)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(635,930)	740,217	(63,130,619)	74,691,584
Cash and Cash Equivalents at the beginning of the Year	799,459	59,242	80,669,426	5,484,400
Effect of exchange differences on cash and cash equivalents	-	-	(1,304,435)	493,442
Cash and Cash Equivalents at the end of the Year	163,532	799,459	16,234,373	80,669,426
Notes:				
Components of Cash and Cash Equivalents:				
Balances with banks				
On current accounts	163,532	799,459	16,234,373	80,669,426
Total Cash and Cash Equivalents	163,532	799,459	16,234,373	80,669,426

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

For R Krishna & Associates

Chartered Accountants

ICAI Firm Registration Number : 013658S

M Rama Krishna

M Rama Krishna

Partner

Membership No : 221908



For and on behalf of the Board of Directors

Laurus Holdings Limited

Dr. C. Satyanarayana

Dr. C. Satyanarayana

Director

V V Ravi Kumar

V V Ravi Kumar

Director

Place: Hyderabad
Date: April 20, 2022

Place: Hyderabad
Date: April 20, 2022

Laurus Holdings Limited

Consolidated Notes to the financial statements for the Year ended March 31, 2022

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, 2020	-	1,399,012	1,399,012	-	15,112	15,112
Additions	87,063		87,063	877		877
Exchange Difference		8,281	8,281		(1,207)	(1,207)
Acquisition		7,016,847	7,016,847		70,682	70,682
As at March 31, 2021	87,063	8,424,140	8,511,203	877	84,587	85,464
Additions		4,286,870	4,286,870		43,182	43,182
Disposals						
Exchange Difference		(7,094)	(7,094)			-
As at March 31, 2022	87,063	12,703,916	12,790,979	877	127,769	128,646
As at March 31, 2020	-	313,845	313,845	-	3,274	3,274
Charge for the Year	2,961	197,626	200,587	29	1,943	1,972
Disposals		-	-		-	-
Acquisition		6,676,035	6,676,035		67,249	67,249
Exchange Difference	4,558	35,969	40,527	44	115	159
As at March 31, 2021	7,519	7,223,475	7,230,994	73	72,581	72,654
Charge for the Year	17,056	657,600	674,656	168	6,464	6,632
Disposals						
Exchange Difference	(3,906)	(63,144)	(67,016)	(33)	(492)	(525)
As at March 31, 2022	20,669	7,817,931	7,838,633	208	78,552	78,760
Net Block						
As at March 31, 2020	-	1,085,167	1,085,167	-	11,838	11,838
As at March 31, 2021	79,544	1,200,665	1,280,209	804	12,006	12,810
As at March 31, 2022	66,394	4,885,985	4,952,346	669	49,217	49,886



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Laurus Holdings Limited

Consolidated Notes to the financial statements for the Year ended March 31, 2022

	March 31, 2022 Amount in GBP	March 31, 2021 Amount in GBP	March 31, 2022 Amount in INR	March 31, 2021 Amount in INR
4. Financial Assets				
A Other financial assets				
Non-Current (unsecured, considered good unless otherwise stated)				
Security Deposits	21,692	20,695	2,153,438	2,088,229
	<u>21,692</u>	<u>20,695</u>	<u>2,153,438</u>	<u>2,088,229</u>
B Other current assets				
Current (unsecured, considered good unless otherwise stated)				
Prepayments	29,622	18,399	2,940,676	1,856,551
Balances with Statutory/Government Authorities	111,044	2,263	11,023,712	228,348
Advance Given For Lease Hold Improvement	-	43,182	-	4,357,329
	<u>140,666</u>	<u>63,844</u>	<u>13,964,388</u>	<u>6,442,228</u>
5. Inventories				
Closing Stock	5,171,071	2,227,017	513,349,655	224,717,193
	<u>5,171,071</u>	<u>2,227,017</u>	<u>513,349,655</u>	<u>224,717,193</u>
6. Trade Receivables				
Trade receivables	8,953,137	3,007,577	888,808,147	303,479,645
Receivable from related parties	127,972	245,748	12,704,198	24,797,171
	<u>9,081,109</u>	<u>3,253,325</u>	<u>901,512,345</u>	<u>328,276,816</u>

Trade Receivables ageing schedule for the year ended March 31,2022:
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	106,183	8,186,037	788,890	-	9,081,109
ii) Undisputed Trade receivables - which have significant increase in credit risk					-
iii) Undisputed Trade receivables - credit impaired					-
Total	106,183	8,186,037	788,890	-	9,081,109

Trade Receivables ageing schedule for the year ended March 31,2022:
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	10,541,144	812,655,447	78,315,753	-	901,512,344
ii) Undisputed Trade receivables - which have significant increase in credit risk					-
iii) Undisputed Trade receivables - credit impaired					-
Total	10,541,144	812,655,447	78,315,753	-	901,512,344

Trade Receivables ageing schedule for the year ended March 31,2021:
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	33,047	3,220,278	-	-	3,253,325
ii) Undisputed Trade receivables - which have significant increase in credit risk					-
iii) Undisputed Trade receivables - credit impaired					-
Total	33,047	3,220,278	-	-	3,253,325

Trade Receivables ageing schedule for the year ended March 31,2021:
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	3,334,608	324,942,208	-	-	328,276,816
ii) Undisputed Trade receivables - which have significant increase in credit risk					-
iii) Undisputed Trade receivables - credit impaired					-
Total	3,334,608	324,942,208	-	-	328,276,816

7. Cash and cash equivalents

Cash and Cash Equivalents

Balances with Banks
- On Current Accounts

	163,532	799,459	16,234,373	80,669,426
	<u>163,532</u>	<u>799,459</u>	<u>16,234,373</u>	<u>80,669,426</u>

8. Share Capital

Issued, Subscribed and Paid Up

8,500 Equity share of GBP 100 each fully paid up
3,600 Equity shares of USD 100 each full paid up - LGI

	850,000	850,000	77,897,649	77,897,649
	274,107	-	27,424,581	-
	<u>1,124,107</u>	<u>850,000</u>	<u>105,322,230</u>	<u>77,897,649</u>

Other Equity

9A. Retained Earnings

Opening balance
Add : Profit for the Year
Net surplus in the Statement of profit and loss

	(217,721)	(2,050,200)	(5,548,171)	(185,596,883)
	194,113	1,832,479	17,905,265	180,048,712
	<u>(23,608)</u>	<u>(217,721)</u>	<u>12,357,094</u>	<u>(5,548,171)</u>



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Laurus Holdings Limited

Consolidated Notes to the financial statements for the Year ended March 31, 2022

	March 31, 2022 Amount in GBP	March 31, 2021 Amount in GBP	March 31, 2022 Amount in INR	March 31, 2021 Amount in INR	
9B. Foreign currency translation reserve					
Balance as per last financial statements	74,035	(61,680)	(1,067,816)	(9,131,581)	
Current Year 'Foreign Currency' Translation Reserve (FCTNR)	(60,031)	135,715	(6,942,859)	8,063,765	
Closing at the end of Year	14,005	74,035	(8,010,674)	(1,067,816)	
9C. Securities Premium					
Opening Balance	-	-	-	-	
Additions during the year (3,600 shares @ 455.55 per share)	1,248,707	-	124,935,419	-	
Closing Balance	1,248,707	-	124,935,419	-	
10. Borrowings					
-Current borrowings					
Borrowing from Banks	3,807,035	-	377,937,202	-	
	3,807,035	-	377,937,202	-	
11. Trade Payables					
- Outstanding dues to creditors other than micro enterprises and small enterprises	1,450,751	1,290,832	144,020,966	130,251,427	
- Outstanding dues to related parties	2,167,875	1,449,477	215,212,241	146,259,504	
	3,618,626	2,740,309	359,233,207	276,510,931	
Trade Payables ageing schedule for the year ended March 31, 2022 - Amount in GBP					
Particulars	Not due	Outstanding from due date of payment			Total
		Less than 1 Year	1-2 Years	2-3 Years	
i) MSME					-
ii) Others	1,749,925	1,868,701			3,618,626
Total	1,749,925	1,868,701	-	-	3,618,626
Trade Payables ageing schedule for the year ended March 31, 2022 - Amount in INR					
Particulars	Not due	Outstanding from due date of payment			Total
		Less than 1 Year	1-2 Years	2-3 Years	
i) MSME					-
ii) Others	173,720,956	185,512,229			359,233,185
Total	173,720,956	185,512,229	-	-	359,233,185
Trade Payables ageing schedule for the year ended March 31, 2021 - Amount in GBP					
Particulars	Not due	Outstanding from due date of payment			Total
		Less than 1 Year	1-2 Years	2-3 Years	
i) MSME					-
ii) Others	52,793	2,687,516			2,740,309
Total	52,793	2,687,516	-	-	2,740,309
Trade Payables ageing schedule for the year ended March 31, 2021 - Amount in INR					
Particulars	Not due	Outstanding from due date of payment			Total
		Less than 1 Year	1-2 Years	2-3 Years	
i) MSME					-
ii) Others	5,327,046	271,183,885			276,510,931
Total	5,327,046	271,183,885	-	-	276,510,931
12. Other Liabilities					
Current					
Interest accrued	2,026		201,109		
Charge back reserves and rebates	4,823,774	2,925,192	478,872,311		295,166,554
Advances from other related parties	-	-	-		-
Advances from Holding company	-	-	-		-
	4,825,800	2,925,192	479,073,420		295,166,554
13. Income tax assets liabilities					
Provision for taxes	13,283	5,333	1,318,648		538,126
	13,283	5,333	1,318,648		538,126



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Laurus Holdings Limited

Consolidated Notes to the financial statements for the Year ended March 31, 2022

	March 31, 2022 Amount in GBP	March 31, 2021 Amount in GBP	March 31, 2022 Amount in INR	March 31, 2021 Amount in INR
14. Revenue from Operations				
Sale of Services	2,630,341	3,129,982	267,591,644	303,186,552
Sale of Products	5,307,271	1,716,335	539,922,870	166,253,265
Revenue from Operations (Gross)	7,937,612	4,846,317	807,514,514	469,439,817
15 Other income				
Provision no longer required written back	-	11,258	-	1,090,509
	-	11,258	-	1,090,509
16 Cost of Materials Consumed				
Opening stock at the beginning of the Year	2,234,238	377,506	216,420,082	34,022,135
Add : Purchases	5,752,036	2,424,576	585,170,030	234,857,225
Less : Closing stock at the end of the Year	5,171,071	2,234,238	513,349,655	216,420,082
	2,815,203	567,844	288,240,457	52,459,278
17 Employee Benefits Expenses				
Salaries, allowances and wages	2,438,194	1,365,799	248,044,015	132,298,498
	2,438,194	1,365,799	248,044,015	132,298,498
18 Other Expenses				
Rent	75,988	68,752	7,730,463	6,659,682
Rates and taxes	556,255	253,628	56,589,313	24,567,746
Storage & Title distribution charges	771,447	176,555	78,481,372	17,102,049
Office maintenance	1,764	52,171	179,456	5,053,558
Insurance	88,502	36,550	9,003,546	3,540,426
Printing and stationery	14,258	9,652	1,450,505	934,944
Consultancy and other professional charges	462,987	394,554	47,100,909	38,218,561
Freight Charges	183,058	53,948	18,622,981	5,225,688
Travelling and conveyance	23,201	2,269	2,360,300	219,787
Communication expenses	23,836	4,960	2,424,900	480,452
Business Support Services	157,624	-	16,035,470	-
Other selling expenses	70,885	466	7,211,321	45,139
Employee Education Expenses	-	-	-	-
Royalty	4,689	-	477,025	-
	2,434,494	1,053,505	247,667,561	102,048,032
19 Finance Expenses				
Interest				
- on loans	27,843	-	2,832,543	-
Bank charges	7,851	30,672	798,703	2,971,052
	35,694	30,672	3,631,246	2,971,052



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Laurus Holdings Limited

Consolidated Notes to the financial statements for the Year ended March 31, 2022

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, 2022. 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. Significant 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 significant 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 September 30, 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:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.
- b) 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.
- c) 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.
- d) 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.



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Laurus Holdings Limited

Consolidated Notes to the financial statements for the Year ended March 31, 2022

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

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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.

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.

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



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Laurus Holdings Limited

Consolidated Notes to the financial statements for the Year ended March 31, 2022

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 Yearly 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 101.7327 INR/GBP for profit and loss account transactions. The closing foreign currency rate applied was 99.27337 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, 2022 Amount in GBP	March 31, 2021 Amount in GBP	March 31, 2022 Amount in INR	March 31, 2021 Amount in INR
Holding Company				
Transactions During the Year				
i) Laurus Labs Limited				
Purchases	3,480,885	1,487,841	354,119,756	144,120,110
Business Support Services- Income	459,764	453,282	46,773,025	43,907,286
Business Support Services- Expenses	157,624	-	16,035,470	-
Service billing	1,665,051	758,045	169,390,082	73,428,228
Product filing fee	447,505	533,613	45,525,884	51,688,550
Trade Advance Received	643,909	192,990	65,506,602	18,694,030
Closing Balances				
i) Laurus Labs Limited				
Disclosed under Trade Payables	2,167,875	1,449,477	215,212,241	146,259,504
Disclosed under Trade Receivables	127,972	245,748	12,704,198	24,797,171

For R Krishna & Associates

Chartered Accountants

ICAI Firm Registration Number: 013658S


M Rama Krishna

Partner

Membership No : 221908

Place: Hyderabad
Date: April 20, 2022

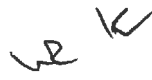


For and on behalf of the Board of Directors

Laurus Holdings Limited


Dr. C. Satyanarayana

Director



V V Ravi Kumar
Director

Place: Hyderabad
Date: April 20, 2022