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INDEPENDENT AUDITOR'S REPORT

To the Members of Laurus Bio Private Limited (formerly Richcore Lifesciences Private Limited)
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Laurus Bio Private Limited (formerly Richcore Lifesciences Private Limited**) ("the Company"), which comprise the Balance Sheet as at March 31 2021, and the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year 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 Company as at March 31, 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing 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 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 board's report including Annexures to board's report, but does not include the financial statements and our auditor's report thereon. The board's report including Annexures to board's report is expected to be made available to us after the date of this auditor's report.

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

- In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- When we read the board's report including annexures to board's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income , cash flows and changes in equity of the Company in accordance with the 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 Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 comparatives in case of first Ind AS Financial Statements

The comparative financial information of the Company for the year ended March 31, 2020 and the transition date opening balance sheet as at April 01, 2019 prepared in accordance with Ind AS included in these financial statements have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative financial information and the said opening balance sheet dated September 15, 2020 expressed an unmodified opinion.

Report on Other Legal and Regulatory Requirements

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

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

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

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of accounts.

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

   e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting

   g. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company 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.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins and Sells**
Chartered Accountants
(Firm's Registration No.008072S)

Ganesh Balakrishnan
Partner
(Membership No. 201193)
(UDIN: 21201193AAAADE7551)

Place: Hyderabad
Date: April 28, 2021

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

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

We have audited the internal financial controls over financial reporting of **Laurus Bio Private Limited (formerly Richcore Lifesciences Private Limited**) ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us referred, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins and Sells**
Chartered Accountants
(Firm's Registration No.008072S)

Ganesh Balakrishnan
Partner
(Membership No. 201193)
(UDIN: 21201193AAAADE7551)

Place: Hyderabad
Date: April 28, 2021

ANNEXURE "B "TO THE INDEPENDENT AUDITOR'S REPORT

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

(i) In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(ii) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the Order is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit falling within the purview of the provision of Sections 73 to 76 of the Companies Act, 2013.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie,* the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(c) There are no dues of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Cess and other material statutory dues which have not been deposited on account of any dispute.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Ganesh Balakrishnan
Partner
(Membership No.201193)
(UDIN: 21201193AAAADE7551)

Place: Hyderabad
Date: April 28, 2021

Laurus Bio Private Limited

Formerly known as Richcore Lifesciences Private Limited
CIN: U02423KA2005PTC036770
Balance Sheet as at March 31, 2021
(All amounts in Rupees, except for share information or unless stated otherwise)

Particulars	Notes	March 31, 2021	March 31, 2020	April 01, 2019
ASSETS				
Non-current assets				
Property, plant and equipment	3	16,13,28,221	15,55,46,799	17,98,52,834
Right-of-use assets	37	4,98,06,831	-	-
Capital work in progress		26,06,52,418	-	-
Intangible assets	4	13,75,308	18,31,512	22,87,716
Financial Assets				
Other financial assets	5A	75,33,790	22,65,140	22,61,740
Others	5C	21,21,777	58,00,000	37,68,340
Income tax assets (net)	15	23,90,844	22,82,922	24,58,492
Other non-current assets	6A	3,23,31,706	-	13,51,297
Total non-current assets		**51,75,40,895**	**16,77,26,373**	**19,19,80,419**
Current assets				
Inventories	7	7,08,70,653	4,74,54,465	6,50,27,023
Financial Assets				
Loans	5B	4,20,044	4,44,934	3,87,116
Trade receivables	8	8,63,32,932	9,01,55,976	2,19,12,629
Cash & cash Equivalents	9	79,21,872	5,23,206	95,20,547
Other current assets	6B	7,80,07,664	2,25,89,808	2,81,34,192
Total current assets		**24,35,53,165**	**16,11,68,389**	**12,49,81,507**
Total Assets		**76,10,94,060**	**32,88,94,762**	**31,69,61,926**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	10	25,03,260	38,11,12,590	38,11,12,590
Other Equity		13,79,50,581	(34,41,40,283)	(27,95,40,794)
Total Equity		**14,04,53,841**	**3,69,72,307**	**10,15,71,796**
Liabilities				
Non-current liabilities				
Financial Liabilities				
Borrowings	11A	4,37,15,754	1,57,00,116	4,49,08,924
Lease liabilities	37	4,72,36,745	-	-
Provisions	14A	95,72,734	76,52,624	58,87,196
Other non current Liabilities	16A	-	-	26,633
Total non-current liabilities		**10,05,25,233**	**2,33,52,740**	**5,08,22,753**
Current liabilities				
Financial Liabilities				
Borrowings	11B	15,50,80,909	7,69,39,595	5,20,72,892
Lease liabilities	37	26,01,852	-	-
Trade payables				
Total outstanding dues of micro enterprises and small enterprises	12	20,64,406	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	12	4,46,58,062	10,43,28,640	5,37,20,115
Current maturities and other liabilities	13	5,16,99,345	3,27,76,945	3,02,27,488
Provisions	14B	40,67,049	22,64,402	18,41,177
Other current liabilities	16B	25,99,43,363	5,22,60,133	2,67,05,705
Total current liabilities		**52,01,14,986**	**26,85,69,715**	**16,45,67,377**
Total- Equity and Liabilities		**76,10,94,060**	**32,88,94,762**	**31,69,61,926**

Summary of significant accounting policies 2.2

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

As per our report of even date

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

Ganesh Balakrishnan
Partner
Membership No. 201193

Place: Hyderabad
Date: April 28, 2021

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

Subramani R
Managing Director
DIN : 00309661

Krishna Kalyan T D
Executive Director
DIN : 03102812

Hansika Hulas Jain
Company Secretary
ACS - 47937

Place: Bengaluru
Date: April 28, 2021

Laurus Bio Private Limited

Formerly known as Richcore Lifesciences Private Limited

CIN: U02423KA2005PTC036770

Statement of Profit and Loss Account for the year ended March 31, 2021

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

	Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
I.	**INCOME**			
	Revenue from operations	**17**	51,03,07,472	40,95,77,553
	Other income	**18**	1,27,36,884	46,14,905
	Total income (I)		**52,30,44,356**	**41,41,92,458**
II.	**EXPENSES**			
	Cost of materials consumed	**19**	14,46,70,616	22,63,51,794
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	**20**	(62,80,257)	1,48,29,297
	Employee benefits expenses	**21**	10,50,14,956	8,37,05,852
	Other expenses	**22**	13,55,69,476	10,46,99,879
	Total expenses (II)		**37,89,74,791**	**42,95,86,822**
III.	**Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (I-II)**		**14,40,69,565**	**(1,53,94,364)**
	Depreciation and amortisation	**3 & 4 & 37A**	3,10,46,387	3,30,73,965
	Finance income	**24B**	(6,69,587)	(5,286)
	Finance costs	**24A**	2,09,21,055	1,99,90,965
IV.	**Profit Before Tax (IV)**		**9,27,71,710**	**(6,84,54,008)**
V.	**Tax expenses**			
	Current tax		-	-
	Deferred tax		-	-
	Income tax expense (V)		**-**	**-**
VI.	**Profit/(Loss) for the year (IV-V)**		**9,27,71,710**	**(6,84,54,008)**
	Other comprehensive income (OCI)			
	Items that will not be reclassified subsequently to profit or loss:			
	Remeasurement gains/(losses) on defined benefit plans		(13,78,011)	(2,60,548)
			(13,78,011)	**(2,60,548)**
	Total other comprehensive income for the year, net of tax		**(13,78,011)**	**(2,60,548)**
	Total comprehensive income for the year, net of tax		**9,13,93,699**	**(6,87,14,556)**
	Earnings per equity share Rs. 10/- each fully paid (March 31, 2020: Rs. 10/- each fully paid)	**25**		
	Computed on the basis of total profit for the year			
	Basic (Rs.)		381.90	(1,352.58)
	Diluted (Rs.)		358.51	(1,352.58)

Summary of significant accounting policies **2.2**

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

As per our report of even date

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

Ganesh Balakrishnan
Partner
Membership No. 201193

Place: Hyderabad
Date: April 28, 2021

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

Subramani R
Managing Director
DIN : 00309661

Krishna Kalyan T D
Executive Director
DIN : 03102812

Hansika Hulas Jain
Company Secretary
ACS - 47937

Place: Bengaluru
Date: April 28, 2021

Laurus Bio Private Limited

Formerly known as Richcore Lifesciences Private Limited
CIN: U02423KA2005PTC036770
Statement of Changes in Equity for the year ended March 31, 2021
(All amounts in Rupees, except for share information or unless stated otherwise)

a. **Other Equity**

Particulars	Reserves and surplus				Other comprehensive income	Total
	General Reserve	Securities Premium	Employee Stock option	Retained Earnings	Re-measurement gains or losses on employee defined benefit plans	
As at April 01, 2019	**-**	**29,44,21,312**	**3,44,78,378**	**(60,40,91,304)**	-	**(27,51,91,614)**
Effect of adoption of Ind AS (refer note 34 & 35)	-	-	-	(46,16,487)	2,67,307	**(43,49,180)**
Profit for the year	-	-	-	(6,84,54,008)	-	**(6,84,54,008)**
Expense arising from equity-settled share-based payment transactions	-	-	41,15,067	-	-	41,15,067
Transferred from stock options outstanding	1,65,458	-	(1,65,458)	-	-	-
Remeasurement on net defined benefit liability, net of tax	-	-	-	-	(2,60,548)	(2,60,548)
Expense arising from equity-settled share-based payment transactions	-	-	-	-	-	-
At March 31, 2020	**1,65,458**	**29,44,21,312**	**3,84,27,987**	**(67,71,61,799)**	**6,759**	**(34,41,40,283)**
Profit for the year	-	-	-	9,27,71,710	-	9,27,71,710
Expense arising from equity-settled share-based payment transactions	-	37,87,34,640	1,19,62,525	-	-	39,06,97,165
Transferred from stock options outstanding	2,45,602	3,49,47,985	(3,51,93,587)	-	-	-
Remeasurement on net defined benefit liability, net of tax	-	-	-	-	(13,78,011)	(13,78,011)
Expense arising from equity-settled share-based payment transactions	-	-	-	-	-	-
At March 31, 2021	**4,11,060**	**70,81,03,937**	**1,51,96,925**	**(58,43,90,089)**	**(13,71,252)**	**13,79,50,581**

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

Ganesh Balakrishnan
Partner
Membership No. 201193

Place: Hyderabad
Date: April 28, 2021

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

Subramani R
Managing Director
DIN : 00309661

Krishna Kalyan T D
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Place: Bengaluru
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Laurus Bio Private Limited
Formerly known as Richcore Lifesciences Private Limited
CIN: U02423KA2005PTC036770
Statement of Cash Flows for the year ended March 31, 2021
(All amounts in Rupees, except for share information or unless stated otherwise)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax	**9,27,71,710**	**(6,84,54,008)**
Cash Flows from operating activities		
Adjustments for :		
Depreciation and amortisation	3,10,46,387	3,30,73,965
(Profit)/Loss on sale of fixed assets (net)	-	(53,851)
Finance income	(6,69,587)	(5,286)
Interest expense	1,28,02,291	1,71,32,549
Share based payment expense	1,19,62,525	41,15,067
Net loss on foreign exchange fluctuations (unrealised)	(5,41,028)	11,39,244
Provisions no longer required written back	(19,49,388)	(36,38,606)
Allowance for bad and doubtful advance and debts	11,53,041	13,13,455
Operating profit before working capital changes	**14,65,75,951**	**(1,53,77,471)**
Movement in working capital:		
(Increase)/decrease in inventories	(2,34,16,188)	1,75,72,558
(Increase)/decrease in trade receivables	31,86,366	(6,99,70,818)
(Increase)/decrease in financial and non-financial assets	(5,78,71,127)	57,33,949
Increase/(decrease) in trade payables	(5,27,84,587)	5,35,21,904
Increase/(decrease) in financial, non-financial liabilities and provisions	21,00,27,976	2,74,55,900
Cash generated from operations	**22,57,18,391**	**1,89,36,021**
Income tax paid	-	2,12,570
Net cash flows from operating activities (A)	**22,57,18,391**	**1,91,48,591**
Cash flows used in investing activities		
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(30,19,11,459)	(47,46,429)
Proceeds from sale of property, plant and equipment	-	1,00,000
Investment in fixed deposits	36,78,223	(20,31,660)
Interest received	6,69,587	5,286
Net cash flows used in investing activities (B)	**(29,75,63,649)**	**(66,72,803)**
Net cash flows from financing activities		
Repayment of long - term borrowings	1,79,81,440	(2,91,58,141)
Proceeds from Short - term borrowings (net)	7,81,41,314	2,48,66,704
Payment of lease liabilities	(48,09,557)	-
Interest paid	(1,20,69,273)	(1,71,81,690)
Net cash flows from/(used in) financing activities (C)	**7,92,43,924**	**(2,14,73,127)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	73,98,666	(89,97,338)
Cash and cash equivalents at the beginning of the year	5,23,206	95,20,547
Cash and cash equivalents at the year end	**79,21,872**	**5,23,209**
Components of cash and cash equivalents:		
Cash on hand	1,72,638	1,81,076
Balances with banks		
On current accounts	77,49,234	3,42,130
Total cash and cash equivalents	**79,21,872**	**5,23,206**

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

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

Ganesh Balakrishnan
Partner
Membership No. 201193

Place: Hyderabad
Date: April 28, 2021

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

Subramani R
Managing Director
DIN : 00309661

Krishna Kalyan T D
Executive Director
DIN : 03102812

Hansika Hulas Jain
Company Secretary
ACS - 47937

Place: Bengaluru
Date: April 28, 2021

1 Corporate Information

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

These separate financial statements were authorised by the Board of Directors for issue in accordance with their resolution dated April 28, 2021.

2 Significant Accounting Policies

2.1 Basis of Preparation

(a) The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended March 31, 2020, the Company had prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Indian GAAP'). With effect from April 01, 2020, the Company is required to prepare its financial statements under the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended. The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 - 'First time adoption of Indian Accounting Standards'. Refer note 34 for information on how the Company has adopted Ind AS. Reconciliations and descriptions of the effect of the transition has been summarized in note 35.

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 (refer accounting policy regarding financial instruments).

The financial statements are presented in Indian Rupees and all values are rounded to the nearest Rupee, except otherwise indicated.

2.2 Summary of significant accounting policies

(a) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

(b) Foreign currencies

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

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

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

(c) Fair value measurement

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

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

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

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

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

(d) Revenue from contract with customers

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates after taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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

Sale of products

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

Sale of services

Revenue from contract research operations is recognised based on services performed till date as a percentage of total services. The agreed milestones are specified in the contracts with customers which determine the total services to be performed.

Interest income

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

(e) Taxes

Current income tax

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

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

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

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

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

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

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

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

(f) Property, plant and equipment

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

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 Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

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.

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

Factory buildings	:	30 years
Plant and equipment	:	8 to 15 years
Furniture and fixtures	:	10 years
Research & Development Equipments	:	10 years
Vehicles	:	8 years
Office Equipments	:	5 years
Computers	:	3 years

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

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

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

(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.

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

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

(h) Leases

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

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application.

Company as a lessee

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

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

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

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

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

(i) Borrowing costs

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

(j) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on specific identification method.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

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

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

(k) Impairment of non-financial assets

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

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

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

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

(l) Provisions

General

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

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(m) Retirement and other employee benefits

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

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

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

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

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

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

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

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

(n) Share-based payments

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

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using Black Scholes valuation model.

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

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

(o) Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. This category generally applies to trade and other receivables.

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

Derecognition

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

a) the rights to receive cash flows from the asset have expired, or

b) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

i. the Company has transferred substantially all the risks and rewards of the asset, or

ii. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

Impairment of financial assets

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

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

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

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits and bank balances.

b) Trade receivables that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

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

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

► All contractual terms of the financial instrument (including prepayment, extension and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

► Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

Loans and borrowings

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

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

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(p) Cash and cash equivalents

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

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

(q) Research and Development

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

(r) Measurement of EBITDA

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

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

(s) New standards and interpretations not yet adopted

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

Laurus Bio Private Limited
Formerly known as Richcore Lifesciences Private Limited
CIN: U02423KA2005PTC036770
Notes to Financial Statements for the year ended March 31, 2021
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3. Property, Plant and equipment

Particulars	Land	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments and Computers	Research and Development Equipments	Vehicles	Total
Gross Carrying Value								
Deemed cost as at April 01, 2019	**3,16,96,017**	**4,80,31,003**	**6,86,33,083**	**42,01,170**	**13,30,026**	**2,58,27,061**	**1,34,474**	**17,98,52,834**
Additions	-	2,97,960	59,37,719	6,26,642	9,16,839	5,78,715	-	**83,57,875**
Disposal	-	-	-	-	-	-	(11,00,000)	**(11,00,000)**
At March 31, 2020	**3,16,96,017**	**4,83,28,963**	**7,45,70,802**	**48,27,811**	**22,46,865**	**2,64,05,776**	**(9,65,526)**	**18,71,10,709**
Additions	-	58,98,009	1,75,29,764	6,13,418	28,11,058	53,35,259	20,65,000	**3,42,52,508**
Disposal	-	-	-	-	-	-	-	**-**
At March 31, 2021	**3,16,96,017**	**5,42,26,972**	**9,21,00,566**	**54,41,229**	**50,57,923**	**3,17,41,035**	**10,99,474**	**22,13,63,216**
Depreciation								
At April 01, 2019								
Charge for the year	-	20,62,032	2,44,80,726	10,71,379	7,75,494	41,94,029	34,101	**3,26,17,761**
Disposals	-	-	-	-	-	-	(10,53,851)	**(10,53,851)**
At March 31, 2020	**-**	**20,62,032**	**2,44,80,726**	**10,71,379**	**7,75,494**	**41,94,029**	**(10,19,750)**	**3,15,63,910**
Charge for the year	-	20,68,329	2,03,41,875	10,52,096	9,94,628	38,86,118	1,28,039	**2,84,71,085**
Disposals	-	-	-	-	-	-	-	**-**
At March 31, 2021	**-**	**41,30,361**	**4,48,22,601**	**21,23,475**	**17,70,122**	**80,80,147**	**(8,91,711)**	**6,00,34,995**
Net Carrying Value								
At March 31, 2020	**3,16,96,017**	**4,62,66,931**	**5,00,90,076**	**37,56,432**	**14,71,371**	**2,22,11,747**	**54,224**	**15,55,46,799**
At March 31, 2021	**3,16,96,017**	**5,00,96,611**	**4,72,77,965**	**33,17,754**	**32,87,801**	**2,36,60,888**	**19,91,185**	**16,13,28,221**

Capital work-in-progress : As on March 31, 2021 is Rs. 26,06,52,418 and As on March 30, 2020 is Nil

Notes:

Property, pland and equipment (other than vehices) with a carrying amount of Rs.15,93,37,035 (March 31, 2020: Rs.15,54,92,574) are subject to a hypothecation of exiting and new plant and machinery, research & development equipments and equitable mortgage of company land and building at plot no 204 & 237, Bommasandra, Jigani link road, KIADB Industrial area, Bangalore (consisting of land area 4040 Sq. Mtrs and buildings thereof)

4 Intangible assets

	Developed Products	Computer Software	Total
Gross Carrying Value			
Deemed cost as at April 01, 2019	**-**	**22,87,716**	**22,87,716**
Additions	-	-	-
At March 31, 2020	**-**	**22,87,716**	**22,87,716**
Additions	-	-	-
At March 31, 2021	**-**	**22,87,716**	**22,87,716**
Amortization			
At April 01, 2019			
Charge for the year	-	4,56,204	4,56,204
At March 31, 2020	**-**	**4,56,204**	**4,56,204**
Charge for the year	-	4,56,204	4,56,204
At March 31, 2021	**-**	**9,12,408**	**9,12,408**
Net Carrying Value			
At March 31, 2020	**-**	**18,31,512**	**18,31,512**
At March 31, 2021	**-**	**13,75,308**	**13,75,308**

Laurus Bio Private Limited

Formerly known as Richcore Lifesciences Private Limited
CIN: U02423KA2005PTC036770
Notes to Financial Statements for the year ended March 31, 2021
(All amounts in Rupees, except for share information or unless stated otherwise)

5 Financial Assets

A Other financial assets

Particulars	March 31, 2021	March 31, 2020	April 01, 2019
Non-Current (Unsecured, considered good unless stated otherwise)			
Security Deposits	75,33,790	22,65,140	22,61,740
Total	**75,33,790**	**22,65,140**	**22,61,740**

B Current (Unsecured, considered good unless stated otherwise)

Loans to related parties			
Loans to employees	4,20,044	4,44,934	3,87,116
Total	**4,20,044**	**4,44,934**	**3,87,116**

C Others

Particulars	March 31, 2021	March 31, 2020	April 01, 2019
Non-Current (Unsecurd, considered good unless otherwise stated)			
Bank Deposits	21,00,000	58,00,000	37,68,340
Interest accrued on bank deposits	21,777	-	-
Total	**21,21,777**	**58,00,000**	**37,68,340**

6 Other Assets

Particulars	March 31, 2021	March 31, 2020	April 01, 2019
A Non-Current (Unsecured, considered good unless otherwsie stated)			
Capital Advances	3,23,31,706	-	-
Prepayments	-	-	13,51,297
	3,23,31,706	**-**	**13,51,297**
Less: Provision for doubtful advances			
Total	**3,23,31,706**	**-**	**13,51,297**
B Current (Unsecured, Considered good unless otherwise stated)			
Capital Advances	32,13,147	3,14,736	13,78,251
Prepayments	30,08,597	10,62,856	-
Balances with statutory/government authorities	7,17,85,920	2,12,12,216	2,67,55,941
	7,80,07,664	**2,25,89,808**	**2,81,34,192**
Less: Provision for doubtful advances			
Total	**7,80,07,664**	**2,25,89,808**	**2,81,34,192**

7 Inventories

Particulars	March 31, 2021	March 31, 2020	April 01, 2019
(At lower of cost and net realisable value)			
Raw Materials	1,82,89,622	1,31,03,722	3,38,50,044
Work-in-progress	10,16,605	-	1,24,138
Finished Goods	1,62,11,684	1,09,48,032	2,56,53,191
Stores, spares and packing materials	3,53,52,742	2,34,02,711	53,99,650
Total	**7,08,70,653**	**4,74,54,465**	**6,50,27,023**

Notes to Financial Statements for the year ended March 31, 2021
(All amounts in Rupees, except for share information or unless stated otherwise)

8 Trade Receivables

Particulars	March 31, 2021	March 31, 2020	April 01, 2019
Unsecured			
Considered Good	8,63,32,932	9,01,55,976	2,19,12,629
Credit impaired	-	-	8,05,138
	8,63,32,932	**9,01,55,976**	**2,27,17,767**
Less: Allowance for doubtful debts	-	-	8,05,138
Total	**8,63,32,932**	**9,01,55,976**	**2,19,12,629**

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

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

c) Of the trade receivables balance, Rs. 6,67,85,944 in aggregate (as at March 31, 2020 Rs. 7,89,47,085) is due from the Company's customers individually representing more than 5 % of the total trade receivables balance.

d) The Company has used practical expedient by computing the expected credit loss allowance for doubtful trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking estimates. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates used in the provision matrix. In calculating expected credit loss, the company has also considered credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID -19.

9 Cash & cash equivalents and Other Bank Balances

Particulars	March 31, 2021	March 31, 2020	April 01, 2019
A) Cash & Cash Equivalents			
Balances with Banks			
- On Current Accounts	77,49,234	3,42,130	92,85,240
Cash on hand	1,72,638	1,81,076	2,35,307
Total	**79,21,872**	**5,23,206**	**95,20,547**

10 Share Capital

Particulars	March 31, 2021	March 31, 2020	April 01, 2019
Authorised shares			
333,897 (March 31, 2020: 283,897) equity shares of Rs. 10 each	33,38,970	28,38,970	28,38,970
150,000 (March 31, 2020: 150,000) Class A Compulsorily Convertible Cumulative Participating Preference Shares ("Class A CCCPPS") of Rs. 10 each	15,00,000	15,00,000	15,00,000
66,728 (March 31, 2020: 66,728) Class B Compulsorily Convertible Cumulative Participating Preference Shares ("Class B CCCPPS") of Rs. 4,489.16 each	29,95,52,668	29,95,52,668	29,95,52,668
17,820 (March 31, 2020: 17820) Class C Compulsorily Convertible Cumulative Participating Preference Shares ("Class C CCCPPS") of Rs. 4,489.16 each	7,99,96,832	7,99,96,832	7,99,96,832
	38,43,88,470	**38,38,88,470**	**38,38,88,470**
Issued, subscribed and fully paid-up shares			
2,50,326 (March 31, 2020: 50,610) equity shares of Rs.10 each	25,03,260	5,06,100	5,06,100
NIL (March 31, 2020: 105,699) Class A CCCPPS of Rs.10 each	-	10,56,990	10,56,990
NIL (March 31, 2020 : 66,728) Class B CCCPPS of Rs.4,489.16 each	-	29,95,52,668	29,95,52,668
NIL (March 31, 2020 : 17820) Class C CCCPPS of Rs.4,489.16 each	-	7,99,96,832	7,99,96,832
Total issued, subscribed and fully paid-up share capital	**25,03,260**	**38,11,12,590**	**38,11,12,590**

10.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	March 31, 2021		March 31, 2020		April 01, 2019	
Equity shares of Rs. 10 each, fully paid up	**No.**	**Rs.**	**No.**	**Rs.**	**No.**	**Rs.**
At the beginning of the year	50,610	5,06,100	50,610	5,06,100	50,610	5,06,100
Add: Issued during the year	1,99,716	19,97,160	-	-	-	-
Outstanding at the end of the year	**2,50,326**	**25,03,260**	**50,610**	**5,06,100**	**50,610**	**5,06,100**
Preference shares						
Class A CCCPPS of Rs. 10 each, fully paid up						
At the beginning of the year	1,05,699	-	1,05,699	10,56,990	1,05,699	10,56,990
Less : Conversion of shares	1,05,699	-	-	-		
Outstanding at the end of the year	**-**	**-**	**1,05,699**	**10,56,990**	**1,05,699**	**10,56,990**
Class B CCCPPS of Rs. Rs. 4,489.16 each, fully paid up						
At the beginning of the year	66,728	-	66,728	29,95,52,668	66,728	29,95,52,668
Less : Conversion of shares	66,728	-	-	-	-	-
Outstanding at the end of the year	**-**	**-**	**66,728**	**29,95,52,668**	**66,728**	**29,95,52,668**
Class C CCCPPS of Rs. Rs. 4,489.16 each, fully paid up						
At the beginning of the year	17,820	-	17,820	7,99,96,832	17,820	7,99,96,832
Less : Conversion of shares	17,820	-	-	-	-	-
Outstanding at the end of the year	**-**	**-**	**17,820**	**7,99,96,832**	**17,820**	**7,99,96,832**

10.2 Details of shareholders holding more than 5% shares of the Company

Particulars	March 31, 2021		March 31, 2020		April 01, 2019	
Equity shares of Rs. 10 each held by	**No.**	**% holding in the class**	**No.**	**% holding in the class**	**No.**	**% holding in the class**
Laurus Labs Limited	1,98,278	79.21%	-	-	-	-
Mr. Subramani R	25,000	9.98%	25,000	49%	25,000	49.40%
Prof. Dhinakar S Kompala	-	-	12,500	25%	12,500	24.70%
Ms. Richa Sharma	-	-	8,333	16%	8,333	16.47%
Prof. Ramachandran	-	-	4,167	8%	4,167	8.23%
Class A CCCPPS of Rs. 10 each held by						
VenturEast Trustee Company Private Limited (as trustee of VenturEast Life Fund III)	-	-	34,534	33%	34,534	32.67%
VenturEast Life Fund III LLC	-	-	34,533	33%	34,533	32.67%
VenturEast Proactive Fund LLC	-	-	20,189	19%	20,189	19.10%
VenturEast Proactive FVCI Company	-	-	11,718	11%	11,718	11.09%
Class B CCCPPS of Rs. 4,489.16 each held by						
Eight Roads Management Mauritius I Limited formerly known as FIL Capital	-	-	66,086	99%	66,086	99.04%
Class C CCCPPS of Rs. 4,489.16 each held by						
Eight Roads Management Mauritius I Limited formerly known as FIL Capital	-	-	12,181	68%	12,181	68.36%
VenturEast Life Fund III LLC	-	-	3,960	22%	3,960	22.22%
VenturEast Trustee Company Private Limited (as trustee of VenturEast Life Fund III)	-	-	1,609	9%	1,609	9.03%

Notes to Financial Statements for the year ended March 31, 2021
(All amounts in Rupees, except for share information or unless stated otherwise)

10.3 Share Warrants

As on date Nov 25, 2020, Company had entered into agreement with its promoters and shares holders to issue the share warrants of 7,765 shares at excerisable price of Rs.13,135 per share with lock in period of 3 years. These share warrants got excerisable within a period of 2 years from date of issuance. As on March 31, 2021, these share warrants are not excerised.

10.4 Other Equity

Particulars	March 31, 2021	March 31, 2020	April 01, 2019
Capital Reserve	-	-	-
Securities Premium			
Opening balance	29,44,21,312	29,44,21,312	29,44,21,312
Transferred from stock options outstanding	3,49,47,985		
Expense arising from equity-settled share-based payment transactions	37,87,34,640		
Closing Balance	**70,81,03,937**	**29,44,21,312**	**29,44,21,312**
Deficit in the statement of profit and loss			
Opening balance	(67,71,55,040)	(60,84,40,484)	(53,29,43,584)
Effect of adoption of Ind AS (refer note 34 & 35)	-	-	(43,49,180)
Profit for the year	9,27,71,710	(6,84,54,008)	(7,11,47,720)
Items recognized directly in Other Comprehensive income			
Remeasurement gains/(losses) on defined benefit plans	(13,78,011)	(2,60,548)	-
Net deficit in the statement of profit and loss (B)	**(58,57,61,341)**	**(67,71,55,040)**	**(60,84,40,484)**
Employee stock options outstanding			
Employee stock compensation as per the last financial statements	3,84,27,987	3,44,78,378	3,09,17,412
Add: Stock compensation cost amortised during the year	1,19,62,525	41,15,067	35,60,966
Less : Transferred to General Reserve	2,45,602	1,65,458	-
Less : Transferred to Security premium	3,49,47,985	-	-
Closing balance	**1,51,96,925**	**3,84,27,987**	**3,44,78,378**
General Reserve			
Balance as per the last financial statements	1,65,458	-	-
Add: Transfer from Employee stock options	2,45,602	1,65,458	-
Closing balance	**4,11,060**	**1,65,458**	**-**
Total Reserves & Surplus	**13,79,50,581**	**(34,41,40,283)**	**(27,95,40,794)**

11 Financial Liabilities

	Particulars	March 31, 2021	March 31, 2020	April 01, 2019
A	**Non Current borrowings**			
	Term Loans			
	Indian Rupee loans from banks (Secured)	2,30,22,379	1,57,00,116	2,67,27,109
	Indian Rupee loans from Financial Institutions (Secured)	2,06,93,375	-	1,81,81,815
	Total	**4,37,15,754**	**1,57,00,116**	**4,49,08,924**
	Current Maturities of Non Current borrowings			
	Term Loans			
	Indian Rupee loans from banks (Secured)	1,14,25,000	1,10,84,003	1,10,33,336
	Indian Rupee loans from Financial Institutions (Secured)	78,06,625	1,81,81,820	1,81,81,820
		1,92,31,625	**2,92,65,823**	**2,92,15,156**
	Less: Amount disclosed under the head ' other current financial liabilities'	-1,92,31,625	-2,92,65,823	-2,92,15,156
	Total	-	-	-
B	**Current borrowings**			
	Cash Credits and Working Capital Demand Loans			
	Indian Rupee loans from banks (Secured)	5,50,80,909	5,69,89,595	5,20,72,892
	Indian Rupee loans from Financial Instutions (Secured)	-	1,99,50,000	-
	Loans from realted parties	10,00,00,000	-	-
	Total	**15,50,80,909**	**7,69,39,595**	**5,20,72,892**

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

Name of the Bank	Outstanding as on March 31, 2021	Outstanding as on March 31, 2020	Sanction Amount	No. of Instalments	Commencement of instalments	Effective interest rate
Indian Bank - Term Loan-IV	1,59,47,379	2,25,50,791	4,12,00,000	24 quarterly instalments of Rs.17.00 Lac	September 2016	At MCLR +2.60+0.50 Presently 12.80%
Indian Bank - Term Loan-V	-	42,33,328	1,27,00,000	12 quarterly instalments of Rs.10.58 Lac	December 2017	At MCLR +8.35+3.70 Presently 12.05%
Indian Bank - Term Loan-VI IND GECLS Covid 19 Loan	1,85,00,000	-	1,85,00,000	48 Months, 12 Month Holiday period instalments of Rs.5.14 Lac	September 2020	Repo +3.50
Caspian Impact Investments Pvt Ltd Debit Funding	-	1,81,81,820	5,00,00,000	36 Months, instalments of Rs.45.45 Lac	March 2018	ROI-15.25%
Caspian Impact Investments Pvt Ltd Covid Loan	85,00,000	-	85,00,000	48 Months, 12 Month Holiday period	September 2020	ROI-14.00%
Caspian Impact Investments Pvt Ltd Term Loan-II	2,00,00,000	-	8,00,00,000	13 quarterly instalments of Rs.15.39 Lac	November 2020	ROI-15.75%

(b) The Company has an outstanding Indian rupee term loan of Rs.3,44,47,739 (March 31, 2020: Rs. 26,784,119) carrying an interest rate of 12% - 14% p.a. from a bank repayable in quarterly/monthly instalments. The loan is secured by hypothecation of existing and new Plant & Machinery, lab and testing equipments and equitable mortgage on Land and Building situated at Bommasandra Jigani Link Road. Personal guarantee has also been given by Mr. Subramani. R (Managing Director).

(c) The Company has outstanding Indian rupee term loan of Rs.2,85,00,000 (March 31, 2020: Rs 18,181,815) carrying an interest rate of 14% to 15.75 % p.a from Caspian Impact Investment Private Limited repayable in equal quarterly/monthly instalments . The loan is secured by hypothecation of equipment and non current assets (other than assets hypothecated with the Bank). Personal Guarantee has also been given by Mr. Subramani R (Managing Director)

12 Trade Payables

	March 31, 2021	March 31, 2020	April 01, 2019
- Outstanding dues to creditors other than micro enterprises and small enterprises	4,46,58,062	10,43,28,640	5,37,20,115
	4,46,58,062	**10,43,28,640**	**5,37,20,115**
- Outstanding dues to micro enterprises and small enterprises	20,64,406	-	-
	20,64,406	-	-

13 Current maturities and other liabilities

Particulars	March 31, 2021	March 31, 2020	April 01, 2019
Recognised at Amortised Cost			
Current maturities of long term borrowings	1,92,31,625	2,92,65,823	2,92,15,156
Capital Creditors	3,11,48,179	29,24,599	3,76,668
Interest accrued	13,19,541	5,86,523	6,35,664
Total	**5,16,99,345**	**3,27,76,945**	**3,02,27,488**

Notes to Financial Statements for the year ended March 31, 2021
(All amounts in Rupees, except for share information or unless stated otherwise)

14 Provisions

	Particulars	March 31, 2021	March 31, 2020	April 01, 2019
A	**Long Term Provisions**			
	Provision for Gratuity	95,72,734	76,52,624	58,87,196
	Total	**95,72,734**	**76,52,624**	**58,87,196**
B	**Short Term Provisions**			
	Provision for Gratuity	2,14,281	1,57,068	1,38,747
	Provision for Compensated absences	38,52,768	21,07,334	17,02,430
	Total	**40,67,049**	**22,64,402**	**18,41,177**

15 Income tax assets/liabilities

	Particulars	March 31, 2021	March 31, 2020	April 01, 2019
A	**Income tax assets**			
	Advance tax (net)	23,90,844	22,82,922	24,58,492
	Total	**23,90,844**	**22,82,922**	**24,58,492**

16 Other Liabilities

	Particulars	March 31, 2021	March 31, 2020	April 01, 2019
A	**Non Current**			
	Deferred rent	-	-	26,633
		-	**-**	**26,633**
B	**Current**			
	Advances from customers	24,67,42,997	3,15,47,167	76,90,060
	Payable to employees	70,87,353	53,56,732	42,31,251
	Security deposit	-	1,00,00,000	1,00,00,000
	Statutory dues	61,13,013	53,56,234	47,84,394
	Total	**25,99,43,363**	**5,22,60,133**	**2,67,05,705**

	Particulars		Year ended March 31, 2021	Year ended March 31, 2020
17	**Revenue from operations**			
	Sale of products			
	Income from sale of Finished Goods		37,88,48,819	36,18,73,961
		(A)	**37,88,48,819**	**36,18,73,961**
	Sale of Services			
	Income from services		13,14,58,653	4,77,03,592
		(B)	**13,14,58,653**	**4,77,03,592**
	Revenue from operations	**(A+B)**	**51,03,07,472**	**40,95,77,553**

18 Other income

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Liabilities no longer required written back	19,49,388	36,38,606
Other non-operating income	1,07,87,496	9,76,299
Total	**1,27,36,884**	**46,14,905**

19 Cost of raw materials and packing materials consumed

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Inventory at the beginning of the year	3,65,06,433	3,92,49,694
Add: Purchases	16,18,06,547	22,36,08,533
Less: Inventory at the end of the year	5,36,42,364	3,65,06,433
Cost of raw materials and packing materials consumed	**14,46,70,616**	**22,63,51,794**

20 Decrease /(Increase) in inventories of finished goods and work-in-progress

Particulars		Year ended March 31, 2021	Year ended March 31, 2020
Closing Stock of Inventories			
Finished goods		1,62,11,684	1,09,48,032
Work-in-progress		10,16,605	-
	(A)	**1,72,28,289**	**1,09,48,032**
Opening Stock of Inventories			
Finished goods		1,09,48,032	2,56,53,191
Work-in-progress		-	1,24,139
	(B)	**1,09,48,032**	**2,57,77,329**
Decrease /(Increase) in Inventories	**(B-A)**	**(62,80,257)**	**1,48,29,297**

21 Employee benefits expense

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries, wages and bonus	7,39,40,626	6,06,72,688
Contribution to provident and other funds	33,67,308	37,05,342
Gratuity expense	19,45,526	18,99,070
Employee stock compensation expense	1,19,62,525	41,15,067
Staff welfare expenses	1,37,98,972	1,33,13,685
Total	**10,50,14,956**	**8,37,05,852**

22 Other expenses

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Power and fuel	2,79,07,220	1,84,40,673
Rent	6,53,334	8,36,783
Repairs and maintenance:		
Plant & machinery	3,68,47,117	1,70,45,927
Others	43,13,050	37,41,377
Rates and taxes	27,47,531	8,42,917
Insurance	9,97,903	6,50,475
Legal and professional fees	1,39,54,224	35,34,762
Payments to auditors	25,00,000	19,68,090
Communication costs	5,93,302	7,41,994
Research and development expenses	2,80,65,821	2,36,55,945
Advertising and sales promotion	5,67,647	4,49,314
Printing and stationery	1,25,424	6,10,535
Membership & Subscription	25,29,630	28,28,645
Travelling and conveyance	38,54,163	1,11,45,179
Sales commission	-	81,41,643
Bad debts and advances written off (net)	11,53,041	13,13,455
Royalty	41,06,894	17,15,617
Freight and forwarding charges	46,53,175	45,96,626
Foreign exchange loss (net)	-	24,39,921
Total	**13,55,69,476**	**10,46,99,879**

(i) Details of Payment to auditors:

	Year ended March 31, 2021	Year ended March 31, 2020
Statutory Audit fees	23,00,000	19,00,000
Tax Audit Fees*	2,00,000	1,00,000
Reimbursment of Expenses	-	68,090
Total	**25,00,000**	**20,68,090**

Note: For the year ended March 31, 2020 , tax audit fees was included in legal and professional fees

23 Depreciation and amortization expense

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation of tangible assets	3,05,90,186	3,30,73,965
Amortisation of intangible assets	4,56,201	-
Total	**3,10,46,387**	**3,30,73,965**

24A Finance costs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest on Term Loan	1,28,02,291	1,71,32,549
Interest on Working capital (lease liabilities)	27,22,222	-
Bank charges	53,96,542	28,58,416
Total	**2,09,21,055**	**1,99,90,965**

24B Finance Income

Interest income on		
Bank deposits	6,12,220	-
Loan given to employees	57,367	5,286
Total	**6,69,587**	**5,286**

25 Earnings Per Share

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Profit available for equity shareholders	9,27,71,710	(6,84,54,008)
Weighted average number of equity shares in computing basic EPS	2,42,922	50,610
Add: Effect of dilution		
Stock options granted under ESOP	15,845	-
Share warrants*	-	-
Weighted Average number of Equity Shares in computing diluted earnings per share	2,58,767	50,610
Face value of each equity share (Rs.)	10	10
Earnings per share		
- Basic (Rs.)	381.90	(1,352.58)
- Diluted (Rs.)	358.51	(1,352.58)

Note:
i. Nil (March 31, 2020: 1,87,185) Compulsorily Convertible Cumulative Participating Preference Shares,
ii. Nil (March 31, 2020: 15,118) Stock options granted under ESOP and
iii. 7,765 (March 31, 2020: Nil) Share warrants
are excluded from the calculation of diluted earning per share for the current year as their effect is anti-dilutive.

Notes to Financial Statements for the year ended March 31, 2021
(All amounts in Rupees, except for share information or unless stated otherwise)

26 Gratuity

Defined Benefit Plan

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

	Particulars	March 31, 2021	March 31, 2020	April 01, 2019
A)	**Net employee benefit expense (recognised in Employee benefits expenses)**			
	Net employee benefit expense recognized in the employee cost			
	Current service cost	14,20,919	14,48,269	12,24,062
	Interest cost on benefit obligation	5,24,608	4,50,801	3,87,308
	Net benefit expense	**19,45,527**	**18,99,070**	**16,11,370**
B)	**Amount recognised in the Balance Sheet**			
	Present value of defined benefit obligation	97,87,015	78,09,692	60,25,943
	Plan liability	**97,87,015**	**78,09,692**	**60,25,943**
C)	**Changes in the present value of the defined benefit obligation**			
	Opening defined benefit obligation	78,09,692	60,25,943	49,75,068
	Current service cost	14,20,919	14,48,269	12,24,062
	Interest cost	5,24,607	4,50,801	3,87,308
	Benefits paid	(1,44,231)	(2,13,621)	(2,67,433)
	Net actuarial (gains) / losses on obligation for the year recognised under OCI	1,76,028	98,300	(2,93,062)
	Closing defined benefit obligation	**97,87,015**	**78,09,692**	**60,25,943**

E) Remeasurement adjustments:

(i) The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	March 31, 2021	March 31, 2020	April 01, 2019
Discount rate	6.89%	6.78%	7.62%
Salary escalation rate	8.28%	8.00%	11.30%
Withdrawal rate	2.00%	2.00%	3.00%
Retirement age	60 years	60 years	60 years

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

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

Expected benefit payments for the year ending:

Particulars	March 31, 2021	March 31, 2020	April 01, 2019
Year 1	2,14,281	1,57,068	1,38,747
Year 2	2,33,084	1,79,241	1,54,503
Year 3	2,51,341	1,94,062	1,76,059
Year 4	2,71,281	2,07,723	1,92,030
Year 5	2,88,139	22,093	2,04,967
Beyond 5 years	32,68,969	25,17,369	12,52,853

The average duration of the defined benefit plan obligation at the end of the reporting period is 21.50 years (March 31, 2020: 21.96 years), (April 01, 2019: 22.69 years)

(iii) **Sensitivity analysis:**

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

Particulars	March 31, 2021	March 31, 2020	April 01, 2019
(a) Effect of 1% change in assumed discount rate on defined benefit obligation			
- 1% increase	(13.8)	(14.2)	(14.1)
- 1% decrease	16.9	17.5	17.5
(b) Effect of 1% change in assumed salary escalation rate on defined benefit obligation			
- 1% increase	11.5	14.5	11.5
- 1% decrease	(11.1)	(11.9)	(10.7)
(c) Effect of 1% change in assumed attrition rate on defined benefit obligation			
- 1% increase	(0.5)	(0.5)	(2.7)
- 1% decrease	0.7	0.6	3.2

(iv) **Defined contribution plan**

Particulars	March 31, 2021	March 31, 2020	April 01, 2019
Contribution to Provident Fund	32,32,237	35,03,542	25,66,206

Notes to Financial Statements for the year ended March 31, 2021
(All amounts in Rupees, except for share information or unless stated otherwise)

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

Particulars	March 31, 2021	March 31, 2020	April 01, 2019
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	20,64,406	-	-
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-	-
Total	**20,64,406**	**-**	**-**

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

28 Research and development

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

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2021
Salaries & Wages	1,91,72,504	1,82,45,750
Lab Consumables	88,93,317	54,10,195
Total	**2,80,65,821**	**2,36,55,945**

29 Related party disclosures

Names of related parties and description of relationship

Name of the related party	Relationship
Holding Company	
i) Laurus Labs Limited	79.21 % Holding Company
Key Management Personnel	
i) Mr. Subramani Ramachandrappa	Managing Director
ii) Mr. Krishna Kalyan T D	Director
iii) Mr. Rajesh Krishnamurthy	Director
iv) Ms. Shivani Handa	Company Secretary (with effect from July 01,2019)
v) Ms Hansika Hulas Jain	Company Secretary (with effect from March 19,2021)

Transactions during the year :

Name of the Party	Nature of Transaction	For the year ended March 31, 2021	For the year ended March 31, 2020
i) Mr. Subramani Ramachandrappa	Employees Benefits Expenses	1,17,24,072	97,70,052
ii) Mr. Krishna Kalyan T D	Employees Benefits Expenses	66,45,032	55,82,496
iii) Mr. Rajesh Krishnamurthy	Employees Benefits Expenses	79,48,746	65,03,652
iv) Ms. Shivani Handa	Employees Benefits Expenses	5,59,136	4,24,353
v) Ms. Hansika Hulas Jain	Employees Benefits Expenses	32,989	-
vi) Laurus Labs Limited	Inter Corporate Loan & Accrued Interest	10,10,73,973	-

Notes to Financial Statements for the year ended March 31, 2021

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

Closing balances (Unsecured)

Name of the Party	**Nature of Transaction**	**For the year ended March 31, 2021**	**For the year ended March 31, 2020**
i) Mr. Subramani Ramachandrappa	Other Current Liabilities	2,44,349	1,75,524
ii) Mr. Krishna Kalyan T D	Other Current Liabilities	3,63,964	3,34,529
iii) Mr. Rajesh Krishnamurthy	Other Current Liabilities	6,80,370	5,44,118
iv) Ms. Shivani Handa	Other Current Liabilities	27,880	45,616
v) Ms. Hansika Hulas Jain	Other Current Liabilities	31,161	-
vi) Laurus Labs Limited	Current Borrwings	10,10,73,973	-

Note

a : The remuneration to the key managerial personnel does not include

(i) The provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees of the Company as a whole.

b: Outstanding amount of laurus labs limited is including interest of Rs. 10,73,973.

30 Share based payments

During the financial year ended March 31, 2016, the Shareholders at Extraordinary General Meeting ("EGM") of the Company held on January 28, 2016, had approved the Richcore lifesciences Employee Stock Option Plan 2015 (the "Scheme") Senior Management and Employee Stock Option Plan 2015 (the "scheme") Employees. The plan covers all employees of the Company including directors. Under the Scheme, 21,050 options have been authorized for grant. Employees of the Company were granted stock options of the Company, based upon performance, criticality to business and long-term potential to the Company. According to the scheme the options granted vest within a period of three to four years, subject to terms and conditions specified in the scheme.

A) ESOP 2015 Scheme Senior Management

According to the Scheme, the options granted vest within a period of four years, subject to the terms and conditions specified in the scheme. Options are granted based upon the recommendations and decisions made by compensation committee. Options granted shall vest so long as the employee continues to be in the employment of the Company as on the date of vesting. Subject to an employee's continued employment with the Company, options can be exercised any time on or after the date of vesting of options as specified in the respective grants under the Scheme.

B) ESOP 2015 Scheme Employees

According to the Scheme, the options granted vest within a period of four years, subject to the terms and conditions specified in the scheme. Options are granted based upon the recommendations and decisions made by compensation committee. Options granted shall vest so long as the employee continues to be in the employment of the Company as on the date of vesting. Subject to an employee's continued employment with the Company, options can be exercised any time on or after the date of vesting of options as specified in the respective grants under the Scheme.

Excersie Period

Scheme	Number of options	Year 1 60%	Year 2 20%	Year 3 20%
ESOP 2015				
Senior Employees Scheme*	11,695	29 Jan, 2017	29 Jan, 2018	29 Jan, 2019
	4,377	20 Aug, 2021	20 Aug, 2022	20 Aug, 2023

Scheme	Number of options	Year 1 25%	Year 2 25%	Year 3 25%	Year 4 25%
ESOP 2015					
	3,728	27 Nov, 2019	26 Nov, 2020	26 Nov, 2021	26 Nov, 2022
Employees Scheme*	250	5 Sep, 2020	5 Sep, 2021	5 Sep, 2022	5 Sep, 2023
	1,500	20 Aug, 2021	20 Aug, 2022	20 Aug, 2023	20 Aug, 2024

Note:

According to scheme, in the event of change in the control all the unvested options will vest immediately. During the financial year 2020-21 laurus labs limited had entered into an agreement with the promoters and acquired 79.21% of shares as on Jan 20, 2021 from CCCPPS Class A,B,C and equity share holders. As per clauses of the scheme all the unvested share options of senior employees and employees till the date got vested during financial year 2020-21.

Scheme	Date of Grant	Number of options Granted	Exercise price	Weighted Average Fair value of option at grant date
ESOP 2015				
Senior Management	29 Jan 2016	11,695	10	2,808
Senior Management	20 Aug 2020	4,377	10	1,400
Employees	27 Nov 2018	3,228	10	2,672
Employees	05 Sep 2019	250	10	2,676
Employees	20 Aug 2020	1,500	10	1,400

Details of Activiy

Particulars	March 31, 2021	March 31, 2020	April 01, 2019
	No. of Options	No. of Options	No. of Options
Outstanding at the beginning of the year	15,323	15,423	11,695
Granted during the year	5,877	250	3,728
Forfeited during the year	150	350	-
Exercised during the year	12,531	-	-
Outstanding at the end of the year	8,519	15,323	15,423
Exercisable at the end of the year	8,519	13,447	11,695
Weighted average exercise price for all the above options	10	10	10

Dividend yield	0%	0%	0%
Expected volatility	50%	50%	50%
Risk-free interest rate	6.6 to 8.9%	6.6 to 8.9%	6.6 to 8.9%
Weighted average share price of Rs.	2,392	2,776	2,775
Exercise price of Rs.	10	10	10
Expected life of options granted in years	3 to 4	3 to 4	3 to 4

31 Significant accounting judgements, estimates and assumptions

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

(A) Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

(i) Lease commitments - the Company as lessee

The Company has entered into leases for land and office premises. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the land and office premises and the fair value of the asset, that it does not retain significant risks and rewards of ownership of the land and the office premises and accounts for the contracts as operating leases. Further, refer note no. 37, for effect of transition to Ind AS 116, classification of leases and other disclosures relating to leases.

(B) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimation requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The Black Scholes valuation model has been used by the Management for share-based payment transactions. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 30.

(ii) Defined employee benefit plans (Gratuity)

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

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

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in Note 30.

(iii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow ('DCF') model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 32 and 33 for further disclosures.

(iv) Depreciation on property, plant and equipment

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

32 Fair values

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

	Carrying value			Fair value		
Particulars	**March 31, 2021**	**March 31, 2010**	**April 01, 2019**	**March 31, 2021**	**March 31, 2010**	**April 01, 2019**
Financial assets at amortised cost:						
Loans	4,20,044	4,44,934	3,87,116	4,20,044	4,44,934	3,87,116
Deposits and others	96,55,567	80,65,140	60,30,080	96,55,567	80,65,140	60,30,080
Trade receivables	8,63,32,932	9,01,55,976	2,19,12,629	8,63,32,932	9,01,55,976	2,19,12,629
Cash and cash equivalents	79,21,872	5,23,206	95,20,547	79,21,872	5,23,206	95,20,547
Financial liabilities at amortised cost:						
Borrowings (Non-current and current)	25,04,96,008	12,54,16,656	12,72,09,304	25,04,96,008	12,54,16,656	12,72,09,304
Interest accrued	13,19,541	5,86,523	6,35,664	13,19,541	5,86,523	6,35,664
Trade payables	4,67,22,468	10,43,28,640	5,37,20,115	4,67,22,468	10,43,28,640	5,37,20,115
Capital creditors and others	3,11,48,179	29,24,599	3,76,668	3,11,48,179	29,24,599	3,76,668

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

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

33 Financial risk management objectives and policies

Financial risk management framework

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

A Credit risk

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

Trade receivables:

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. Company’s exposure to customers is diversified and some customer contributes more than 20% of outstanding accounts receivable as of March 31, 2021, March 31, 2020 and April 01, 2019 however there was no default on account of those customer in the past.

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

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 8,63,32,932, Rs. 9,01,55,975, Rs. 2,19,12,629 as on March 31, 2021, March 31, 2020 and April 01, 2019 respectively, being the total of the carrying amount of balances with trade receivables.

B Liquidity risk

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

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

Particulars	Up to 1 Year	1 to 3 years	3 to 5 years	> 5 years	Total
March 31, 2021:					
Non-current borrowings (including current maturities)	1,93,75,806	4,35,71,573	-	-	6,29,47,379
Current borrowings	15,50,80,909				15,50,80,909
Interest payable	13,19,541				13,19,541
Trade payables	4,67,22,468				4,67,22,468
Other payables	3,11,48,179				3,11,48,179
	25,36,46,903	**4,35,71,573**	**-**	**-**	**29,72,18,476**
March 31, 2020:					
Non-current borrowings (including current maturities)	2,92,65,823	1,57,00,116	-	-	4,49,65,939
Current borrowings	7,69,39,595				7,69,39,595
Interest payable	586523				5,86,523
Trade payables	104328640				10,43,28,640
Other payables	2924599				29,24,599
	21,40,45,180	**1,57,00,116**	**-**	**-**	**22,97,45,296**

C Market risk

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

Interest rate risk

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

Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar against the functional currencies of the Company. The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies. The information as follows:

Notes to Financial Statements for the year ended March 31, 2021
(All amounts in Rupees, except for share information or unless stated otherwise)

a) Details of Unhedged Foreign Currency Exposure:

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

		March 31, 2021			March 31, 2020			April 01, 2019		
Particulars	**Currency**	**Amount in foreign currency**	**Amount in Rs.**	**Conversion Rate**	**Amount in foreign currency**	**Amount in Rs.**	**Conversion Rate**	**Amount in foreign currency**	**Amount in Rs.**	**Conversion Rate**
Trade Receivables	USD	4,20,289	3,08,93,241	73.51	74,055	55,81,343	75.37	4,181	2,91,697	69.77
	EUR	2,965	2,55,283	86.10	12,979	10,78,322	83.08	-	-	
Trade Payables	USD	41,978	30,85,571	73.51	6,24,700	4,70,82,134	75.37	2,73,978	1,91,14,700	69.77
	EUR	19,520	16,80,652	86.10	30,766	25,56,103	83.08	23,786	19,50,233	81.99
Cash and cash equivalents	CNY	-	-	-	4,043	43,012	10.64	4,429	45,704	10.32
	IDR	-	-	-	6,15,000	2,460	0.0040	6,15,000	2,952	0.0048
	USD	-	-	-	444	33,492	75.36	1,549	1,08,070	69.77
	AED	-	-	-	430	8,824	20.52	430	8,109	18.86
	EGP	-	-	-	1,395	6,678	4.79	1,395	5,582	4.00
	PHP	-	-	-	45	67	1.49	45	62	1.38
	CAD	-	-	-	30	1,601	53.37	30	1,531	51.03
	EUR	-	-	-	307	25,516	83.08	-	-	-

b) Foreign currency sensitivity:

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

Particulars	**Change in USD rate**		**Effect on profit before tax**	
	Increase	**Decrease**	**Increase**	**Decrease**
March 31, 2021				
USD	1.00%	1.00%	2,78,078	(2,78,078)
EURO	1.00%	1.00%	(14,254)	14,254
March 31, 2020				
USD	1.00%	1.00%	(4,14,686)	4,14,686
EURO	1.00%	1.00%	(14,522)	14,522
April 01, 2019				
USD	1.00%	1.00%	(1,87,149)	1,87,149
EURO	1.00%	1.00%	(19,502)	19,502

34 First time adoption of Ind AS

The Company’s management had previously issued its audited financial statements for the year ended March 31, 2020 on September 15, 2020 that were prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 ('Indian GAAP’). With effect from April 1, 2019, the Company is required to prepare its financial statements under the Indian Accounting Standards (‘Ind AS’) prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016.

Accordingly, the company had prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2021, together with the comparative period data as at and for the year ended March 31, 2020, as described in the summary of significant accounting policies. In preparing these financial statements, the company's opening balance sheet was prepared as at April 01, 2019, the company's date of transition to IndAS. This note explains the pricipal adjustments made by the company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2019 and financial statements as at and for the year ended March 31, 2020.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

(a) Since there is no change in functional currency, the Company has elected to regard carrying values for all of property, plant and equipment as recognised in its Indian GAAP financials as deemed cost at the date of the transition.

(b) The company had elected to regard fair value of intangible assets (Developed products) as recognised in its Indian GAAP financials as deemed cost at the date of transition.

(c) Ind AS 116 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind-AS 116, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements based for embedded leases based on conditions in place as at the date of transition.

Estimates

The estimates as at April 01, 2019 and March 31, 2020 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation. The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2019 (transition date) and as at March 31, 2020.

Notes to Financial Statements for the year ended March 31, 2021
(All amounts in Rupees, except for share information or unless stated otherwise)

35 Reconciliation with previous GAAP:

A.1 Reconciliation of equity as previously reported under Previous GAAP (I GAAP) to Ind AS as at April 01, 2019:

Particulars	Notes	Previous GAAP	Effect of adotpion of Ind AS	Ind AS
ASSETS				
Non Current Assets				
Property, Plant and Equipment		17,98,52,834	-	17,98,52,834
Intangible assets		22,87,716	-	22,87,716
Financial Assets				
Other financial assets		22,61,740	-	22,61,740
Others		37,68,340	-	37,68,340
Income tax assets (net)		24,58,492	-	24,58,492
Other non-current assets		13,51,297	-	13,51,297
Total non-current assets		**19,19,80,419**	**-**	**19,19,80,419**
Current Assets				
Inventories		6,50,27,023	-	6,50,27,023
Financial Assets				
Loans		3,87,116	-	3,87,116
Trade receivables		2,19,12,629	-	2,19,12,629
Cash and cash equivalents		95,20,547	-	95,20,547
Other Current Assets		2,81,34,192	-	2,81,34,192
Total current assets		**12,49,81,507**	**-**	**12,49,81,507**
Total Assets		**31,69,61,926**	**-**	**31,69,61,926**
EQUITY and LIABILITIES				
Equity				
Equity Share Capital		38,11,12,590	-	38,11,12,590
Other Equity	(i) & (ii)	(27,49,24,307)	(46,16,487)	(27,95,40,794)
Total Equity		**10,61,88,283**	**(46,16,487)**	**10,15,71,796**
Liabilities				
Non Current Liabilities				
Financial Liabilities				
Borrowings		4,49,08,924	-	4,49,08,924
Provisions	(i) & (ii)	43,43,097	15,44,099	58,87,196
Other non current Liabilities		26,633	-	26,633
Total non-current liabilities		**4,92,78,654**	**15,44,099**	**5,08,22,753**
Current Liabilities				
Financial Liabilities				
Borrowings		5,20,72,892	-	5,20,72,892
Trade Payables				
- Outstanding dues to creditors other than micro enterprises and small enterprises		5,37,20,115	-	5,37,20,115
Current Maturities and other liabilities		3,02,27,488	-	3,02,27,488
Provisions	(i) & (ii)	33,85,276	(15,44,099)	18,41,177
Other current liabilities		2,67,05,705	-	2,67,05,705
Total current liabilities		**16,61,11,476**	**(15,44,099)**	**16,45,67,377**
Total Equity and Liabilities		**32,15,78,413**	**(46,16,487)**	**31,69,61,926**

Notes to Financial Statements for the year ended March 31, 2021

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

A.2 Reconciliation of equity as previously reported under Previous GAAP (I GAAP) to Ind AS as at March 31, 2020:

Particulars	Notes	Previous GAAP	Effect of adotpion of Ind AS	Ind AS
ASSETS				
Non Current Assets				
Property, Plant and Equipment		15,55,46,799	-	15,55,46,799
Intangible assets	(ii)	18,31,512	-	18,31,512
Financial Assets				
Other Financial assets		22,65,140	-	22,65,140
Others		58,00,000	-	58,00,000
Income tax assets (net)		22,82,922	-	22,82,922
Total non-current assets		**16,77,26,373**	**-**	**16,77,26,373**
Current Assets				
Inventories		4,74,54,465	-	4,74,54,465
Financial Assets				
Loans		4,44,934	-	4,44,934
Trade receivables		9,01,55,976	-	9,01,55,976
Cash and cash equivalents		5,23,206	-	5,23,206
Other Current Assets		2,25,89,808	-	2,25,89,808
Total current assets		**16,11,68,388**	**-**	**16,11,68,388**
Total Assets		**32,88,94,761**	**-**	**32,88,94,761**
EQUITY and LIABILITIES				
Equity				
Equity Share Capital		38,11,12,590	-	38,11,12,590
Other Equity	(i) & (ii)	(34,10,18,068)	(31,22,215)	(34,41,40,283)
Total Equity		**4,00,94,522**	**(31,22,215)**	**3,69,72,307**
Liabilities				
Non Current Liabilities				
Financial Liabilities				
Borrowings		1,57,00,116	-	1,57,00,116
Provisions	(i) & (ii)	57,48,994	19,03,630	76,52,624
Total non-current liabilities		**2,14,49,110**	**19,03,630**	**2,33,52,740**
Current Liabilities				
Financial Liabilities				
Borrowings		7,69,39,595	-	7,69,39,595
Trade Payables				
- Outstanding dues to creditors other than micro enterprises and small enterprises		10,43,28,640	-	10,43,28,640
Current Maturities and other liabilities		3,27,76,945	-	3,27,76,945
Provisions	(i) & (ii)	41,68,032	(19,03,630)	22,64,402
Other current liabilities		5,22,60,133	-	5,22,60,133
Total current liabilities		**27,04,73,345**	**(19,03,630)**	**26,85,69,715**
Total Equity and Liabilities		**33,20,16,977**	**(31,22,215)**	**32,88,94,762**

Notes to Financial Statements for the year ended March 31, 2021

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

B.1 Reconciliation of Statement of Profit and Loss as previously reported under Previous GAAP (IGAAP) to Ind AS for the year ended March 31, 2020:

Particulars		Previous GAAP	Effect of adotpion of Ind AS	Ind AS
INCOME				
Revenue from Operations		40,95,77,553	-	40,95,77,553
Other Income		46,14,905	-	46,14,905
Total income (I)		**41,41,92,458**	**-**	**41,41,92,458**
EXPENSES				
Cost of Materials Consumed		22,63,51,794	-	22,63,51,794
Increase in Inventories of Finished Goods and Work-in-Progress		1,48,29,297	-	1,48,29,297
Employee Benefits Expenses	(i) & (ii)	8,39,66,400	(2,60,548)	8,37,05,852
Other Expenses		10,46,99,879	-	10,46,99,879
Total Expenses (II)		**42,98,47,371**	**(2,60,548)**	**42,95,86,823**
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (III)=(I-II)		**(1,56,54,913)**	**2,60,548**	**(1,53,94,365)**
Depreciation and Amortisation		3,45,68,237	(14,94,272)	3,30,73,965
Finance Income		(5,286)	-	(5,286)
Finance Expenses		1,99,90,965	-	1,99,90,965
Profit Before Tax (IV)		**(7,02,08,829)**	**17,54,820**	**(6,84,54,009)**
Tax Expense				
Current tax		-	-	-
Income tax expense (V)		**-**	**-**	**-**
Profit/(Loss) for the year (VI)=(IV-V)		**(7,02,08,829)**	**17,54,820**	**(6,84,54,009)**
Other comprehensive income (OCI)				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Re-measurement gains / (losses) on employee defined benefit plans	(i) & (ii)	-	(2,60,548)	(2,60,548)
Total Other comprehensive income for the year, net of tax		**-**	**(2,60,548)**	**(2,60,548)**
Total comprehensive income for the year, net of tax		**(7,02,08,829)**	**14,94,272**	**(6,87,14,557)**

C. Notes to reconciliation of equity as at April 01, 2019 and March 31, 2020 and profit or loss for the year ended March 31, 2020

(i) Other comprehensive income

Under Indian GAAP, the Group has not presented other comprehensive income (OCI) separately. Hence, it has reconciled Indian GAAP profit or loss to profit or profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

(ii) Remeasure of actuarial gains/ (losses):

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

(iii) Statement of Cash flows:

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows

(iv) Retained Earnings:

Retained Earnings as at April 01, 2019, has been adjusted consquent to the above IndAS transition adjustments.

36 Capital management

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

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

Particulars	March 31, 2021	March 31, 2020
Borrowings including interest accrued on borrowings (Note 13)	16,42,66,920	4,55,52,462
Less: Cash and cash equivalents; other balances with banks (Note 9)	(79,21,872)	(5,23,206)
	15,63,45,048	**4,50,29,256**
Equity	25,03,260	38,11,12,590
Other equity	13,79,50,581	(34,41,40,283)
Total equity	**14,04,53,841**	**3,69,72,307**
Gearing ratio (Net debt/ Total equity)	0.90	0.82

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2021.

37 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Operating lease commitments - Company as lessee

The Company's lease asset classes primarily consist of leases for land. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Effective April 01, 2020, the Company adopted IND AS 116, leases and applied the standard to all contracts existing on April 01, 2020 using the modified retrospective method and has recorded right of use of asset equal to lease liability, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the Right of Use ('ROU') asset at an amount equal to the lease liability after making adjustments for prepaid/accrued payments and estimated cost for lease restoration. Comparatives as at and for the year ended March 31, 2020 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies disclosed in our financial statements for the year ended March 31, 2020.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of Rs. 4,98,06,831 and a lease liability of Rs. 4,98,38,597. The effect of this adoption is an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application :

1. Applied a single discount rate to all lease assets
2. Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial

3. Excluded the initial direct costs from the measurement of the ROU asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate is applied to lease liabilities as at 1 April 2020.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021

Particulars	March 31, 2021
Recognition on adoption of Ind AS 116	-
Additions	5,19,25,932
Depreciation	(21,19,101)
Closing Balance	**4,98,06,831**

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

The following is the movement in lease liabilities during the year ended March 31, 2021

Particulars	March 31, 2021	
Recognition on adoption of Ind AS 116	-	
Additions	5,19,25,932	
Finance cost accrued during the year	27,22,222	48,41,323
Payment of lease liabilities	(48,09,557)	
Closing Balance	**4,98,38,597**	

The following is the break-up of current and non-current lease liabilities as at March 31, 2021

Particulars	March 31, 2021
Non-current lease liabilities	4,72,36,745
Current lease liabilities	26,01,852
Total	**4,98,38,597**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on undiscounted basis

Particulars	March 31, 2021
Within one year	26,01,852
After one year but not more than five years	1,50,45,895
More than five years	3,21,90,849

38 Segment Information

i. Primary Business Segment

The management has assessed the identification of reportable segments in accordance with requirments of IndAs 10,'operating segment' and believes that the Company has only on one primary segment namely to develop novel enzymatic solutions for Industrial Biotechnology and Animal Origin Free recombinant proteins and enzymes for biopharma.

ii. Segment information for secondary segment reporting (by geographical segment)

(a) Revenues (excluding other income):

Particulars	March 31, 2021	March 31, 2020
Revenue from operations (net)		
India	23,71,56,015	30,86,76,187
Outside India	27,31,51,457	10,09,01,365
	51,03,07,472	**40,95,77,552**

(b) Carrying amount of assets:

Particulars	March 31, 2021	March 31, 2020
India	72,99,45,536	32,22,35,097
Outside India	3,11,48,524	66,59,665
	76,10,94,060	**32,88,94,762**

(c) Cost incurred to acquire capital assets

Particulars	March 31, 2021	March 31, 2020
India	3,42,52,508	83,57,875
Outside India	-	-

iii. Information about major customers:

Revenue from 3 customers, amounted to Rs. 25,96,33,953 (March 31, 2020 - Rs. 24,45,79,823) arising from sale of goods and services.

Notes to Financial Statements for the year ended March 31, 2021
(All amounts in Rupees, except for share information or unless stated otherwise)

39 Commitments & Contigent liabilities

A Commitments

Particulars	March 31, 2021	March 31, 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for	9,39,84,638	-

B Contigent Liabilities

Particulars	March 31, 2021	March 31, 2020
Value added tax (pending C forms)	-	2,22,833

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

Subramani R
Managing Director
DIN : 00309661

Krishna Kalyan T D
Executive Director
DIN : 03102812

Hansika Hulas Jain
Company Secretary
ACS - 47937

Place: Bengaluru
Date: April 28, 2021