Deloitte Haskins & Sells

Chartered Accountants
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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, 2022, 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, 2022, 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 the Board's report including Annexures to Board's report but does not include the financial statements and our auditor's report thereon.

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

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

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

Management's 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 Other Legal and Regulatory Requirements

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

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

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

   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 books of account.

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

e) On the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls 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 Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 42(vi) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 42(vii) to the financial statements no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

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

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

Ganesh Balakrishnan
(Partner)
(Membership No. 201193)
(UDIN:22201193AHSNLM3141)

Place: Hyderabad
Date: April 25, 2022

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 known as Richcore Lifesciences Private Limited) ("the Company") as of March 31, 2022 in conjunction with our audit of the 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.

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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, 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, 2022, 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 & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Ganesh Balakrishnan
(Partner)
(Membership No. 201193)

Place: Hyderabad
Date: April 25, 2022

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ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

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

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment, capital work-in-progress and right-of-use assets were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, capital work-in-progress are held in the name of the Company as at the balance sheet date. Immovable properties of land whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmations directly received by us from lenders.

(d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, statements on ageing analysis of the debtors/creditors and other stipulated financial information filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed. The Company is yet to submit the statement for the quarter ended March 31, 2022 with the banks.

(iii) The Company has granted unsecured loans during the year, in respect of which :

(a) The Company has granted unsecured loans during the year and details of which are given below:

(Amount in ₹ in)

	Loans
A. Aggregate amount granted during the year:	
- Others	4,078,998
B. Balance outstanding as at balance sheet date in respect of above cases:	
- Others	9,90,327

The Company has not provided any advances in the nature of loans or security to any other entity during the year.

(b) The terms and conditions of the grant of all the above-mentioned loans during the year are in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

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

(vii) (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of Statute	Nature of Dues	Amount (in ₹)	Period for which the amount relates to	Forum where dispute is pending
Income-Tax Act, 1961	Income Tax	57,74,780	AY 2018-2019	Commissioner of Income Tax (Appeals)

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) and (ix) (f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

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

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

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

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

(xiii) In our opinion, the Company is in compliance with section 188 of the Companies Act 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. The Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto September 30, 2021. We were unable to obtain internal audit report of the company issued for the period October 2021 to March 2022, hence we were unable to consider such internal audit reports in our audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary company, associate company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(d) The Group does not have any core investment company as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

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

Ganesh Balakrishnan
Partner
(Membership No. 201193)

Place: Hyderabad
Date: April 25, 2022

Laurus Bio Private Limited
(Formerly known as Richcore Lifesciences Private Limited)
CIN: U02423KA2005PTC036770
Balance Sheet as at March 31, 2022
(All amounts in Rupees, except for share information or unless stated otherwise)

Particulars	Notes	March 31, 2022	March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	618,983,922	161,328,221
Right-of-use assets	38	103,404,881	49,806,831
Capital work in progress		50,162,819	260,652,418
Intangible assets	4	687,654	1,375,308
Financial Assets			
Other financial assets	5A	7,650,448	9,655,567
Income tax assets (net)	16A	13,277,497	2,390,844
Other non-current assets	6A	48,599,552	32,331,706
Total non-current assets		**842,766,773**	**517,540,895**
Current assets			
Inventories	8	150,649,099	70,870,653
Financial Assets			
Other financial assets	5B	990,327	420,044
Trade receivables	9	73,466,191	86,332,932
Cash & cash Equivalents	10A	2,950,130	7,921,872
Other Balances with Banks	10B	3,585,820	-
Other current assets	6B	205,683,877	78,007,664
Total current assets		**437,325,444**	**243,553,165**
Total Assets		**1,280,092,217**	**761,094,060**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11	2,588,450	2,503,260
Other Equity		339,175,955	137,950,581
Total Equity		**341,764,405**	**140,453,841**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	12A	187,500,000	43,715,754
Lease liabilities	38	78,563,109	47,236,745
Provisions	15A	10,119,371	9,572,734
Deferred Tax Liability (net)	7	15,595,761	-
Total non-current liabilities		**291,778,241**	**100,525,233**
Current liabilities			
Financial Liabilities			
Borrowings	12B	308,408,175	174,312,534
Lease liabilities	38	7,571,619	2,601,852
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	13	3,779,001	2,064,406
Total outstanding dues of creditors other than micro enterprises and small enterprises	13	126,829,525	51,745,415
Other financial liabilities	14	46,325,681	32,467,720
Provisions	15B	4,446,187	4,067,049
Other current liabilities	17A	149,189,383	252,856,010
Total current liabilities		**646,549,571**	**520,114,986**
Total- Equity and Liabilities		**1,280,092,217**	**761,094,060**

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

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

Place: Hyderabad
Date: April 25, 2022

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

Subramani R
Managing Director
DIN : 00309661

Krishna Kalyan T D
WholeTime Director
DIN : 03102812

Hansika Hulas Jain
Company Secretary
ACS-45937

LAURUS BIO PRIVATE LIMITED BANGALORE

Place: Bengaluru
Date: April 25, 2022

Laurus Bio Private Limited

(Formerly known as Richcore Lifesciences Private Limited)

CIN: U02423KA2005PTC036770

Statement of Profit and Loss for the year ended March 31, 2022

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

	Particulars	Notes	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
I.	**INCOME**			
	Revenue from operations	18	1,002,762,842	510,307,472
	Other income	19	597,265	12,736,884
	Total income (I)		**1,003,360,107**	**523,044,356**
II.	**EXPENSES**			
	Cost of materials consumed	20	238,680,427	144,670,616
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	(24,099,845)	(6,280,257)
	Employee benefits expenses	22	173,781,244	116,013,354
	Other expenses	23	283,504,102	124,571,078
	Total expenses (II)		**671,865,928**	**378,974,791**
III.	**Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) (I-II)**		**331,494,179**	**144,069,565**
	Depreciation and amortisation	3,4 & 38	67,958,681	31,046,387
	Finance income	25	(142,513)	(669,587)
	Finance costs	24	32,731,753	20,921,055
IV.	**Profit Before Tax (IV)**		**230,946,258**	**92,771,710**
V.	**Tax expenses**	36		
	Current tax		14,037,435	-
	Deferred tax		15,621,296	-
	Income tax expense (V)		**29,658,731**	**-**
VI.	**Profit for the year (IV-V)**		**201,287,527**	**92,771,710**
	Other comprehensive income (OCI)	26		
	Items that will not be reclassified subsequently to profit or loss:			
	Remeasurement gains/(losses) on defined benefit plans		(87,688)	(1,378,011)
	Tax on remeasurement of defined benefit plans		25,535	-
	Total other comprehensive income for the year, net of tax		**(62,153)**	**(1,378,011)**
	Total comprehensive income for the year, net of tax		**201,225,374**	**91,393,699**
	Earnings per equity share Rs. 10/- each fully paid (March 31, 2021: Rs. 10/- each fully paid)	27		
	Computed on the basis of total profit for the year			
	Basic (Rs.)		778.61	381.90
	Diluted (Rs.)		776.56	358.51

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

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

Place: Hyderabad
Date: April 25, 2022

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

R. Subramanian

Subramani R
Managing Director
DIN : 00309661

Krishna Kalyan T D
WholeTime Director
DIN : 03102812

Hansika Hulas Jain
Company Secretary
ACS-45937

LAURUS BIO PRIVATE LIMITED BANGALORE

Place: Bengaluru
Date: April 25, 2022

Laurus Bio Private Limited
(Formerly known as Richcore Lifesciences Private Limited)
CIN: U02423KA2005PTC036770
Statement of Changes in Equity for the year ended March 31, 2022
(All amounts in Rupees, except for share information or unless stated otherwise)

a. Equity share capital

Equity shares of Rs.10/- each, fully paid up	No.	Rs.
As at April 01, 2020	**50,610**	**506,100**
Issued during the year	199,716	1,997,160
At March 31, 2021	**250,326**	**2,503,260**
Issued during the year - ESOP	8,519	85,190
As at March 31, 2022	**258,845**	**2,588,450**

b. Other Equity

Particulars	Reserves and surplus				Other Comprehensive Income	Total
	General Reserve	Securities Premium	Share Based Payments Reserve	Retained Earnings	Re-measurement gains or losses on employee defined benefit plans	
As at April 01, 2020	**165,458**	**294,421,312**	**38,427,987**	**(677,161,799)**	**6,759**	**(344,140,283)**
Profit for the year	-	-	-	92,771,710	-	92,771,710
Expense arising from equity-settled share-based payment transactions	-	378,734,640	11,962,525	-	-	390,697,165
Transferred from stock options outstanding	245,602	34,947,985	(35,193,587)	-	-	-
Remeasurement on net defined benefit liability, net of tax	-	-	-	-	(1,378,011)	(1,378,011)
At March 31, 2021	**411,060**	**708,103,937**	**15,196,925**	**(584,390,089)**	**(1,371,252)**	**137,950,581**
Profit for the year	-	-	-	201,287,527	(62,153)	201,225,374
Transferred from stock options outstanding	-	15,196,925	(15,196,925)	-	-	-
At March 31, 2022	**411,060**	**723,300,862**	**-**	**(383,102,562)**	**(1,433,405)**	**339,175,955**

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

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

Ganesh Balakrishnan
Partner
Membership No. 201193

Place: Hyderabad
Date: April 25, 2022

For and on behalf of the Board of Directors of
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LAURUS BIO PRIVATE LIMITED BANGALORE

Place: Bengaluru
Date: April 25, 2022

Laurus Bio Private Limited

(Formerly known as Richcore Lifesciences Private Limited)
CIN: U02423KA2005PTC036770
Statement of Cash Flows for the year ended March 31, 2022
(All amounts in Rupees, except for share information or unless stated otherwise)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Profit before tax	**230,946,258**	**92,771,710**
Cash Flows from operating activities		
Adjustments for :		
Depreciation and amortisation	67,958,681	31,046,387
Finance income	(142,513)	(669,587)
Interest expense	32,731,753	12,802,291
Share based payment expense	-	11,962,525
Net loss on foreign exchange fluctuations (unrealised)	463,115	(541,028)
Provisions no longer required written back	(337,744)	(1,949,388)
Allowance for bad and doubtful advance and debts	927,208	1,153,041
Operating profit before working capital changes	**332,546,758**	**146,575,951**
Movement in working capital:		
(Increase) in inventories	(79,778,446)	(23,416,188)
Decrease in trade receivables	11,633,204	3,186,366
(Increase) in financial and non-financial assets	(127,541,573)	(57,871,127)
Increase/(Decrease) in trade payables	77,030,732	(52,784,587)
Increase/(Decrease) in financial, non-financial liabilities and provisions	(102,828,540)	210,027,976
Cash generated from operations	**111,062,135**	**225,718,391**
Income tax paid	(24,975,158)	-
Net cash flows from operating activities (A)	**86,086,977**	**225,718,391**
Cash flows used in investing activities		
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(300,100,404)	(301,911,459)
Investment in fixed deposits	(1,597,305)	3,678,223
Interest received	142,513	669,587
Net cash flows used in investing activities (B)	**(301,555,196)**	**(297,563,649)**
Net cash flows from financing activities		
Proceeds from ESOP	85,190	-
Repayment of long - term borrowings	(62,947,379)	17,981,440
Proceeds from long - term borrowings	250,000,000	-
Proceeds from Short - term borrowings (net)	(9,172,734)	(21,858,686)
Payment of lease liabilities	(34,599,275)	(4,809,557)
Loans from related parties (net)	100,000,000	100,000,000
Interest paid	(32,869,325)	(12,069,273)
Net cash flows from/(used in) financing activities (C)	**210,496,477**	**79,243,924**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(4,971,742)	7,398,666
Cash and cash equivalents at the beginning of the year	7,921,872	523,206
Cash and cash equivalents at the year end	**2,950,130**	**7,921,872**
Components of cash and cash equivalents:		
Cash on hand	264,048	172,638
Balances with banks		
On current accounts	2,686,082	7,749,234
Total cash and cash equivalents	**2,950,130**	**7,921,872**

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

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

Place: Hyderabad
Date: April 25, 2022

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

R. Subramani

Subramani R
Managing Director
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Krishna Kalyan T D
WholeTime Director
DIN : 03102812

Hansika Hulas Jain
Company Secretary
ACS-45937

LAURUS BIO PRIVATE LIMITED BANGALORE

Place: Bengaluru
Date: April 25, 2022

1 Corporate Information

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

These separate financial statements were authorised by the Board of Directors for issue in accordance with their resolution dated April 25, 2022.

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

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 Recognition

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 Company derives revenues primarily from manufacture and sale of recombinant and non recombinant products and Contract Development and Manufacturing Organisation (CDMO).

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

Interest income

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

(e) Government Grants

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

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

(f) Taxes

Current income tax

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

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

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

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

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

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

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

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

(g) 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 years
Furniture and fixtures	:	10 years
Lab Equipment	:	10 years
Vehicles	:	4 years
Office Equipments	:	5 years
Computers	:	3 years

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

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

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

(h) Intangible assets

Computer Software

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

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

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 01, 2019, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.
Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

(i) Leases

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

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. 38, for effect of transition to Ind AS 116, classification of leases and other disclosures relating to leases.

(j) Borrowing costs

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

(k) Inventories

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

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

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

(l) Impairment of non-financial assets

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

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

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

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

(m) Provisions

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

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

(n) Retirement and other employee benefits

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

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

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

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

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

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

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

The Company treats accumulated leaves which are to be settled after 12 months as a long-term employee benefit and accumulated leaves which are to be settled in the next 12 months as a short-term employee benefit for measurement purposes. Such accumulated leaves are provided for based on an actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

(o) Share-based payments

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

Equity-settled transactions

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

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

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

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

(p) Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

(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 more information on receivables, refer to Note 9

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.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

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).

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.

(q) Cash and cash equivalents

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

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

(r) Research and Development

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

(s) Measurement of EBITDA

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

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

(t) New standards and interpretations not yet adopted

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the "cost of fulfilling" a contract comprises the "costs that relate directly to the contract". Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the "10 percent" test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Laurus Bio Private Limited
(Formerly known as Richcore Lifesciences Private Limited)
CIN: U02423KA2005PTC036770
Notes to Financial Statements for the year ended March 31, 2022
(All amounts in Rupees, except for share information or unless stated otherwise)

3 Property, Plant and equipment

Particulars	Land	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipments	Computers	Lab Equipments	Vehicles	Total
Gross Carrying Value									
As at April 01, 2020	**31,696,017**	**48,328,963**	**74,570,802**	**4,827,811**	**1,470,395**	**776,470**	**26,405,776**	**(965,526)**	**187,110,709**
Additions	-	5,898,009	17,529,764	613,418	617,418	2,193,640	5,335,259	2,065,000	**34,252,508**
Disposal	-	-	-	-	-	-	-	-	**-**
At March 31, 2021	**31,696,017**	**54,226,972**	**92,100,566**	**5,441,229**	**2,087,813**	**2,970,110**	**31,741,035**	**1,099,474**	**221,363,216**
Additions	-	102,786,881	375,093,906	5,177,847	2,485,231	6,676,051	21,275,529	-	**513,495,445**
Disposal	-	-	-	-	-	-	-	-	**-**
At March 31, 2022	**31,696,017**	**157,013,853**	**467,194,472**	**10,619,076**	**4,573,044**	**9,646,161**	**53,016,564**	**1,099,474**	**734,858,661**
Depreciation									
As at April 01, 2020	**-**	**2,062,032**	**24,480,726**	**1,071,379**	**363,380**	**412,114**	**4,194,029**	**(1,019,750)**	**31,563,910**
Charge for the year	-	2,068,329	20,341,875	1,052,096	437,963	556,665	3,886,118	128,039	**28,471,085**
Disposals	-	-	-	-	-	-	-	-	**-**
At March 31, 2021	**-**	**4,130,361**	**44,822,601**	**2,123,475**	**801,343**	**968,779**	**8,080,147**	**(891,711)**	**60,034,995**
Charge for the year	-	4,471,304	42,113,891	1,343,000	669,785	1,704,051	4,987,453	550,261	**55,839,745**
Disposals	-	-	-	-	-	-	-	-	**-**
At March 31, 2022	**-**	**8,601,665**	**86,936,492**	**3,466,475**	**1,471,128**	**2,672,830**	**13,067,600**	**(341,450)**	**115,874,740**
Net Carrying Value									
At March 31, 2021	**31,696,017**	**50,096,611**	**47,277,965**	**3,317,754**	**1,286,470**	**2,001,331**	**23,660,888**	**1,991,185**	**161,328,221**
At March 31, 2022	**31,696,017**	**148,412,188**	**380,257,980**	**7,152,601**	**3,101,916**	**6,973,331**	**39,948,964**	**1,440,924**	**618,983,922**

Capital work-in-progress : As on March 31, 2022 is Rs. 5,01,62,819 and As on March 31, 2021 is Rs. 26,06,52,418

Notes:

(1) Property, pland and equipment (other than vehices) with a carrying amount of Rs.61,75,42,998 (March 31, 2021: Rs.15,93,37,035) 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)

(2) All the title deeds are held in the name of the Richcore Life Sciences Private Limited("Richcore"), The Company name changed to Laurus Bio Private Limited ("Laurus Bio") on April 15, 2021, accordingly the Company is in the process of updatating its title deeds from Richcore to Laurus Bio.

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

For the year ended March 31, 2022

CWIP	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in Progress	50,162,819	-	-	-	**50,162,819**
Projects temporarily suspended	-	-	-	-	**-**
Total	**50,162,819**	**-**	**-**	**-**	**50,162,819**

For the year ended March 31, 2021

CWIP	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in Progress	260,652,418	-	-	-	**260,652,418**
Projects temporarily suspended	-	-	-	-	**-**
Total	**260,652,418**	**-**	**-**	**-**	**260,652,418**

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

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4 Intangible assets

Particulars	Computer Software	Total
Gross Carrying Value		
As at April 01, 2020	**2,287,716**	**2,287,716**
Additions	-	-
At March 31, 2021	**2,287,716**	**2,287,716**
Additions	-	-
At March 31, 2022	**2,287,716**	**2,287,716**
Amortization		
As at April 01, 2020	**456,204**	**456,204**
Charge for the year	456,204	456,204
At March 31, 2021	**912,408**	**912,408**
Charge for the year	687,654	687,654
At March 31, 2022	**1,600,062**	**1,600,062**
Net Carrying Value		
At March 31, 2021	**1,375,308**	**1,375,308**
At March 31, 2022	**687,654**	**687,654**

Financial Assets

5 Other financial assets

	Particulars	March 31, 2022	March 31, 2021
A	**Non-Current (Unsecured, considered good unless stated otherwise)**		
	Security Deposits	7,517,186	7,533,790
	Bank Deposits	133,262	2,100,000
	Interest accrued on bank deposits	-	21,777
	Total	**7,650,448**	**9,655,567**
B	**Current (Unsecured, considered good unless otherwise stated)**		
	Loans to employees	990,327	420,044
	Total	**990,327**	**420,044**

6 Other Assets

	Particulars	March 31, 2022	March 31, 2021
A	**Non-Current (Unsecured, considered good unless otherwsie stated)**		
	Capital Advances	46,634,943	32,331,706
	Prepayments	1,964,609	-
	Total	**48,599,552**	**32,331,706**
B	**Current (Unsecured, Considered good unless otherwise stated)**		
	Advances recoverable in cash or kind	105,433,246	-
	Capital Advances	-	3,213,147
	Prepayments	3,648,724	3,008,597
	Balances with statutory/government authorities	95,262,266	71,785,920
	Export & incentives receivables	1,339,641	-
	Total	**205,683,877**	**78,007,664**

7 Deferred Tax Assets/(Liabilities)

Particulars	March 31, 2022	March 31, 2021
Deferred Tax Liability		
Income tax at the applicable rate on the difference between the aggregate book written down value and tax written down value of property, plant and equipment	(22,073,519)	-
	(22,073,519)	**-**
Deferred Tax Asset		
Expenses allowable on payment basis	390,150	-
MAT credit entitlement	6,087,608	-
	6,477,758	**-**
Deferred Tax Assets/(Liabilities) (Net)	**(15,595,761)**	**-**

For the year ended March 31, 2022:

Particulars	Opening balance	Recognised in profit & loss	Recognised in other comprehensive income	Closing balance
Accelerated depreciation for tax purposes	-	(22,073,519)	-	(22,073,519)
MAT credit entitlement	-	6,087,608	-	6,087,608
Other items giving rise to temporary differences	-	364,615	25,535	390,150
Total	**-**	**(15,621,296)**	**25,535**	**(15,595,761)**

8 Inventories

Particulars	March 31, 2022	March 31, 2021
(At lower of cost and net realisable value)		
Raw Materials	74,761,315	18,289,622
Work-in-progress	1,283,023	1,016,605
Finished Goods	40,045,111	16,211,684
Stores, spares and packing materials	34,559,650	35,352,742
Total	**150,649,099**	**70,870,653**

9 Trade Receivables

Particulars	March 31, 2022	March 31, 2021
Unsecured		
Considered Good	73,466,191	86,332,932
Total	**73,466,191**	**86,332,932**

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. 6,25,65,003 in aggregate (as at March 31, 2021 Rs. 8,63,32,932) 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.

Trade Receivables ageing schedule for the year ended March 31,2022:

Particulars	Not due	Outstanding from due date of payment					Total
		< 6 months	6 months - < 1 Year	1-2 Years	2-3 Years	> 3 years	
i) Undisputed Trade receivables - considered good	20,648,367	47,637,792	5,180,032	-	-	-	**73,466,191**
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	**-**
iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	**-**
iv) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	**-**
Total	**20,648,367**	**47,637,792**	**5,180,032**	**-**	**-**	**-**	**73,466,191**

Trade Receivables ageing schedule for the year ended March 31,2021:

Particulars	Not due	Outstanding from due date of payment					Total
		< 6 months	6 months - < 1 Year	1-2 Years	2-3 Years	> 3 years	
i) Undisputed Trade receivables - considered good	47,433,805	37,517,709	378,800	201,368	135,700	-	**85,667,382**
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	**-**
iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	**-**
iv) Disputed Trade receivables - considered good	-	-	-	-	-	665,550	**665,550**
v) Disputed Trade receivables - credit impaired	**-**	**-**	**-**	**-**	**-**	**-**	-
Total	**47,433,805**	**37,517,709**	**378,800**	**201,368**	**135,700**	**665,550**	**86,332,932**

10 Cash & cash equivalents and Other Bank Balances

	Particulars	March 31, 2022	March 31, 2021
A	**Cash & Cash Equivalents**		
	Balances with Banks		
	- On Current Accounts	2,686,082	7,749,234
	Cash on hand	264,048	172,638
	Total	**2,950,130**	**7,921,872**
B	**Other Bank Balances**		
	On Deposit Accounts		
	- Remaining maturity for more than twelve months*	133,262	-
	- Remaining maturity for less than twelve months	3,585,820	-
	Total	**3,719,082**	**-**
	Less: Amount disclosed under other financial assets	(133,262)	-
	Total	**3,585,820**	**-**

** Margin money in view of Bank guarantee extended to Commissioner of Customs*

11 Share Capital

Particulars	March 31, 2022	March 31, 2021
Authorised shares		
3,84,38,847 (March 31, 2021: 333,897) equity shares of Rs. 10 each	384,388,470	3,338,970
Nil (March 31, 2021: 150,000) Class A Compulsorily Convertible Cumulative Participating Preference Shares ("Class A CCCPPS") of Rs. 10 each	-	1,500,000
Nil (March 31, 2021: 66,728) Class B Compulsorily Convertible Cumulative Participating Preference Shares ("Class B CCCPPS") of Rs. 4,489.16 each	-	299,552,668
Nil (March 31, 2021: 17820) Class C Compulsorily Convertible Cumulative Participating Preference Shares ("Class C CCCPPS") of Rs. 4,489.16 each	-	79,996,832
	384,388,470	**384,388,470**
Issued, subscribed and fully paid-up shares		
2,58,845 (March 31, 2021: 2,50,326) equity shares of Rs.10 each	**2,588,450**	**2,503,260**

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

Particulars	March 31, 2022		March 31, 2021	
	No.	**Rs.**	**No.**	**Rs.**
Equity shares of Rs.10/- each, fully paid up				
At the beginning of the year	250,326	2,503,260	50,610	506,100
Add: Issued during the year	8,519	85,190	199,716	1,997,160
Outstanding at the end of the year	**258,845**	**2,588,450**	**250,326**	**2,503,260**
Preference shares				
Class A CCCPPS of Rs. 10 each, fully paid up				
At the beginning of the year	-	-	105,699	-
Less : Conversion of shares	-	-	105,699	-
Outstanding at the end of the year	**-**	**-**	**-**	**-**
Class B CCCPPS of Rs. Rs. 4,489.16 each, fully paid up				
At the beginning of the year	-	-	66,728	-
Less : Conversion of shares	-	-	66,728	-
Outstanding at the end of the year	**-**	**-**	**-**	**-**
Class C CCCPPS of Rs. Rs. 4,489.16 each, fully paid up				
At the beginning of the year	-	-	17,820	-
Less : Conversion of shares	-	-	17,820	-
Outstanding at the end of the year	**-**	**-**	**-**	**-**

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

Particulars	March 31, 2022		March 31, 2021	
	No.	**% holding in the class**	**No.**	**% holding in the class**
Equity shares of Rs. 10/- each, fully paid				
Laurus Labs Limited	198,278	76.60%	198,278	79.21%
Mr. Subramani R	25,000	9.66%	25,000	9.98%
Rajesh Krishnamurthy	13,797	5.33%	11,608	4.64%

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

Equity Shares held by promoters at the end of March 31, 2022

Promoter Name	No of Shares	% of total shares	% Change during the year
Subramani R	25,000	9.66%	0.00%
Rajesh Krishnamurthy	13,797	5.33%	18.86%
T.D. Krishna Kalyan	8,459	3.27%	34.89%

Equity Shares held by promoters at the end of March 31, 2021

Promoter Name	No of Shares	% of total shares	% Change during the year
Subramani R	25,000	9.99%	0.00%
Rajesh Krishnamurthy	11,608	4.64%	100.00%
T.D. Krishna Kalyan	6,271	2.51%	100.00%

d. Share Warrants

On Nov 25, 2020, Company had entered into agreement with its promoters and shareholders 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 are excerisable within a period of 2 years from date of issuance. As on March 31, 2022, these share warrants are not excerised.

e. Other Equity

Particulars	March 31, 2022	March 31, 2021
Securities Premium		
Opening Balance	708,103,937	294,421,312
Transferred from stock option outstanding	15,196,925	34,947,985
Issue of equity shares under employee stock option plan(ESOP)	-	378,734,640
Closing Balance (A)	**723,300,862**	**708,103,937**
Surplus/(Deficit) in the statement of profit and loss		
Opening Balance	(585,761,341)	(678,533,051)
Profit for the year	201,225,374	92,771,710
Net Surplus/(Deficit) in the statement of profit and loss (B)	**(384,535,967)**	**(585,761,341)**
Employee stock options outstanding		
Opening Balance	15,196,925	38,427,987
Add: Stock compensation cost amortised during the year	-	11,962,525
Less : Transferred to General Reserve	-	245,602
Less : Transferred to Security premium	15,196,925	34,947,985
Closing balance (C)	**-**	**15,196,925**
General Reserve		
Opening Balance	411,060	165,458
Add: Transfer from Employee stock options	-	245,602
Closing balance (D)	**411,060**	**411,060**
Total Reserves & Surplus (A+B+C+D)	**339,175,955**	**137,950,581**

12 Financial Liabilities

	Particulars	March 31, 2022	March 31, 2021
A	**Non Current borrowings**		
	Term Loans		
	Indian Rupee loans from banks (Secured)	187,500,000	23,022,379
	Indian Rupee loans from Financial Institutions (Secured)	-	20,693,375
	Total	**187,500,000**	**43,715,754**
	Current Maturities of Non Current borrowings		
	Term Loans		
	Indian Rupee loans from banks (Secured)	62,500,000	11,425,000
	Indian Rupee loans from Financial Institutions (Secured)	-	7,806,625
		62,500,000	**19,231,625**
	Less: Amount disclosed under the head "current borrowings"	(62,500,000)	(19,231,625)
	Total	**-**	**-**
B	**Current borrowings**		
	Cash Credits and Working Capital Demand Loans		
	Indian Rupee loans from banks (Secured)	45,908,175	55,080,909
	Current maturities of non-current borrowings	62,500,000	19,231,625
	Loans from realted parties	200,000,000	100,000,000
	Total	**308,408,175**	**174,312,534**

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

Name of the Bank	Outstanding as on March 31, 2022	Outstanding as on March 31, 2021	Sanction Amount	No of Instalments	Commencement of Instalments	Effective Interest Rate
CITI Bank Term Loan	250,000,000	-	250,000,000	12 quarterly instalments of Rs.20.83	August 2022	3M T-Bill + 1.86%
Indian Bank - Term Loan-IV	-	15,947,379	41,200,000	24 quarterly instalments of Rs.17	September 2016	(March 31, 2021: At MCLR +2.60%+0.50%)
Indian Bank - Term Loan-VI IND GECLS Covid 19 Loan	-	18,500,000	18,500,000	12 Month Holiday period instalments of Rs.5.14	September 2020	(March 31, 2021: Repo +3.50%)
Caspian Impact Investments Pvt Ltd Covid Loan	-	8,500,000	8,500,000	48 Months, 12 Month Holiday period	September 2020	(March 31, 2021: ROI-14.00%)
Caspian Impact Investments Pvt Ltd Term Loan-II	-	20,000,000	80,000,000	13 quarterly instalments of Rs.15.39	November 2020	(March 31, 2021: ROI-15.75%)

(b) **March 31 2022:** Term Loan from Citi bank is secured by an exclusive charge on present and future fixed assets and a second pari passu charge on present and future stocks and book debts of the company. The loan is also backed by Corporate guarantee issued by Laurus Labs Limited.
March 31 2021: Term Loan from Indian Bank 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).
Term Loan from Caspian Impact Investment Pvt Ltd 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).

(c) **March 31 2022:** Interest on short term rupee loans from Banks are availed at 1M T-Bill + 1.10%. Indian Rupee Loans from Banks are secured by first pari passu charge on present and future stocks and book debts and a second pari passu charge on present and future movable and immovable fixed assets of the company. The loans are also backed by Corporate guarantee issued by Laurus Labs Limited.
March 31 2021: Interest on short term rupee loans from Indian Bank are availed at 12.5%. Indian Rupee Loans from Banks are secured by hypothecation of current assets (stocks and book debts) of the company.

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

(e) The quarterly returns of current assets filed by the Company with banks are in agreement with the unaudited books of account upto December 31, 2021. The company is yet to file the return for quarter ended March 31, 2022.

13 Trade Payables

Particulars	March 31, 2022	March 31, 2021
Valued at Amortised Cost		
- Outstanding dues to creditors other than micro enterprises and small enterprises	126,829,525	51,745,415
Total	**126,829,525**	**51,745,415**
- Outstanding dues to micro enterprises and small enterprises	3,779,001	2,064,406
Total	**3,779,001**	**2,064,406**

Terms and conditions of the above financial liabilities:

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

For explanations on the Company's credit risk management processes, **refer note no. 35**.

Laurus Bio Private Limited
(Formerly known as Richcore Lifesciences Private Limited)
CIN: U02423KA2005PTC036770
Notes to Financial Statements for the year ended March 31, 2022
(All amounts in Rupees, except for share information or unless stated otherwise)

Trade Payables ageing schedule for the year ended March 31, 2022

Particulars	Not due	Outstanding from due date of payment				Total
		< 1 year	1-2 Years	2-3 Years	> 3 years	
i) MSME	1,141,271	2,637,730	-	-	-	3,779,001
ii) Others	96,532,236	30,297,289	-	-	-	126,829,525
iii) Disputed dues - MSME & Others	-	-	-	-	-	-
Total	**97,673,507**	**32,935,019**	**-**	**-**	**-**	**130,608,526**

Trade Payables ageing schedule for the year ended March 31, 2021

Particulars	Not due	Outstanding from due date of payment				Total
		< 1 year	1-2 Years	2-3 Years	> 3 years	
i) MSME	2,064,406	-	-	-	-	2,064,406
ii) Others	33,104,221	16,426,530	149,027	419,427	1,646,210	51,745,415
iii) Disputed dues - MSME & Others	-	-	-	-	-	-
Total	**35,168,627**	**16,426,530**	**149,027**	**419,427**	**1,646,210**	**53,809,821**

14 Other Financial Liabilities

Particulars	March 31, 2022	March 31, 2021
Capital Creditors	45,143,712	31,148,179
Interest accrued*	1,181,969	1,319,541
Total	**46,325,681**	**32,467,720**

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

15 Provisions

	Particulars	March 31, 2022	March 31, 2021
A	**Non-Current Provisions**		
	Provision for Gratuity	8,175,597	9,572,734
	Provision for Compensated absences	1,943,774	-
	Total	**10,119,371**	**9,572,734**
B	**Current Provisions**		
	Provision for Gratuity	3,551,499	214,281
	Provision for Compensated absences	894,688	3,852,768
	Total	**4,446,187**	**4,067,049**

16 Income tax assets

	Particulars	March 31, 2022	March 31, 2021
A	**Income tax assets**		
	Advance tax [net of provision for tax of Rs.14,037,435 (March 31, 2021: Nil)]	13,277,497	2,390,844
	Total	**13,277,497**	**2,390,844**
B	**Income tax liabilities**		
	Provision for tax	-	-
	Total	**-**	**-**

17 Other Liabilities

	Particulars	March 31, 2022	March 31, 2021
A	**Current**		
	Advances from customers	138,196,420	246,742,997
	Statutory dues	10,992,963	6,113,013
	Total	**149,189,383**	**252,856,010**

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	Particulars		For the Year ended March 31, 2022	For the Year Ended March 31, 2021
18	**Revenue from operations**			
	Sale of products			
	Income from sale of Finished Goods		452,731,162	378,848,819
		(A)	**452,731,162**	**378,848,819**
	Sale of Services			
	Income from services		546,863,609	131,458,653
		(B)	**546,863,609**	**131,458,653**
	Other operating revenue			
	Export and other incentives		3,168,071	-
		(C)	**3,168,071**	**-**
	Revenue from operations	**(A+B+C)**	**1,002,762,842**	**510,307,472**

19 Other income

Particulars	For the Year ended March 31, 2022	For the Year Ended March 31, 2021
Provision no longer required written back	337,744	1,949,388
Miscellaneous income	259,521	10,787,496
Total	**597,265**	**12,736,884**

20 Cost of raw materials and packing materials consumed

Particulars	For the Year ended March 31, 2022	For the year ended March 31, 2021
Inventory at the beginning of the year	53,642,364	36,506,433
Add: Purchases	294,359,028	161,806,547
Less: Inventory at the end of the year	109,320,965	53,642,364
Cost of raw materials and packing materials consumed	**238,680,427**	**144,670,616**

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

Particulars		For the Year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the beginning of the year			
Finished goods		16,211,684	10,948,032
Work-in-progress		1,016,605	-
	(A)	**17,228,289**	**10,948,032**
Inventories at the end of the year			
Finished goods		40,045,111	16,211,684
Work-in-progress		1,283,023	1,016,605
	(B)	**41,328,134**	**17,228,289**
	(A)-(B)	**(24,099,845)**	**(6,280,257)**

22 Employee benefits expense

Particulars	For the Year ended March 31, 2022	For the year ended March 31, 2021
Salaries, allowances and wages	105,812,307	66,671,554
Contribution to provident fund and other funds	6,043,192	3,367,308
Gratuity expense	2,130,039	1,945,526
Share based payment expense	-	11,962,525
Managerial remuneration	44,115,480	26,317,850
Recruitment and training	1,922,558	398,321
Staff welfare expenses	13,757,668	5,350,270
Total	**173,781,244**	**116,013,354**

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Notes to Financial Statements for the year ended March 31, 2022
(All amounts in Rupees, except for share information or unless stated otherwise)

23 Other expenses

Particulars	For the Year ended March 31, 2022	For the year ended March 31, 2021
Consumption of stores and spares	53,756,282	44,775,178
Conversion charges	5,075,824	-
Factory maintenance	35,722,806	11,693,844
Effluent treatment expenses	32,218,657	-
Power and fuel	75,298,240	27,907,220
Repairs and maintenance		
Plant and machinery	12,140,309	1,466,600
Buildings	1,588,334	-
Others	604,645	-
Testing and analysis charges	3,397,493	779,694
Rent	1,143,846	653,334
Rates and taxes	3,558,422	2,747,531
Insurance	2,012,653	997,903
Printing and stationery	812,684	125,424
Consultancy and other professional charges	23,735,344	13,487,643
Membership and subscription	4,598,489	2,601,890
Remuneration to auditors		
-Audit fee	2,300,000	2,300,000
-Tax audit fee	200,000	200,000
Travelling and conveyance	7,706,303	3,760,758
Communication expenses	1,250,670	593,302
Advances and bad debts written off	927,208	1,153,041
Net loss on foreign exchange fluctuations	3,771,116	-
Carriage outwards	3,747,660	4,653,175
Royalty	4,710,813	4,106,894
Business promotion and advertisement	3,226,304	567,647
Total	**283,504,102**	**124,571,078**

24 Finance costs

Particulars	For the Year ended March 31, 2022	For the year ended March 31, 2021
Interest on Term Loan	12,561,501	11,728,318
Interest on Inter Corporate Loan	6,791,781	1,073,973
Interest on Working capital/lease liabilities	10,650,120	2,722,222
Bank charges	2,728,351	5,396,542
Total	**32,731,753**	**20,921,055**

25 Finance Income

Particulars	For the Year ended March 31, 2022	For the year ended March 31, 2021
Interest income on		
Bank deposits	93,416	612,220
Loan given to employees	49,097	57,367
Total	**142,513**	**669,587**

26 Components of other comprehensive income (OCI)

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

Particulars	For the Year ended March 31, 2022	For the Year Ended March 31, 2021
Remeasurement gains/(losses) on defined benefit plans	(87,688)	(1,378,011)
Deferred tax on remeasurement of defined benefit plans	25,535	-
Total	**(62,153)**	**(1,378,011)**

27 Earnings Per Share

Particulars	For the Year ended March 31, 2022	For the year ended March 31, 2021
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Profit available for equity shareholders	201,287,527	92,771,710
Weighted average number of equity shares in computing basic EPS	258,520	242,922
Add: Effect of dilution		
Stock options granted under ESOP	683	15,845
Share warrants*	-	-
Weighted Average number of Equity Shares in computing diluted earnings per share	259,203	258,767
Face value of each equity share (Rs.)	10	10
Earnings per share		
- Basic (Rs.)	778.61	381.90
- Diluted (Rs.)	776.56	358.51

28 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, 2022	March 31, 2021
A)	**Net employee benefit expense (recognised in Employee benefits expenses)**		
	Net employee benefit expense recognized in the employee cost		
	Current service cost	1,465,279	1,420,919
	Interest cost on benefit obligation	664,760	524,608
	Net benefit expense	**2,130,039**	**1,945,527**
B)	**Amount recognised in the Balance Sheet**		
	Present value of defined benefit obligation	11,727,096	9,787,015
	Plan liability	**11,727,096**	**9,787,015**
C)	**Changes in the present value of the defined benefit obligation**		
	Opening defined benefit obligation	9,787,015	7,809,692
	Current service cost	1,465,279	1,420,919
	Interest cost	664,760	524,607
	Benefits paid	(277,645)	(144,231)
	Net actuarial (gains) / losses on obligation for the year recognised under OCI	87,687	176,028
	Closing defined benefit obligation	**11,727,096**	**9,787,015**

D) Remeasurement adjustments:

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

Particulars	March 31, 2022	March 31, 2021
Discount rate	7.37%	6.89%
Salary escalation rate	9.56%	8.28%
Withdrawal rate	35.48%	2.00%
Retirement age	60 years	60 years

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

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

Expected benefit payments for the year ending:

Particulars	March 31, 2022	March 31, 2021
Year 1	3,551,499	214,281
Year 2	2,703,288	233,084
Year 3	2,068,966	251,341
Year 4	1,596,686	271,281
Year 5	1,232,667	288,139
Beyond 5 years	2,791,156	3,268,969

The average duration of the defined benefit plan obligation at the end of the reporting period is 3.34 years (March 31, 2021: 21.50 years) as per the actuarial valuation.

(iii) **Sensitivity analysis:**

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

Particulars	March 31, 2022	March 31, 2021
(a) Effect of 1% change in assumed discount rate on defined benefit obligation		
- 1% increase	(2.40)	(13.80)
- 1% decrease	2.60	16.90
(b) Effect of 1% change in assumed salary escalation rate on defined benefit obligation		
- 1% increase	2.20	11.50
- 1% decrease	(2.10)	(11.10)
(c) Effect of 1% change in assumed attrition rate on defined benefit obligation		
- 1% increase	(0.10)	(0.50)
- 1% decrease	0.10	0.70

(iv) **Defined contribution plan**

Particulars	March 31, 2022	March 31, 2021
Contribution to Provident Fund	5,814,440	3,232,237

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

Particulars	March 31, 2022	March 31, 2021
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	3,779,001	2,064,406
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	**3,779,001**	**2,064,406**

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.

30 Research and development:

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

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries & Wages	29,629,244	19,172,504
Lab Consumables	11,491,110	8,893,317
Total	**41,120,354**	**28,065,821**

31 Related party disclosures

Names of related parties and description of relationship

Name of the related party	Relationship
Holding Company	
i) Laurus Labs Limited	76.60 % Holding Company
Key Management Personnel	
i) Mr. Subramani Ramachandrappa	Managing Director
ii) Mr. Krishna Kalyan T D	Wholetime Director
iii) Mr. Rajesh Krishnamurthy	Wholetime Director
iv) Ms. Hansika Hulas Jain	Company Secretary

Transactions during the year :

Name of Party	Nature of Transaction	For the year ended March 31, 2022	For the year ended March 31, 2021
i) Mr. Subramani Ramachandrappa	Remuneration	19,324,072	11,724,072
ii) Mr. Krishna Kalyan T D	Remuneration	11,551,732	6,645,032
iii) Mr. Rajesh Krishnamurthy	Remuneration	13,339,676	7,948,746
iv) Laurus Labs Limited	Inter corporate Loans (Net)	100,000,000	100,000,000
v) Laurus Labs Limited	Interest on Inter corporate Loan	6,791,781	1,073,973
vi) Ms. Shivani Handa (Resgined w.e.f. March, 2021)	Employee Benefit Expenses	-	559,136
vii) Ms Hansika Hulas Jain	Employee Benefit Expenses	943,980	32,989

Closing balances (Unsecured)

Name of Party	Nature of Transaction	For the year ended March 31, 2022	For the year ended March 31, 2021
i) Mr. Subramani Ramachandrappa	Remuneration Payable	-	244,349
ii) Mr. Krishna Kalyan T D	Remuneration Payable	4,629,311	363,964
iii) Mr. Rajesh Krishnamurthy	Remuneration Payable	819,973	680,370
iv) Laurus Labs Limited	Inter Corporate Loan	200,000,000	100,000,000
v) Laurus Labs Limited	Interest on Inter corporate Loan	-	1,073,973
v) Ms. Shivani Handa	Salary Payable	-	27,880
vi) Ms Hansika Hulas Jain	Salary Payable	78,665	31,161

Note

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

32 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 Laurus Bio Employee Stock Option Plan 2015 (the "Scheme"). The plan covers all employees of the Company including its subsidiary and 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. The options vest over a period of 3 to 4 years.

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.

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

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

Scheme	Date of Grant	Number of options Granted	Exercise price	Weighted Average Fair value of option at grant date
ESOP 2015				
Senior Management				
Grant I	29 Jan, 2017	7017	10	2808
Grant I	29 Jan, 2018	2339	10	2808
Grant I	29 Jan, 2019	2339	10	2808
Grant II	20 Aug, 2021*	4377	10	1400
Employees				
Grant I	27 Nov, 2019	932	10	2671
Grant I	26 Nov, 2020	932	10	2671
Grant I	26 Nov, 2021*	932	10	2671
Grant I	26 Nov, 2022*	932	10	2671
Grant II	05 Sep, 2020	62	10	2676
Grant II	05 Sep, 2021*	62	10	2676
Grant II	05 Sep, 2022*	62	10	2676
Grant II	05 Sep, 2023*	64	10	2676
Grant III	20 Aug, 2021*	1500	10	1400

Details of Activiy

Particulars	March 31, 2022 No. of Options	March 31, 2021 No. of Options
Outstanding at the beginning of the year	8,519	15,323
Granted during the year	-	5,877
Forfeited during the year	-	150
Exercised during the year	8,519	12,531
Outstanding at the end of the year	-	8,519
Exercisable at the end of the year	-	8,519
Weighted average exercise price for all the above options	10	10
Dividend yield	0%	0%
Expected volatility	50%	50%
Risk-free interest rate	6.6 to 8.9%	6.6 to 8.9%
Weighted average share price of Rs.	-	2,392
Exercise price of Rs.	10	10
Expected life of options granted in years	-	3 to 4

Note:

As per ESOP scheme, in the event of any change of control
(i) all the vested options shall be exercised by the option grantee,
(ii) all the unvested option will vest immediately and option grantee shall be entitled to exercise such options subject to terms and lock in requirements prescribed in such agreement.
Accordingly during the year ended March 31, 2021 & March 31, 2022 all the existing option holders had exercised their option.

33 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. 38, 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 32.

(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 28.

(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 34 and 35 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.

(v) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

34 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, 2022**	**March 31, 2021**	**March 31, 2022**	**March 31, 2021**
Financial assets at amortised cost:				
Loans	990,327	420,044	990,327	420,044
Deposits and others	7,650,448	9,655,567	7,650,448	9,655,567
Trade receivables	73,466,191	86,332,932	73,466,191	86,332,932
Cash and cash equivalents	2,950,130	7,921,872	2,950,130	7,921,872
Financial liabilities at amortised cost:				
Borrowings (Non-current and current)	495,908,175	218,028,288	495,908,175	218,028,288
Interest accrued	1,181,969	1,319,541	1,181,969	1,319,541
Trade payables	130,608,526	53,809,821	130,608,526	53,809,821
Capital creditors and others	45,143,712	31,148,179	45,143,712	31,148,179
Lease Liabilities (Non-Current and current)	86,134,728	49,838,597	86,134,728	49,838,597

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.

35 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, 2022 and March 31, 2021 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. 7,34,66,191 and Rs. 8,63,32,932, as on March 31, 2022 and March 31, 2021 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, 2022:					
Non-current borrowings (including current maturities)	62,500,000	187,500,000	-	-	250,000,000
Current borrowings	245,908,175	-	-	-	245,908,175
Interest payable	1,181,969	-	-	-	1,181,969
Trade payables	130,608,526	-	-	-	130,608,526
Other payables	45,143,712	-	-	-	45,143,712
Lease Liabilities	7,571,619	12,957,854	8,638,569	56,966,685	86,134,728
	492,914,001	**200,457,854**	**8,638,569**	**56,966,685**	**758,977,110**
March 31, 2021:					
Non-current borrowings (including current maturities)	19,375,806	43,571,573	-	-	62,947,379
Current borrowings	154,936,728	-	-	-	154,936,728
Interest payable	1,319,541	-	-	-	1,319,541
Trade payables	53,809,821	-	-	-	53,809,821
Other payables	31,148,179	-	-	-	31,148,179
Lease Liabilities	2,601,852	9,027,537	6,018,358	32,190,850	49,838,597
	263,191,927	**52,599,110**	**6,018,358**	**32,190,850**	**354,000,245**

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:

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, 2022			March 31, 2021		
Particulars	**Currency**	**Amount in foreign currency**	**Amount in Rs.**	**Conversion Rate**	**Amount in foreign currency**	**Amount in Rs.**	**Conversion Rate**
Trade Receivables	USD	371,544	28,165,656	75.81	420,289	30,893,241	73.51
	EUR	102,380	8,667,481	84.66	2,965	255,283	86.10
Trade Payables	USD	177,025	13,419,761	75.81	41,978	3,085,571	73.51
	EUR	49,040	4,151,700	84.66	19,520	1,680,652	86.10
	SEK	6,600	48,081	7.29	-	-	-

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, 2022				
USD	1.00%	1.00%	147,459	(147,459)
EURO	1.00%	1.00%	45,158	(45,158)
SEK	1.00%	1.00%	(481)	481
March 31, 2021				
USD	1.00%	1.00%	278,078	(278,078)
EURO	1.00%	1.00%	(14,254)	14,254

36 Taxes

(a) Income tax expense:

The major components of income tax expenses for the year ended March 31, 2022 and for the year ended March 31, 2021 are:

(i) Statement of Profit and Loss

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Current tax	14,037,435	-
Deferred tax credit	15,621,296	-
Total income tax expense recognised in Statement of Profit and Loss	**29,658,731**	**-**

(ii) Other comprehensive income (OCI)

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Tax on remeasurement of defined benefit plans	25,535	-
Tax on fair value movements on cash flow hedges	-	-
Total tax recognised in OCI	**25,535**	**-**

(b) Reconciliation of effective tax rate:

Particulars	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Profit before tax (A)	230,946,258	92,771,710
Enacted tax rate in India (B)	29.120%	-
Expected tax expenses (C = A*B)	67,251,550	-
Permanent Difference		
Carryforward unabsorbed depreciation	(111,724,101)	-
Others	(17,372,120)	-
Total (D)	**(129,096,221)**	**-**
Profit after adjusting permanent difference	101,850,037	-
Expected tax expense	29,658,731	-
Total Tax expense	29,658,731	-
Effective Tax rate	12.84%	0.00%

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

37 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, 2022	March 31, 2021
Borrowings including interest accrued on borrowings (Note 12 & 14)	497,090,144	219,347,829
Less: Cash and cash equivalents; other balances with banks (Note 10A & 10B)	(6,535,950)	(7,921,872)
	490,554,194	**211,425,957**
Equity	2,588,450	2,503,260
Other equity	339,175,955	137,950,581
Total equity	**341,764,405**	**140,453,841**
Gearing ratio (Net debt/ Total equity)	0.70	0.66

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, 2022.

38 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 & building. 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.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022 and March 31, 2021

Particulars	March 31, 2022	March 31, 2021
Opening Balance as at April 01, 2021	49,806,831	-
On account of adoption of Ind AS 116	-	51,925,932
Additions	65,029,330	-
Depreciation	(11,431,280)	(2,119,101)
Closing Balance	**103,404,881**	**49,806,831**

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, 2022 and March 31, 2021

Particulars	March 31, 2022	March 31, 2021
Opening Balance as at Apil 01, 2021	49,838,597	-
On account of adoption of Ind AS 116	-	51,925,932
Additions	65,029,330	-
Finance cost accrued during the year	5,866,076	2,722,222
Payment of lease liabilities	(34,599,275)	(4,809,557)
Closing Balance	**86,134,728**	**49,838,597**

The following is the break-up of current and non-current lease liabilities as at March 31, 2022 and March 31, 2021

Particulars	March 31, 2022	March 31, 2021
Non-current lease liabilities	78,563,109	47,236,745
Current lease liabilities	7,571,619	2,601,852
Total	**86,134,728**	**49,838,597**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 and as at March 31, 2021 on discounted basis

Particulars	March 31, 2022	March 31, 2021
Within one year	7,571,619	2,601,852
After one year but not more than five years	21,596,423	15,045,895
More than five years	56,966,685	32,190,850

39 Segment Information

A. The Company is a biotechnology company dedicated to develop novel enzymatic solutions for Industrial Biotechnology and Animal Origin Free recombinant proteins and enzymes for biopharma and the same constitutes a single reportable business segment as per Ind AS 108.

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

The Company has reportable geographical segments based on location of its customers:

(i) Revenue from customers within India – Domestic
(ii) Revenue from customers outside India – Exports

Geographical Segment

Particulars	March 31, 2022	March 31, 2021
(a) Revenue from operations		
India	231,461,547	237,156,015
Outside India	771,301,295	273,151,457
	1,002,762,842	**510,307,472**
(b) Carrying amount of assets		
India	1,243,259,080	729,945,536
Outside India	36,833,137	31,148,524
	1,280,092,217	**761,094,060**
(c) Cost incurred to acquire capital assets		
India	513,495,445	34,252,508
Outside India	-	-
	513,495,445	**34,252,508**

40 Commitments & Contigen Liabilities

a. Commitments

Particulars	March 31, 2022	March 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for	163,792,333	93,984,638

b. Contigent Liabilities

Particulars	March 31, 2022	March 31, 2021
Claims arising from disputes not acknowledged as debts - direct taxes	23,514,679	-

Laurus Bio Private Limited

(Formerly known as Richcore Lifesciences Private Limited)

CIN: U02423KA2005PTC036770

Notes to Financial Statements for the year ended March 31, 2022

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

41 Ratios

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	Variance	Change in ratio in excess of 25% compared to preceeding year
Current Ratio	Current Assets	Current Liabilities	0.7	0.5	44.4%	Revenue growth and working capital improvement has resulted in an improvement in the ratio.
Debt-Equity Ratio	Total Debt (1)	Shareholder's Equity	0.9	0.8	2.3%	
Debt Service Coverage Ratio	Earnings available for debt service (2)	Debt service (3)	4.4	6.2	-29.0%	New Term Loans availed during the year with lower rate of interest resulted in improvement in debt service coverage ratio.
Return on Equity (ROE)	Net profit after taxes	Average Shareholder's Equity	58.9%	66.1%	-10.8%	
Inventory Turnover Ratio	Revenue from Operations	Average Inventory	9.1	8.6	5.0%	
Trade Receivables Turnover Ratio	Revenue from Operations	Average Receivables	12.6	5.8	117.0%	Revenue growth and working capital improvement has resulted in an improvement in the ratio.
Trade Payables Turnover Ratio	Purchases	Average Trade Payables	3.2	2.0	56.0%	Revenue growth and working capital improvement has resulted in an improvement in the ratio.
Net Capital Turnover Ratio	Revenue from Operations	Working Capital (4)	-4.8	-1.8	159.7%	Revenue growth and working capital improvement has resulted in an improvement in the ratio.
Net Profit Ratio	Net Proft	Revenue from Operations	20.1%	18.2%	10.4%	
Return on Capital Employed (ROCE)	Earnings Before Interest and Taxes (EBIT)	Capital Employed (5)	23.0%	18.8%	22.4%	
Return on Investment	Income generated from investments	Investment	NA	NA	NA	

(1) Long Term borrowings + Short Term borrowings + interest accrued.

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

(3) Principal repayments +Interest

(4) Current assets - current liabilities.

(5) Tangible networth + total debt including interest accrued +deferred tax liability-deferred tax assets.

(6) The Company is not having any market linked investments.

42 Other statutory information

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami Property.

ii) The Company does not have any transactions with companies struck off.

iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period except for an immovable property situtated at plot no 204 & 237, Bommasandra, Jigani link road, KIADB Industrial area, Bangalore where the company is in the process of registering the charges

iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

v) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

Laurus Bio Private Limited

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CIN: U02423KA2005PTC036770

Notes to Financial Statements for the year ended March 31, 2022

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

vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

viii) The Company doesn't have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

43 Previous year’s figures have been regrouped / reclassified wherever necessary, to conform to current period’s classification, and in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1st April, 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
WholeTime Director
DIN : 03102812

Hansika Hulas Jain
Company Secretary
ACS-45937

Place: Bengaluru
Date: April 25, 2022

LAURUS BIO PRIVATE LIMITED
BANGALORE