



Zeal & Innovation in Medicine

Ref No.: ZLL/CS/BSE/NSE

Date: 03.06.2025

BSE Limited, Corporate Relationship Department P. J. Towers, Dalal Street, Mumbai- 400 001 Company Code- 541400	National Stock Exchange of India Limited Listing Compliance Department Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 (Symbol - ZIMLAB)
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Dear Sir/Madam,

**Sub: Notice of the 41<sup>st</sup> Annual General Meeting along with copy of Annual Report for F.Y. 2024-25**

Pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the following documents:

1. Notice of the 41<sup>st</sup> Annual General Meeting (including e-voting instructions).
2. Annual Report for F.Y. 2024-25

The 41<sup>st</sup> Annual General Meeting of the members of ZIM Laboratories Limited will be held on Friday, 27<sup>th</sup> June, 2025 at 11:30 a.m. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM").

Further, the Register of Members and the Share Transfer Book of the Company will remain closed from Saturday, 21<sup>st</sup> June, 2025 till Friday, 27<sup>th</sup> June, 2025 (both days inclusive) for the purpose of Annual General Meeting.

Please take the above on your record.

Thanking you,

Yours faithfully,  
For ZIM LABORATORIES LIMITED

(Piyush Nikhade)  
Company Secretary and Compliance Officer  
Membership No. A38972

## ZIM LABORATORIES LIMITED

[www.zimlab.in](http://www.zimlab.in) | [info@zimlab.in](mailto:info@zimlab.in) | CIN : L99999MH1984PLC032172

Works : B-21/22, MIDC Area, Kalmeshwar – 441 501 Dist. Nagpur  
Maharashtra, India. Ph. + 91.718.271370 | Fax : +091.7118.271470

Regd. Office : Sadoday Gyan (Ground Floor), Opp. NADT, Nelson Square,  
Nagpur – 440013. Maharashtra, India. Ph. +091.712.2981960

## NOTICE OF THE 41<sup>st</sup> ANNUAL GENERAL MEETING



Zeol & Innovation in Medicine

### ZIM LABORATORIES LIMITED

Registered Office : Sadoday Gyan (Ground Floor), Opp. NADT,  
Nelson Square, Nagpur – 440013, Maharashtra India.

CIN: L99999MH1984PLC032172, Website: [www.zimlab.in](http://www.zimlab.in), E-mail – [cs@zimlab.in](mailto:cs@zimlab.in)

Telephone No.: Registered Office: 0712-2981960, Works Office: 07118-271990

To  
All the Members, Directors,  
Auditors and Secretarial Auditor of  
ZIM Laboratories Ltd.

#### NOTICE OF THE 41<sup>st</sup> ANNUAL GENERAL MEETING TO BE HELD ON 27<sup>th</sup> JUNE, 2025

NOTICE is hereby given that the Forty First (41<sup>st</sup>) Annual General Meeting of the Members of ZIM Laboratories Limited will be held on Friday, 27<sup>th</sup> June, 2025 at 11:30 a.m. (IST) through Video Conferencing (VC) /Other Audio-Visual Means (OAVM) in accordance with the applicable provisions of the Companies Act, 2013 read with relevant MCA & SEBI Circulars to transact the following business:

#### ORDINARY BUSINESS:

**1. To Consider and Adopt Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2025 and the report of the Board of Directors and Auditors thereon.**

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:

**"RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2025 along with the report of the Board of Directors and Auditors thereon as circulated to the members with the notice of Annual General Meeting be and are hereby considered and adopted.

**RESOLVED FURTHER THAT** the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2025 along with the report of the Auditors thereon be and is hereby considered and adopted."

**2. To appoint a Director in place of Mr. Zulfiqar Kamal (DIN: 01786763), who retires by rotation and being eligible, offers himself for re-appointment:**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** in accordance with the provisions of section 152 and other applicable provisions of the Companies Act, 2013, Mr. Zulfiqar Kamal, Whole-Time Director (DIN: 01786763), who retires by rotation and being willing and eligible, and who has offered himself for re-appointment, be and is hereby re-appointed as Whole-time Director of the Company liable to retire by rotation."

**3. To appoint M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) as the Statutory Auditors of the Company.**

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of Audit Committee and the Board of Directors, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) be and are hereby appointed as the Statutory Auditors of the Company, for the first term of 5 (five) consecutive years to hold office from the conclusion of the 41<sup>st</sup> Annual General Meeting (AGM) until the conclusion of the 46<sup>th</sup> AGM of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any duly authorized Committee thereof or person(s) authorized by the Board) and the Statutory Auditors.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid resolution."

**SPECIAL BUSINESS :****4. To ratify the remuneration payable to M/s Dhananjay V. Joshi & Associates, Cost Auditors, for the Financial Year 2025-26.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment (s) thereof for the time being in force), the remuneration of ₹ 5,50,000/- (Rupees five lakhs and fifty thousand only) plus applicable taxes and travelling and out of pocket expenses as per actuals as approved by the Board of Directors on the recommendations of the Audit Committee, payable to M/s. Dhananjay V. Joshi & Associates, Cost Auditors (Registration No.000030) for conducting the Cost Audit of the Company for the Financial Year 2025-26 be and is hereby ratified.”

**5. To appoint M/s. BNP & Associates (Firm Registration No. P2014MH037400) as the Secretarial Auditors of the Company**

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:

**“RESOLVED THAT** pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Rules framed thereunder as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Board of Directors of the Company, M/s. BNP & Associates, a firm of Company Secretaries in practice (Firm Registration No. P2014MH037400) which has been subjected to a peer review by the Institute of Company Secretaries of India (ICSI) be and are hereby appointed as the Secretarial Auditors of the Company for a term of five consecutive years to hold office from the conclusion of the 41<sup>st</sup> Annual General Meeting (AGM) until the conclusion of the 46<sup>th</sup> AGM of the Company, at such remuneration as may be mutually agreed upon between the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any duly authorized Committee thereof or person(s) authorized by the Board) and the Secretarial Auditors.

**RESOLVED FURTHER THAT** the Board be and is hereby severally authorised to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid resolution.”

**6. To re-appoint Dr. Kamlesh Shende (DIN: 09537666) as an Independent Director of the Company.**

To consider and, if thought fit, to pass the following resolutions as Special Resolutions:

**“RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), as amended, and as recommended by the Nomination and Remuneration Committee and the Board of Directors, the approval of members of the Company be and is hereby accorded to reappoint Dr. Kamlesh Shende (DIN: 09537666) as an Independent Director, who is eligible for being re-appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Act, proposing his candidature for the office of Director, not liable to retire by rotation, to hold office for a second term of 3 (three) years commencing from 1<sup>st</sup> April, 2025 to 31<sup>st</sup> March, 2028 (both days inclusive) at such remuneration and on such terms and conditions as may be determined by the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any duly authorized Committee thereof) of the Company.

**RESOLVED FURTHER THAT** subject to provisions of Section 197 read with Schedule V of Companies Act, 2013 and the relevant rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other rules, regulations, guidelines, statutory notifications made by any statutory authorities (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), approval of the members of the Company be and is hereby accorded for payment of remuneration in the event of absence or inadequacy of profits to Dr. Kamlesh Shende during the 3 (three) financial years effective from 1<sup>st</sup> April, 2025 till 31<sup>st</sup> March, 2028.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall deem to include any Committee of the Board) shall, in accordance with the statutory limits/ approvals as may be applicable for the time being in force, be at full liberty to revise/alter/modify/amend the terms and conditions of the said appointment and/or

remuneration, from time to time, as it may deem fit and to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution.

**RESOLVED FURTHER THAT** the Managing Director, Director (Finance) and Company Secretary be and are hereby authorised severally to take such steps and to do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to the aforesaid resolutions."

#### 7. To appoint Mr. Ashok Bhatia (DIN: 02090239) as an Independent Director of the Company

To consider and if thought fit, to pass the following resolutions as Special Resolutions:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made there under, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), and as recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Ashok Bhatia (DIN: 02090239), who was appointed as an Additional Director (Category: Non-Executive Independent) of the Company by the Board of Directors with effect from 1<sup>st</sup> April, 2025 and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act, proposing his candidature for the office of Independent Director and who has submitted a declaration that he meets the criteria for his appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 3 (three) years commencing from 1<sup>st</sup> April, 2025 to 31<sup>st</sup> March, 2028 (both days inclusive) at such remuneration and on such terms and conditions as may be determined by the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any duly authorized Committee thereof of the Company.

**RESOLVED FURTHER THAT** subject to provisions of section 197 read with Schedule V of Companies Act, 2013 and the relevant rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other rules, regulations, guidelines, statutory notifications made by any statutory authorities (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force),

approval of the members of the Company be and is hereby accorded for payment of remuneration in the event of absence or inadequacy of profits to Mr. Ashok Bhatia during the 3 (three) financial years effective from 1<sup>st</sup> April, 2025 till 31<sup>st</sup> March, 2028.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall deem to include any Committee of the Board) shall, in accordance with the statutory limits/ approvals as may be applicable for the time being in force, be at full liberty to revise/alter/modify/amend the terms and conditions of the said appointment and/or remuneration, from time to time, as it may deem fit and to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this resolution.

**RESOLVED FURTHER THAT** the Managing Director, Director (Finance) and Company Secretary be and are hereby authorised severally to take such steps and to do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to the aforesaid resolutions."

#### 8. Approval for payment of remuneration to Independent Directors pursuant to Section II Part II of Schedule V of the Companies Act, 2013 :-

To consider and if thought fit, to pass the following resolutions as Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, ("the Act") read with Section II Part II of Schedule V of the Act and the Rules made thereunder, including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force, applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the members be and is hereby accorded for payment of remuneration to the Independent Directors of the Company in the event of absence or inadequacy of profits as prescribed under Section II Part II of Schedule V of the Act during a period of three years starting with Financial Year 2025-26."

**By order of the Board of Directors**  
For ZIM LABORATORIES LIMITED

**(Anwar Siraj Daud)**  
Managing Director  
DIN: 00023529

Place: Nagpur  
Date: 20<sup>th</sup> May, 2025

**Notes:**

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 (the Act) in respect of business set out under item no. 3 to 8 of the accompanying Notice is annexed herewith.
2. As required in terms of Secretarial Standard - 2 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the information (including profile and expertise in specific functional areas) pertaining to Directors recommended for appointment / re-appointment in the AGM have been provided in the "Annexure" to the Notice. The Director has furnished the requisite consent / declarations for his appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder and as per the SEBI (LODR) Regulations.
3. The Ministry of Corporate Affairs (MCA) has, vide its Circular nos. 14/2020, 17/2020, 20/2020, 02/2021, 02/2022, 10/2022, 09/2024 and the Securities and Exchange Board of India (SEBI) vide its Circular nos. SEBI/HO/CFD/ CMD1/CIR/ P/2020/79, SEBI/HO/CFD/CMD2/ CIR/P/ 2021/11, SEBI/HO/CFD/CMD2/CIR/ P/ 2022/62, SEBI/HO/CFD/PoD-2/P/ CIR/2 023/4, SEBI/HO/CFD/CFD-PoD-2/P/ CIR/ 2023/167 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 (hereinafter collectively referred to as "the Circulars") permitted the holding of the Annual General Meeting (AGM) through video conferencing (VC) / other audio visual means (OAVM). Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/ OAVM. The deemed venue for AGM shall be the registered office of the company, i.e. Sadoday Gyan (Ground Floor), Opp. NADT, Nelson Square, Nagpur Maharashtra – 440013.
4. Pursuant to the Circulars issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/ Authorization etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer at csroshnijethani@gmail.com with a copy marked to evoting@nsdl.co.in
6. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013.
7. In line with the aforesaid Circulars, the Notice of AGM along with Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that Notice and Annual Report 2024-25 has been uploaded on the website of the Company at [www.zimlab.in](http://www.zimlab.in). The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and NSE Limited at [www.nseindia.com](http://www.nseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
8. The Register of members and share transfer books of the Company will remain closed from Saturday, 21<sup>st</sup> June, 2025 to Friday, 27<sup>th</sup> June, 2025 (both days inclusive) for the purpose of Annual General Meeting.
9. Shareholders seeking any information with regard to the accounts are requested to write to the Company at least 05 days before the meeting so as to enable the management to keep the information ready.
10. To support the "Green Initiative", all Members holding shares in physical form are requested to notify/register their email ID and bank account details with the Registrar & Transfer Agent (RTA) of the Company i.e. MUFG Intime India Private Limited (Formerly Link Intime India Private Limited). In addition, members holding shares in the demat form are requested to contact their respective Depository Participant and register their email ID and bank account for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
11. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as; name of the bank and branch details, bank account number, MICR code, IFSC code, etc.
  1. For shares held in electronic form: to their Depository Participants (DPs)
  2. For shares held in physical form: to the Company/ Registrar and Transfer Agents (RTA) in KYC forms i.e. ISR-1 and ISR-2 and prescribed in the SEBI Circular No. SEBI/HO/MIRSD/ MIRSD-PoD-1/P/ CIR/2023/37 dated 16<sup>th</sup> March, 2023 (Format of the said forms are available on the website of the Company).
12. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/ CIR/2024/37 dated 7<sup>th</sup> May, 2024 has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities

- certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website and on the website of the Company's RTA, MUFG Intime India Private Limited at <https://in.mpms.mufg.com>. It may be noted that any service request can be processed only after the folio is KYC Compliant. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialization request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.
13. As per Regulation 40 of SEBI Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1<sup>st</sup> April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Registrars and Transfer Agents (RTA) of the Company i.e. MUFG Intime India Private Limited by raising their request on their website through their link [https://web.in.mpms.mufg.com/helpdesk/Service\\_Request.html](https://web.in.mpms.mufg.com/helpdesk/Service_Request.html) for assistance in this regard.
  14. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If any Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to RTA in case the shares are held in physical form.
  15. SEBI vide Circular Nos. SEBI/HO/ OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated 31<sup>st</sup> July, 2023, and SEBI/HO/ OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated 4<sup>th</sup> August, 2023, read with Master Circular No. SEBI/HO/ OIAE/ OIAE\_IAD-1/P/CIR/2023/145 dated 31<sup>st</sup> July, 2023 (updated as on 11<sup>th</sup> August, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.
  16. Pursuant to abovementioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login> and the same can also be accessed through the Company's website <https://www.zimlab.in/contact>.
  17. SEBI has mandated the furnishing of Permanent Account Number (PAN) linked with Aadhaar by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts and members holding shares in physical form to the Company/ RTA.
  18. Members wishing to claim dividend that remain unclaimed are requested to correspond with Registrar & Transfer Agent as mentioned above or to the Company at its Registered Office. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members/Claimants are requested to claim their dividends from the Company, within the stipulated timeline.
  19. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
  20. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice of the 41<sup>st</sup> Annual General Meeting. The Registered Office of the company will be deemed to be the venue of the AGM.
  21. The Members can join the AGM through the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on a first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
  22. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the

Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.

23. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.zimlab.in](http://www.zimlab.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
24. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time

**25. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

The remote e-voting period begins on Tuesday, 24<sup>th</sup> June, 2025 at 9:00 a.m. and ends on Thursday

26<sup>th</sup> June, 2025, at 5:00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. 20<sup>th</sup> June, 2025 may cast their vote electronically. **The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 20<sup>th</sup> June, 2025**

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:


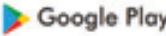


**Step 1: Access to NSDL e-Voting system**

**A. Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**Login method for Individual shareholders holding securities in demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p><b>A. NSDL IDeAS Facility</b></p> <p>If you are already registered for <b>NSDL IDeAS facility</b>, follow the below steps :</p> <ol style="list-style-type: none"> <li>1. visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile.</li> <li>2. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under “Login” which is available under ‘IDeAS’ section.</li> <li>3. A new screen will open. You will need to enter your User ID and Password. After successful authentication, you will be able to see e-voting services.</li> <li>4. Click on “<b>Access to e-Voting</b>” appearing on the left-hand side under e-voting services and you will be able to see e-voting page.</li> <li>5. Click on options available against Company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting.</li> </ol> <p>If you are not registered for IDeAS Facility, follow the below steps :</p> <ol style="list-style-type: none"> <li>a. <b>option to register is available at</b> <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>b. Select “<b>Register Online for IDeAS</b>” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>c. Visit the e-Voting website of NSDL and follow steps given above in points 1-5.</li> </ol>

Type of shareholders	Login Method
	<p><b>B. e-voting website of NSDL</b></p> <ol style="list-style-type: none"> <li><b>Open web browser and type the following URL:</b> <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a personal computer or on a mobile phone.</li> <li>Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.</li> <li>A new screen will open. You will need to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>After successful authentication, you will be redirected to NSDL website wherein you can see e-voting page. Click on options available against Company name or e-voting service provider - NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting.</li> </ol> <p>C. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<ol style="list-style-type: none"> <li>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository, i.e, NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL.	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911

**B. Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

**4. Your User ID details are given below :**

Manner of holding shares i.e. Demt (NSDL or CDSL) or physical	Your User ID is :
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form	EVENumber followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
    - a) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
    - b) How to retrieve your ‘initial password’?
      - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digits client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
      - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) “Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

## Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

### How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
  2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
  3. Now you are ready for e-Voting as the Voting page opens.
  4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
  5. Upon confirmation, the message “Vote cast successfully” will be displayed.
  6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## 26. General Guidelines for shareholders

- a. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csroshnijethani@gmail.com](mailto:csroshnijethani@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password” or “Physical User Reset Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password
- c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on: 022 - 4886 7000 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- d) Ms. Roshni Jethani, Company Secretary in practice has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.
- e) The results declared along with the Scrutinizer’s Report shall be placed on the website of the Company i.e. <https://www.zimlab.in/> and on the website of NSDL i.e. <https://www.evoting.nsdl.com/> and the results shall also be communicated to the Stock Exchange where the shares of the Company are listed.

## 27. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- a) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card),

AADHAAR (self attested scanned copy of Aadhaar Card) by email to cs@zimlab.in.

- b) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), Aadhaar (self attested scanned copy of Aadhaar Card) to cs@zimlab.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**
- c) Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user ID and password for e-voting by providing above mentioned documents.
- d) In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

## 28. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

## 29. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL

e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders, who would like to express their views or ask questions during the AGM may register themselves as a speaker or send their questions from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number and questions, if any at the company's email address at cs@zimlab.in on or before 18<sup>th</sup> June, 2025 by 05.00 p.m. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. Speakers are requested to submit their questions at the time of registration, to enable the Company to respond appropriately.

The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the AGM.

6. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / 022 - 2499 7000 or contact Ms. Pallavi Mhatre and Mr. Amit Vishal at 7506682281 and 9920264780 respectively, officials of NSDL.

### Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:

#### Item No. 3: To appoint M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) as the Statutory Auditors of the Company.

The Members of the Company at the 31<sup>st</sup> AGM had approved the appointment of M/s. Walker Chandiook & Company LLP (Firm Registration No. 001076N/N500013), as the Statutory Auditors of the Company to hold office for a term of 5 (five) years from the conclusion of said AGM till the conclusion of the 36<sup>th</sup> AGM. Subsequently they were re-appointed for a second term of 5 years to hold office up until the conclusion of the 41<sup>st</sup> AGM. Accordingly, they will complete their two consecutive terms as Statutory Auditors of the Company on conclusion of this AGM. The Board of Directors of the Company (the Board), at its meeting held on 20<sup>th</sup> May, 2025, considering the experience and expertise and based on the recommendation of the Audit Committee, has proposed to the Members of the Company, appointment of M/s. Deloitte Haskins & Sells LLP ("Deloitte"), Chartered Accountants (Firm Registration No. 117366W/W-100018) as Statutory Auditors of the Company. The proposed appointment is for a term of 5 (five) years from the conclusion of 41<sup>st</sup> AGM till the conclusion of the 46<sup>th</sup> AGM.

The proposed remuneration to be paid to the Statutory Auditors for the FY 2025-26 is ₹60.00 lakhs per annum (Rupees Sixty Lakhs Only). The said remuneration excludes applicable taxes and out of pocket expenses. The remuneration for subsequent years would be mutually agreed between the Board of Directors (which term includes the Audit Committee of the Board or any authorized person) and the Statutory Auditors. The fee for services in the nature of statutory certifications and other permissible non-audit services will be in addition to the statutory audit fee and will be decided by the management in consultation with M/s. Deloitte Haskins & Sells LLP. The permissible non-audit services will be reviewed and approved by the Audit Committee.

There is no material change in the remuneration proposed to be paid to M/s. Deloitte Haskins & Sells LLP, for the statutory audit vis-à-vis the remuneration paid to previous auditor as the fees is commensurate with the size of the Company, audit coverage and scope of work.

The Audit Committee and the Board of Directors, while recommending the appointment of M/s. Deloitte Haskins & Sells LLP as the new Statutory Auditor of the Company, have taken into consideration, among other things, the credentials of the firm and partners, track record of the firm and eligibility criteria prescribed under the Act.

M/s. Deloitte Haskins & Sells LLP is a firm of Chartered Accountants registered and empanelled with the Institute of Chartered Accountants of India (ICAI) (Registration No. 117366W/W-100018). It has offices in Mumbai, Pune,

Hyderabad, Goa, Chennai, Kolkata, Kochi, Bengaluru, Coimbatore, Gurugram, Ahmedabad and Bhubaneswar. The registered office of the Firm is One International Center, Tower 3, 32<sup>nd</sup> Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai - 400013, Maharashtra, India. It is engaged in providing audit and assurance services to its clients.

Pursuant to Section 139 of the Companies Act, 2013 (the Act) and the Rules framed thereunder, the Company has received written consent from M/s. Deloitte Haskins & Sells LLP and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and Rules framed thereunder. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. Deloitte Haskins & Sells LLP has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

Accordingly, the Board recommends the Ordinary Resolutions set out at Item No. 3 for the approval of Members.

None of the Directors / Key Managerial Personnel of the Company and / or their relatives, are concerned or interested financially or otherwise, in the Ordinary Resolution set out in item No.3 of this notice, except to the extent of their respective shareholding, if any, in the Company.

#### Resolution No. 4 – To ratify remuneration payable to M/s Dhananjay V. Joshi & Associates, Cost Auditors, for the F.Y. 2025-26 :

The Board, based on the recommendation of the Audit Committee, approved the appointment of M/s Dhananjay V. Joshi & Associates, Cost Accountants (Registration No. 000030) as the Cost Auditors for conducting the Cost Audit of the Company for the F.Y. 2025-26 at a remuneration of ₹ 5,50,000/- (Rupees Five Lakhs and Fifty thousand only) plus applicable taxes and travelling and out of pocket expenses as per actuals.

Pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Act read with Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 including any statutory modification(s) or enactments thereof, for the time being in force, the fees payable to M/s Dhananjay V. Joshi & Associates, Cost Auditors, as stated above is required to be ratified by the Members of the company. Subsequently the same is being placed for the ratification by the members.

The Board of Directors recommends the Ordinary Resolution set out at item no. 4 of the Notice for ratification of fees payable to Cost Auditor for financial year 2025-26.

None of the Directors or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested financially or otherwise, in the Ordinary Resolution set out in item No.4 of this notice, except to the extent of their respective shareholding, if any, in the Company.

**Resolution No. 5 – To appoint M/s. BNP & Associates (Firm Registration No. P2014MH037400) as the Secretarial Auditors of the Company.**

Section 204 of the Companies Act, 2013 mandates listed entities to annex with its Board's report a Secretarial Audit report, given by a Company Secretary in Practice in form MR-3. Further, SEBI vide SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 dated 12<sup>th</sup> December, 2024 amended the provisions of Regulation 24A. As per the same SEBI has mandated the listed companies to appoint a firm of Practicing Company Secretaries which has been subjected to a peer review by the Institute of Company Secretaries of India (ICSI) as Secretarial Auditor for a term of five consecutive years and may be re-appointed for another term of 5 (five) years. The appointment of Secretarial Auditor is to be approved by the shareholders in the Annual General Meeting on the basis of the recommendation of the Board of Directors.

Keeping in view the above amendments, the Board of Directors of the Company (the Board), at its meeting held on 20<sup>th</sup> May, 2025, considering the credentials of the firm and partners and eligibility criteria prescribed under the Act, has approved and recommended to the Members of the Company, the appointment of M/s. BNP & Associates as Secretarial Auditors of the Company from F.Y. 2025-26 till F.Y. 2029-30. The proposed appointment is for a term of 5 (five) consecutive years from the conclusion of 41<sup>st</sup> AGM till the conclusion of the 46<sup>th</sup> AGM.

The Company has received written consent from M/s. BNP & Associates and a certificate that they satisfy the criteria provided under Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and Rules framed thereunder. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. BNP & Associates has confirmed that they hold a valid certificate issued by the Peer Review Board of ICSI.

The proposed fees to be paid to the Secretarial Auditors for conducting the Audit and providing the Annual Secretarial Compliance Report for the FY 2025-26 is ₹2,75,000/- lakhs (Rupees Two Lakhs Seventy Five Thousand Only). The said remuneration excludes applicable taxes and out of pocket expenses. The remuneration for subsequent years would be mutually agreed between the Secretarial Auditors and the Board of Directors (which term includes any Committee of the Board or any authorized person). The fee for services in the nature of statutory certifications and other permissible non-audit services will be in addition to the secretarial audit fee and will be decided by the management in consultation with M/s. BNP & Associates. The permissible non-audit services will be reviewed and approved by the Board of Directors (which term includes any Committee of the Board or any authorized person).

There is no material change in the remuneration proposed to be paid to M/s. BNP & Associates, for the secretarial audit vis-à-vis the remuneration paid to previous auditor as the fees are commensurate with the size of the Company, audit coverage and scope of work.

BNP & Associates is a Peer reviewed Firm of Company Secretaries in Practice registered with the Institute of Company Secretaries of India, bearing Firm registration no. P2014MH037400. The firm is engaged in rendering Compliance Audit & Assurance Services, Advisory and allied Services.

Accordingly, the Board recommends the Ordinary Resolution set out at Item No. 5 for the approval of Members.

None of the Directors or other Key Managerial Personnel and their relatives, are concerned or interested financially or otherwise, in the Ordinary Resolution set out in item No.5 of this notice, except to the extent of their respective shareholding, if any, in the Company.

**Resolution No. 6 – To re-appoint Dr. Kamlesh Shende (DIN: 09537666) as an Independent Director of the Company**

In terms of the provisions of Section 149 of the Companies Act, 2013 and Rules framed thereunder, Dr. Kamlesh Shende was appointed as the Independent Director of the Company by the Members of the Company, in its Extraordinary General Meeting held on 29<sup>th</sup> June, 2022 to hold the office for 3 (three) Consecutive years with effect from 1<sup>st</sup> April, 2022, up to 31<sup>st</sup> March, 2025. Accordingly, his term of appointment concluded on 31<sup>st</sup> March, 2025.

The Nomination and Remuneration Committee and Board in its Meeting held on 28<sup>th</sup> March, 2025 evaluated the performance of Dr. Kamlesh Shende for his existing term and considering his knowledge, expertise, experience, and contributions during his first term, approved the re-appointment of Dr. Kamlesh Shende as the Independent Director of the Company for the second term of 3 (three) years i.e., from 1<sup>st</sup> April, 2025, to 31<sup>st</sup> March, 2028, (both days inclusive) not liable to retire by rotation, subject to the approval of members at this General Meeting.

Pursuant to the provisions of Regulation 17(1) (C) of Securities and Exchange Board of India. (Listing Obligations and Disclosure Requirements), Regulations, 2015, the listed entity shall ensure that approval of shareholders for appointment or reappointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, the approval of members is being sought for the said re-appointment in the AGM.

Dr. Kamlesh Shende has submitted the consent for his reappointment as an Independent Director. Further, the Company has received declarations from Dr. Kamlesh Shende

that he continues to meet the criteria of Independence prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Rules framed thereunder, read with Schedule IV of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended.

Also, as per confirmations received from him, he is not disqualified from being reappointed as Director in terms of Section 164 of the Companies Act, 2013. Dr. Kamlesh Shende has confirmed that he has registered himself in the database for Independent Directors. In the opinion of the Nomination and Remuneration Committee and the Board, Dr. Kamlesh Shende is independent of the Management. Dr. Kamlesh Shende has also confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

Dr. Kamlesh Shende is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

The Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a Member proposing the candidature of Dr. Kamlesh Shende for the office of Independent Director of the Company, not liable to retire by rotation.

Dr. Kamlesh Shende is the chairperson of the Corporate Social Responsibility Committee and a member of the Stakeholder Relationship Committee and Risk Management Committee

Dr. Kamlesh Shende has more than 30 years of experience in the area of Regulatory Affairs in the Pharmaceutical sector. Considering Dr. Shende's rich experience in the pharmaceutical industry, the Board recommends obtaining approval of the Members as a Special Resolution for reappointment of Dr. Kamlesh Shende as an Independent Director of the Company.

Dr. Kamlesh Shende meets the following skills and capabilities required for the role as an Independent Director, as have been identified by the Board of Directors of the Company:

- (a) Corporate Governance: Protection of Stakeholders interest, observing best governance practices and identifying key governance risks and driving good corporate ethics and values.
- (b) General Management: General Know-how of business management, talent management and development, workplace health & safety.
- (c) Pharmaceuticals, Science and Technology: Significant background and experience in pharmaceutical sector, science technology domain.

- (d) Risk and compliance oversight: Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliance.

Dr. Kamlesh Shende will be entitled to receive remuneration by way of Commission and such sum as may be approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee.

Further in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013, members' approval by way of Special Resolution is being sought for the payment of remuneration in excess of the limits prescribed under the Section 197 read with Schedule V, in the event of absence or inadequacy of profits in during 3 financial years commencing from 1<sup>st</sup> April, 2025 till 31<sup>st</sup> March 2028. Details of the remuneration paid to Independent Director will be disclosed as a part of the Annual Report.

A brief profile and other disclosures, as required under the provisions of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section II of Part II of Schedule V to the Companies Act, 2013 and the corresponding rules and the Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, are provided in the **Annexure I, II & III** forming part of this Notice. The draft letter of appointment of Dr. Kamlesh Shende containing terms of his re-appointment, is available for inspection at the registered office of the Company.

The Board of Directors of your Company recommends the Resolution set out at Item No. 6 for the approval of the Members as a Special Resolution

Except for Dr. Kamlesh Shende, none of the other Directors/ Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the Special Resolution set out at Item No. 6 of this notice, except to the extent of their respective shareholding, if any, in the Company.

#### **Resolution No. 7 – To appoint Mr. Ashok Bhatia (DIN: 02090239) as an Independent Director of the Company**

In terms of the provisions of Section 149 of the Companies Act, 2013 and Rules framed thereunder, the Board of Directors of the Company at its Meeting held on 28<sup>th</sup> March, 2025, pursuant to the recommendation of the Nomination and Remuneration Committee ("NRC"), has approved the appointment and remuneration of Mr. Ashok Bhatia (DIN: 02090239) as the Additional Director (Non-Executive Independent Director) of the Company with effect from 1<sup>st</sup> April, 2025, subject to approval of the members of the Company, in terms of Section 161 of the Companies Act, 2013.

Pursuant to the provisions of Regulation 17(1)(C) of Securities and Exchange Board of India. (Listing Obligations and Disclosure Requirements), Regulations, 2015, the listed entity

shall ensure that approval of shareholders for appointment or reappointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, the approval of members is being sought for the said appointment in the AGM.

Mr. Ashok Bhatia has submitted the consent for his appointment as an Independent Director. Further, the Company has received declarations from Mr. Ashok Bhatia that he meet the criteria of Independence prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Rules framed thereunder, read with Schedule IV of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended.

Also, as per confirmations received from him, he is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013. Mr. Ashok Bhatia has confirmed that he has registered himself in the database for Independent Directors. In the opinion of the Nomination and Remuneration Committee and the Board, Mr. Ashok Bhatia is independent of the Management. Further, in terms of Regulation 25(8) of SEBI Listing Regulations, Mr. Ashok Bhatia has also confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

Mr. Ashok Bhatia is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

The Company has received a notice in writing under the provisions of Section 160 of the Act from a Member proposing the candidature of Mr. Ashok Bhatia for the office of Independent Director of the Company, not liable to retire by rotation.

Mr. Ashok Bhatia has an extensive 48-year leadership experience in the pharmaceutical industry with expertise in sales, marketing, business development, M&A and talent management. Considering Mr. Bhatia's rich experience in the pharmaceutical industry, the Board recommends obtaining approval of the Members as a Special Resolution for appointment of Mr. Ashok Bhatia as an Independent Director of the Company

Mr. Ashok Bhatia is a member of the Nomination and Remuneration Committee.

Mr. Ashok Bhatia meets the following skills and capabilities required for the role as an Independent Director, as have been identified by the Board of Directors of the Company:

- (a) Corporate Governance: Protection of Stakeholders interest, observing best governance practices and identifying key governance risks and driving good corporate ethics and values.

- (b) General Management: General Know-how of business management, talent management and development, workplace health & safety.
- (c) Pharmaceuticals, Science and Technology: Significant background and experience in pharmaceutical sector, science technology domain.
- (d) Risk and compliance oversight: Ability to identify key risks to the organisation in a wide range of areas including regulatory compliance.
- (e) Marketing: Possesses substantial background and experience in marketing, with a understanding of strategic brand positioning and market expansion.

Mr. Ashok Bhatia will be entitled to receive remuneration by way of Commission and such sum as may be approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee.

Further in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013, members' approval by way of Special Resolution is being sought for the payment of remuneration in excess of the limits prescribed under the Section 197 read with Schedule V, in the event of absence or inadequacy of profits during 3 financial years commencing from 1<sup>st</sup> April, 2025 till 31<sup>st</sup> March 2028. Details of the remuneration paid to Independent Directors will be disclosed as a part of the Annual Report.

A brief profile and other disclosures, as required under the provisions of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section II of Part II of Schedule V to the Companies Act, 2013 and the corresponding rules and the Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, are provided in the **Annexure I, II & III** forming part of this Notice. The draft letter of appointment of Mr. Ashok Bhatia containing terms of his appointment, is available for inspection at the registered office of the Company.

The Board of Directors of your Company is of the opinion that the appointment of Mr. Ashok Bhatia as an Independent Director of the Company would be beneficial to the Company and hence recommends the Resolution set out at Item no. 7 for the approval of the Members as a Special Resolution.

Except for Mr. Ashok Bhatia none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the said resolution except to the extent of their respective shareholding, if any, in the Company.

**Resolution No. 8 - Approval for payment of remuneration to Independent Directors pursuant to Section II Part II of Schedule V of the Companies Act, 2013:**

As per section 197 of the Companies Act, 2013, if the Company has appointed a Managing Director or Whole Time Director, the maximum remuneration that can be paid

to the Directors who are Non-Executive Directors including Independent Directors is 1% of the net profits of the Company. In the event of absence or inadequacy of profit, the Company may pay remuneration to such Directors in excess of the limit of 1% as per the limit prescribed under Section II Part II of Schedule V of the Companies Act, 2013 subject to the approval of the members.

The approval of members can be sought for a maximum period of three years at a time and the amount of remuneration can be in excess of the amount prescribed under Section II Part II of Schedule V, if, the resolution is passed as a Special Resolution.

The company is in process of expanding its business in Regulated markets like EU etc. and is developing new products for the said market. The development along with registration of products in new markets takes around 3 to 5 years, however, company is investing in development of products and Infrastructure to upgrade the manufacturing facilities and building new facilities to cater to the requirements of Regulated Markets. The revenue generation from sale of products would commence post registration of products in Regulated Markets which would take around 2 to 3 years. Hence, in this period of transition, the manufacturing cost associated with regulatory requirements in new markets would increase while resulting high profitability business would take some time to stabilize.

In such a situation the net profits of the Company may be impacted and the remuneration payable to the Independent Directors may exceed the above-mentioned limits of 1% as

the case may be. Accordingly, approval of the shareholders is being sought for payment of remuneration to the Independent Directors in excess of the limits prescribed under section 197 of the Companies Act, 2013, for a period of three years commencing from F.Y. 2025-26.

Further, Section II Part II of Schedule V of the Companies Act, 2013 requires disclosure of certain information to be made in the explanatory statement of the Notice seeking approval of the shareholders for payment of remuneration by companies having no profits or inadequate profits. The said particulars are mentioned **Annexure II** forming part of this Notice.

Except the Independent Directors and their relatives to the extent of their shareholding, if any, none of the Directors and Key Managerial Personnel of the Company and/or their relatives are concerned or interested financially or otherwise, in the Special Resolutions as set out at Item No. 8 of the accompanying Notice.

The Board of Directors of the Company recommend the Resolution set out at Item no. 8 for the approval of the Members as a Special Resolution.

**By order of the Board of Directors**  
For ZIM LABORATORIES LIMITED

**(Anwar Siraj Daud)**  
Managing Director  
DIN: 00023529

Place: Nagpur  
Date: 20<sup>th</sup> May, 2025

## ANNEXURE- I

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT AND MATTER RELATED TO APPROVAL OF THEIR REMUNERATION**

(Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of the Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India)

Sr. No.	Particulars	Name of the Director		
		Mr. Ashok Bhatia	Mr. Zulfiquar Kamal	Dr. Kamlesh Shende
1.	Director Identification Number (DIN)	02090239	01786763	09537666
2.	Date of Birth	13.02.1954	27.08.1960	01.12.1955
3.	Age	71	64	69
4.	Direct/indirect relationship with the Company and/or other Directors, Manager and other Key Managerial Personnel of the Company	NIL	NIL	NIL
5.	Qualification	1. D.B.A: Talent Management Strategies in the Emerging Markets 2. M.B.A.:Marketing and General Management 3. B.Sc.: Chemistry, Physics, Mathematics.	1. B. Com 2. Chartered Accountant	1. M. Pharm (Pharmacology), Nagpur University, Nagpur 2. MIRPM (Human Resource Management), Nagpur University, Nagpur 3. Ph.D. (Herbal Medicine), Maharashtra University of Health Sciences, Nashik
6.	Brief Resume covering qualifications, experience, expertise in specific functional area including details of recognition or awards, if any	As mentioned in <b>Annexure III</b>	As mentioned in <b>Annexure III</b>	As mentioned in <b>Annexure III</b>
7.	Skills and capabilities required for the role and the manner in which the Directors meet the requirements	As mentioned in the explanatory statement to Item No.- 7	Not applicable	As mentioned in the explanatory statement to Item No.- 6
8.	Date of First Appointment	1 <sup>st</sup> April, 2025	19 <sup>th</sup> October, 2012	1 <sup>st</sup> April, 2022
9.	Shareholding including shareholding as a beneficial owner in the Company	Nil	11,95,260	Nil
10.	Details of other directorships Membership/ chairmanship of committees of the boards of other Company	Other Directorships and membership: i) Shalby Limited	Other Directorships and membership: i) Octave Business Management Services Private Limited. ii) Falcon Knowledge Services Private Limited iii) ZIM Health Technologies Limited iv) ZIM Thinorals Private Limited v) Qualimannz Marketing Management Co., Dubai vi) ZIM Laboratories FZE, Sharjah vii) SIA ZIM Laboratories Limited, Latvia viii) ZIM Laboratories Middle East DMCC, Dubai ix) ZIMTAS Pty Ltd., Australia x) ZIM Scientific Office L.L.C, Dubai	NIL

Sr. No.	Particulars	Name of the Director		
		Mr. Ashok Bhatia	Mr. Zulfiqar Kamal	Dr. Kamlesh Shende
11.	Chairmanships/Memberships of the Committees of other public limited companies as on 31 <sup>st</sup> March, 2025	NIL	NIL	NIL
	a) Audit Committee	NIL	NIL	NIL
	b) Stakeholders' Grievance Committee	NIL	NIL	NIL
	c) Nomination and Remuneration Committee	NIL	NIL	NIL
	d) CSR Committee	NIL	NIL	NIL
	e) Other Committee(s)	NIL	NIL	NIL
12.	Name of listed entities from which the person has resigned in the past three years	NIL	NIL	NIL
13.	No. of Meetings of Board of Directors attended during the financial year 2024-25	Not applicable	Please refer to the "Corporate Governance Report" which is a part of the Annual Report	Please refer to the "Corporate Governance Report" which is a part of the Annual Report
14.	Remuneration sought to be paid	As mentioned in the <b>Annexure-II</b>	Not applicable	As mentioned in the <b>Annexure-II</b>
15.	Remuneration last drawn (For the financial year 2024- 2025)	Not applicable	Please refer to the "Corporate Governance Report" which is a part of the Annual Report	Please refer to the "Corporate Governance Report" which is a part of the Annual Report
16.	Terms and conditions of appointment/re-appointment/ remuneration	<ul style="list-style-type: none"> <li>- Director in Non-Executive Independent capacity</li> <li>- Not liable to retire by rotation.</li> <li>- Term of appointment - with effect from 1<sup>st</sup> April, 2025, upto 31<sup>st</sup> March, 2028</li> <li>- Other terms and conditions - available on the Company's website at <a href="http://www.zimlab.in">www.zimlab.in</a></li> </ul>	Not applicable	<ul style="list-style-type: none"> <li>- Director in Non-Executive Independent capacity</li> <li>- Not liable to retire by rotation.</li> <li>- Term of re-appointment - with effect from 1<sup>st</sup> April, 2025, upto 31<sup>st</sup> March, 2028</li> <li>- Other terms and conditions - available on the Company's website at <a href="http://www.zimlab.in">www.zimlab.in</a></li> </ul>

## ANNEXURE-II

## STATEMENT OF INFORMATION REQUIRED TO BE DISCLOSED UNDER SCHEDULE V (PART II) (SECTION II) OF THE COMPANIES ACT, 2013

I General Information																
(1) Nature of industry	: The Company is engaged into development, manufacture, sale, marketing and export of various pharmaceutical products.															
(2) Date or expected date of commencement of commercial production.	: The Company has been incorporated in 1984 and is engaged in pharmaceutical business since its incorporation															
(3) In case of new companies, expected date of Commencement of activities as per project approved by financial institutions appearing in the prospectus.	: Not Applicable															
(4) Financial performance based on given indicators.	: The financial performance of the Company in the F.Y. 2024-25 is as follows; <ol style="list-style-type: none"> <li>1) Turnover: ₹ 37,903.10 Lakhs</li> <li>2) Profit Before Tax: ₹ 1,800.94 Lakhs</li> <li>3) Profit After Tax: ₹ 1,216.50 Lakhs</li> </ol> <p>Note: Based on consolidated financials</p>															
(5) Foreign Investments or Collaborations, if any.	As on March 31, 2025, the foreign shareholding in the Company is detailed as under: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Particulars</th> <th>No. of Shares</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Foreign Nationals</td> <td>12,95,208</td> <td>2.66</td> </tr> <tr> <td>Non-Resident Indians (Repat)</td> <td>7,28,495</td> <td>1.50</td> </tr> <tr> <td>Non-Resident Indians (Non Repat)</td> <td>1,94,284</td> <td>0.40</td> </tr> <tr> <td><b>Total</b></td> <td><b>22,17,987</b></td> <td><b>4.56</b></td> </tr> </tbody> </table>	Particulars	No. of Shares	%	Foreign Nationals	12,95,208	2.66	Non-Resident Indians (Repat)	7,28,495	1.50	Non-Resident Indians (Non Repat)	1,94,284	0.40	<b>Total</b>	<b>22,17,987</b>	<b>4.56</b>
Particulars	No. of Shares	%														
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Non-Resident Indians (Non Repat)	1,94,284	0.40														
<b>Total</b>	<b>22,17,987</b>	<b>4.56</b>														
<b>II Information about the appointee :</b>																
(1) Background details	: <b>Dr. Kamlesh Shende, Independent Director</b> Dr. Kamlesh Shende has more than 30 years of experience in the area of Regulatory Affairs in the Pharmaceutical sector. He possesses rich experience in Drug Policy matters enabling him to act as a technical consultant to various pharmaceutical companies. Dr. Shende has worked as Drugs Formulation Expert for the entire State of Maharashtra and was a member of the National Subcommittee on Formulations constituted by Drugs Consultative Committee.  Dr. Shende retired as Joint Commissioner (Drugs), Food and Drugs Administration, Mumbai. He holds a master's degree in Pharmacology and a Ph. D (Herbal Medicine) from university of Health Sciences, Nashik.															
(2) Past remuneration	: The remuneration paid in F.Y. 2024-25 is ₹ 7.00 Lakhs p.a															
(3) Recognition or awards	: -															
(4) Job profile and his suitability	: Dr. Kamlesh Shende has been reappointed as the Independent Director of the Company with effect from 01.04.2025 and his role and responsibilities are as per Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Dr. Shende has more than 30 years of experience in the area of Regulatory Affairs in the Pharmaceutical sector, and he possesses rich experience in Drug Policy matters.															

(5)	Remuneration proposed	: ₹ 7.00 Lakhs p.a.
(6)	Comparative remuneration profile with respect to Industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	: The proposed remuneration being paid to the Independent Director is commensurate with the remuneration being paid by the Companies of comparable size in the industry in which the Company operates.
(7)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any.	: Apart from the proposed remuneration to be paid, he does not have any other direct or indirect pecuniary relationship with the Company or with managerial personnel.
<b>Information about the appointee :</b>		<b>Mrs. Kavita Loya, Independent Director</b>
(1)	Background details	Mrs. Kavita Loya is a Senior Practicing Chartered Accountant with more than 20 years of experience. She is presently a Partner in Loya Bagri & Company, Chartered Accountants. She was chairperson of Nagpur Branch of ICAI. She was a Member of Capacity Building Committee and Women's Empowerment Committee of the Western Region of ICAI, Mumbai & Nagpur. She is presently a core group member of the Bombay Chartered Accountants Society. She is on the Board as an Independent Director since the year 2017.
(2)	Recognition or awards	-
(3)	Past Remuneration	The remuneration paid in F.Y. 2024-25 is ₹ 9.00 Lakhs p.a
(4)	Job profile and her suitability.	Mrs. Kavita Loya has been reappointed as the Independent Director of the Company with effect from 21.09.2022 and her role and responsibilities are as per Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mrs. Loya is a Senior Practicing Chartered Accountant with more than 20 years of experience. She is presently a Partner in Loya Bagri & Company, Chartered Accountants. She has an expertise in Audit, Taxation and other financial matters.
(5)	Remuneration proposed	₹ 9.00 Lakhs p.a.
(6)	Comparative remuneration profile with respect to Industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The proposed remuneration being paid to the Independent Director is commensurate with the remuneration being paid by the Companies of comparable size in the industry in which the Company operates.
(7)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any.	Apart from the proposed remuneration and jointly holding 3600 equity shares of the Company, she does not have any other direct or indirect pecuniary relationship with the Company or with managerial personnel.
<b>Information about the appointee :</b>		<b>Mr. Padmakar Joshi, Independent Director</b>
(1)	Background details	Mr. Padmakar Joshi, a senior banking professional with 37+ years of diverse experience in commercial banking, has been an Independent Director on the Board since September 2017. He retired from Union Bank of India as Deputy Head of Corporate & SME Credit Monitoring and Debt Restructuring.
(2)	Past remuneration	The remuneration paid in F.Y. 2024-25 is ₹ 7.00 Lakhs p.a
(3)	Recognition or awards	-
(4)	Job profile and his suitability	Mr. Padmakar Joshi has been reappointed as the Independent Director of the Company with effect from 21.09.2022 and his role and responsibilities are as per Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Padmakar Joshi, a senior banking professional with 37+ years of diverse experience in commercial banking, has been an Independent Director on the Board since September 2017.
(5)	Remuneration proposed	₹ 7.00 Lakhs p.a.

(6)	Comparative remuneration profile with respect to Industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The proposed remuneration being paid to the Independent Director is commensurate with the remuneration being paid by the Companies of comparable size in the industry in which the Company operates.
(7)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any.	Apart from the proposed remuneration to be paid, he does not have any other direct or indirect pecuniary relationship with the Company or with managerial personnel.
<b>Information about the appointee :</b>		<b>Mr. Ashok Bhatia, Independent Director</b>
(1)	Background details	<p>Mr. Ashok Bhatia is an experienced pharmaceutical executive with over 48 years of leadership spanning sales, marketing, business development, M&amp;A, and talent management. He dedicated 37 years to Zydus Lifesciences, where he rose to the position of President – Emerging Markets, overseeing operations across 12 markets and managing a team of over 800 professionals.</p> <p>As a Group CEO of Abacus Pharma (Africa) Ltd. (Carlyle Group), he successfully transformed the company to a professionally managed, compliant organization. His strategic expertise has driven the launch of more than 25 million-dollar brands and facilitated business expansion across Brazil, South &amp; East Africa, Asia Pacific. Additionally, he has spearheaded regulatory, manufacturing &amp; supply chain functions.</p> <p>Mr. Bhatia has served as an advisor to McKinsey, KKR India, ChrysCapital and is currently a board member of Shalby Ltd. He holds a Doctorate in Business Administration (DBA), an MBA, and a B.Sc. and is a guest faculty at IIM Ahmedabad and IIM Rohtak, specializing in International Marketing and Talent Management. His article ‘Gender and Workplace’ has been published in VIKALPA, the journal of IIM Ahmedabad.</p>
(2)	Past remuneration	Not applicable
(3)	Recognition or awards	-
(4)	Job profile and his suitability	<p>Mr. Ashok Bhatia has been appointed as the Additional Director (Independent Director) of the Company with effect from 01.04.2025 and his role and responsibilities are as per Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.</p> <p>Mr. Ashok Bhatia is an experienced pharmaceutical executive with over 48 years of leadership spanning sales, marketing, business development, M&amp;A, and talent management. He dedicated 37 years to Zydus Lifesciences, where he rose to the position of President – Emerging Markets, overseeing operations across 12 markets and managing a team of over 800 professionals.</p>
(5)	Remuneration proposed	₹ 20.00 Lakhs p.a
(6)	Comparative remuneration profile with respect to Industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The proposed remuneration being paid to the Independent Director is commensurate with the remuneration being paid by the Companies of comparable size in the industry in which the Company operates.
	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any.	Apart from the proposed remuneration to be paid, he does not have any other direct or indirect pecuniary relationship with the Company or with managerial personnel.

<b>III. Other information</b>	
(1)	Reason for loss or inadequate profits
	The company is in process of expanding its business in Regulated markets like EU etc. The company is developing new products for the said market. The products developed have good potential and are expected to contribute to the growth of the company. The development along with registration of products in new markets take around 3 to 5 years, however, company is investing in development of products and Infrastructure to upgrade the manufacturing facilities and building new facilities to cater to the requirements of Regulated Markets. The revenue generation from sale of products would commence post registration of products in Regulated Markets which would take around 2 to 3 years. Hence, in this period of transition, the manufacturing cost associated with regulatory requirements in new markets would increase while resulting high profitability business would take some time to stabilize.
(2)	Steps taken or proposed to be taken for improvement and Expected increase in productivity and profits in measurable terms
	The management is pursuing various strategic and operational measures that are expected to result in the improvement of profitability of the Company. The management believes all these strategic initiatives will result in better and improved profits for the Company.
<b>IV. Disclosures in the Board's Report</b>	
	The required information/details are disclosed under the Corporate Governance section of the Annual Report of the Company for the Financial Year 2024-25.

## ANNEXURE-III

### Brief profile of Directors seeking appointment / re-appointment.

#### 1) **Mr. Ashok Bhatia: Appointment as an Independent Director**

Mr. Ashok Bhatia is an experienced pharmaceutical executive with over 48 years of leadership spanning sales, marketing, business development, M&A, and talent management. He dedicated 37 years to Zydus Lifesciences, where he rose to the position of President – Emerging Markets, overseeing operations across 12 markets and managing a team of over 800 professionals.

As a Group CEO of Abacus Pharma (Africa) Ltd. (Carlyle Group), he successfully transformed the company to a professionally managed, compliant organization. His strategic expertise has driven the launch of more than 25 million-dollar brands and facilitated business expansion across Brazil, South & East Africa, Asia Pacific. Additionally, he has spearheaded regulatory, manufacturing & supply chain functions.

Mr. Bhatia has served as an advisor to McKinsey, KKR India, ChrysCapital and is currently a board member of Shalby Ltd. He holds a Doctorate in Business Administration (DBA), an MBA, and a B.Sc. and is a guest faculty at IIM Ahmedabad and IIM Rohtak, specializing in International Marketing and Talent Management. His article 'Gender and Workplace' has been published in VIKALPA, the journal of IIM Ahmedabad.

#### 2) **Dr. Kamlesh Shende: Reappointment as an Independent Director**

Dr. Kamlesh Shende possesses over 30 years of experience of Regulatory Affairs in the Pharmaceutical sector. He holds a Master's Degree in Pharmacology and a PhD (Herbal Medicine) from the University of Health Sciences, Nashik.

He has served as a technical consultant to numerous pharmaceutical companies, specialising in Drug Policy matters. Dr. Shende has worked as Drugs Formulation Expert for the entire State of Maharashtra and was a member of the National Subcommittee on Formulations constituted by Drugs Consultative Committee.

He retired as Joint Commissioner (Drugs) from the Food and Drugs Administration, Mumbai, bringing with him a wealth of expertise.

#### 3) **Mr. Zulfikar Kamal as Whole Time Director**

Mr. Zulfikar Kamal, a Chartered Accountant, has been with the company for over 25 years.

Since 1991, he has served on the Board of Directors. With over 30 years of deep financial expertise, he has contributed significantly towards achieving financial discipline and control, integral to ZIM's growth.

As Director (Finance), he manages commercial operations, focusing on transforming ZIM as a financially-efficient organisation driving operational excellence and technological prowess.



# EMPOWERING PATIENTS THROUGH DRUG DELIVERY INNOVATIONS

ZIM Laboratories Limited  
Annual Report 2024-25

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For more details, please visit:  
[www.zimlab.in](http://www.zimlab.in)



In FY25, ZIM Laboratories Limited completed its first external sustainability assessment through **EcoVadis**, receiving a score of **55/100** and placing us in the "Committed to Sustainability" category. This independent rating serves as a valuable starting point, helping us identify both strengths and areas for improvement as we work towards building a comprehensive ESG roadmap.



# EMPOWERING PATIENTS THROUGH DRUG DELIVERY INNOVATIONS

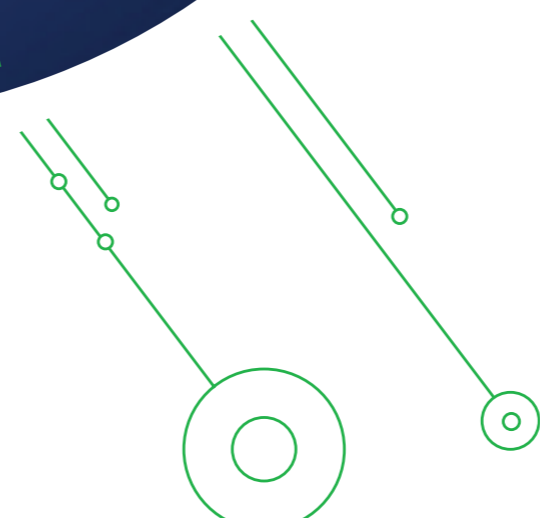
At ZIM Laboratories Limited (ZIM Labs or ZIM), innovation, quality, patient convenience, and treatment adherence drive our mission to deliver accessible, cutting-edge drug delivery solutions that enhance patient outcomes. In a rapidly evolving Pharmaceutical landscape, we are focussed on value addition to make medicines more accessible, efficient and patient-friendly.

Our state-of-the-art manufacturing facilities, proprietary technology platforms, and dynamic R&D capabilities enable us to develop innovative formulations and next-generation drug delivery mechanisms. We specialise in developing, manufacturing, and supplying differentiated & value-added oral solid dosages using Novel Drug Delivery Techniques (NDDS).

Our Innovative Products, developed using proprietary technology platforms, significantly improve patient convenience and treatment outcomes by simplifying dosage administration and enhancing adherence.

With a patient-centric approach, we continue to forge strategic partnerships and explore new markets, expanding the global reach of our value-added, differentiated solutions.

By harnessing the power of technology, research, and innovation, ZIM is committed to empowering patients and transforming drug delivery solutions.



INNOVATING WITH PURPOSE, DIFFERENTIATING WITH IMPACT

# ZIM LABORATORIES LIMITED AT A GLANCE

Established in 1989, ZIM Laboratories Limited (ZIM Labs or ZIM) is a globally recognised provider of innovative Drug Delivery Solutions based in India. As a research-driven, therapy-agnostic organisation, we specialise in the development, manufacturing, and supply of differentiated and complex generic products in oral solid dosage forms, utilising Novel Drug Delivery Techniques (NDDS) and proprietary, non-infringing manufacturing technologies.

Driven by experienced leadership, we integrate world - class manufacturing, cutting - edge R&D capabilities, and advanced technologies to foster continuous innovation and operational excellence. Our diverse product portfolio spans both Pharmaceuticals and Nutraceuticals, offering Pre-Formulation Intermediates (PFI) and Finished Formulations (FF) across key therapeutic segments in Regulated, Pharmerging, and RoW markets.

With a strong emphasis on strategic partnerships, product diversification, and global expansion, we are committed to delivering high - quality, patient - centric solutions that are both differentiated and accessible. By scaling investments and diversifying our revenue streams, we continue to capitalise on emerging opportunities in Key Developed and Pharmerging markets.\*

At ZIM, innovation, quality, and patient convenience are at the core of everything we do. We remain committed to pioneering advanced drug delivery solutions that not only improve patient outcomes but also drive long-term growth and value for all stakeholders.

\*Key Developed and Pharmerging Markets: EU, Turkey, Canada, Australia, BRICS, LatAm, Saudi Arabia, and other markets with high GDP / Capita

### FY25 Business Dashboard

#### Pharmaceuticals

Pharmaceuticals remained our primary revenue driver in FY25, contributing 75% of the Total Operating Income, amounting to ₹ 2,836 Mn.

#### Nutraceuticals

Nutraceuticals, including Vitamins, Healthcare, and Dietary Supplements, accounted for 25% of the Total Operating Income, reaching ₹954 Mn in FY25.



### Key FY25 Numbers

**₹3,790 Mn**  
Total Operating Income

**₹495 Mn**  
EBITDA

**₹122 Mn**  
PAT

**₹2,522 Mn**  
Net Worth

**8.8%**  
of Total Operating  
Income spent on R&D

## Rooted in Values

- 
**Zeal**  
 A deep passion for making a positive impact on patients' lives through compassion, product excellence, affordability, and enhanced marketability
- 
**Partnership**  
 Fostering strong, long-term relationships built on value creation, mutual respect, trust, and transparency
- 
**Innovation**  
 Constantly challenging the status quo to enhance value & effectiveness of our products and processes
- 
**Performance**  
 Pursuing excellence to empower our customers in the marketplace. We focus on continuous skill development and embrace change to drive superior results
- 
**Teamwork**  
 Creating a collaborative culture rooted in respect, trust, care, kindness and transparency
- 
**Integrity**  
 Upholding fairness, honesty, transparency, and the highest standards of ethical conduct in everything we do
- 
**Care for Environment**  
 Acting responsibly in the use of resources, reducing waste, and contributing to a healthier planet for future generations



### Vision

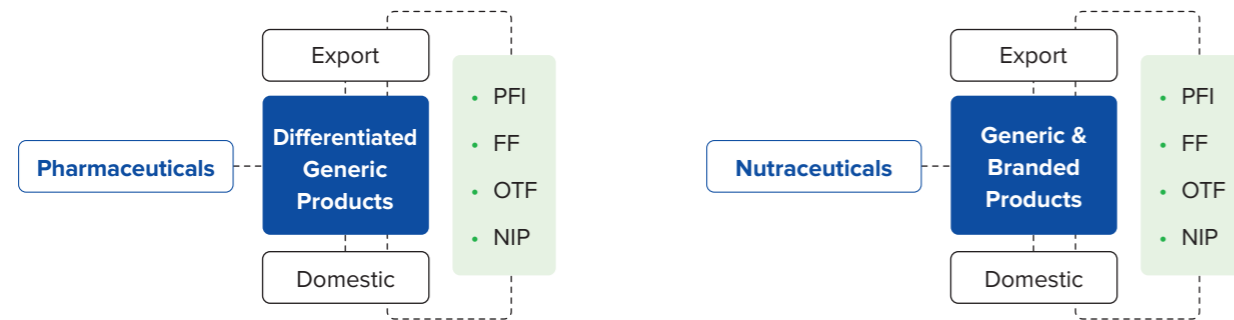
Making quality healthcare affordable through drug delivery solutions focussed on patient convenience and treatment adherence.

## ADVANCING HEALTHCARE WITH INNOVATIVE SOLUTIONS

# BUSINESS SNAPSHOT

Our unwavering commitment to manufacturing excellence, technological innovation, and continuous R&D empowers us to navigate a dynamic healthcare landscape and seize emerging opportunities. With a robust portfolio of high-quality, complex generics and advanced drug delivery technologies across diverse oral dosage forms, we focus on enhancing accessibility and treatment adherence - building customer trust and delivering added value to our business partners.

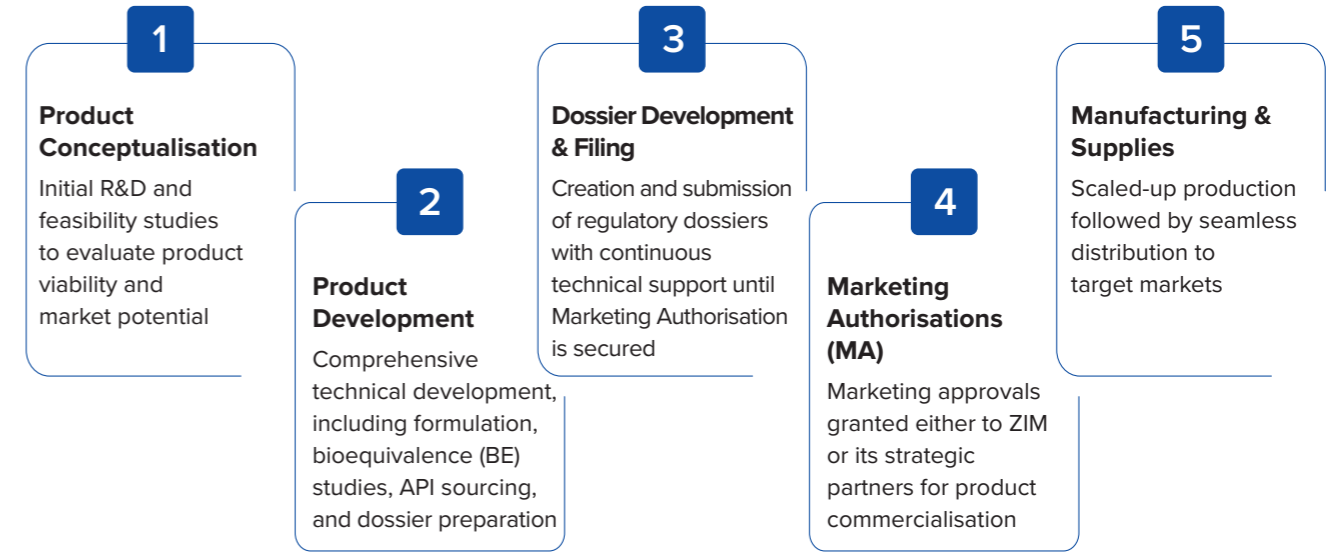
### Business Verticals



\*PFI: Pre - Formulation Intermediates, FF - Finished Formulations, OTF - Oral Thin Films, NIP - New Innovative Products



### Comprehensive Product Development



### Global Subsidiaries & Strategic Presence

Strengthening our global footprint through strategic subsidiaries across India, the UAE, Australia, and the European Union.

#### ZIM Laboratories FZE, Sharjah, UAE (100% Subsidiary)

Responsible for business development and marketing in the MENA and Africa regions.

#### ZIM Scientific Office LLC (Step - Down Subsidiary)

Formed in November 2024 to support registration and marketing activities and expand reach in the MENA region.

#### SIA ZIM Laboratories Limited, Latvia, EU (100% Subsidiary)

Manages product registrations and marketing for innovative formulations in the European Union.

#### ZIM Health Technologies Limited, India (100% Subsidiary)

Established to scale up R&D, manufacturing, and marketing of complex generics and advanced Pharmaceutical & Nutraceutical products in Developed and Pharmerring Markets.

#### ZIM Thinorals Private Limited, India (100% Subsidiary)

Dedicated to the Oral Thin Films (OTF) business; operations are yet to commence.

#### ZIMTAS Pty. Ltd., Australia (Subsidiary)

Incorporated to handle product registrations, marketing, and distribution in Australia and New Zealand.

#### ZIM Laboratories Middle East DMCC (Step-Down Subsidiary)

A subsidiary of ZIM FZE, focussed on product registration, marketing, and distribution across MENA and Africa.

\*MENA: Middle East and North Africa

# FY25 KEY HIGHLIGHTS

## Financial Highlights

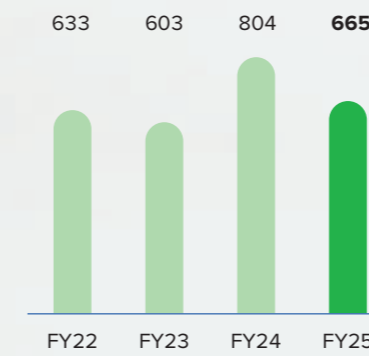
- Total Operating Income grew by **3.2% YoY**, reaching ₹ **3,790 Mn**, primarily driven by increased contributions from Innovative Products
- EBITDA grew by **6.4% YoY** to ₹ **495 Mn**, with an EBITDA margin of **13.1%**, while Profit After Tax (PAT) stood at ₹ **122 Mn**, translating to a PAT margin of **3.2%**
- In line with the company's strategic priorities:
  - Export Revenue grew by **8.9% YoY** to ₹ **3,125 Mn**, up from ₹ **2,870 Mn** in FY24, supported by robust demand across key international markets
  - Revenue from NIP + OTF stood at ₹ **722 Mn**, reflecting a **65% YoY** growth and contributing **19%** to Total Operating Income, inclusive of licensing income
  - R&D expenditure accounted for **8.8%** of Total Operating Income, in line with the company's strategy towards innovation and proprietary technology development
- Finance costs increased from ₹ 69 Mn to ₹ **114 Mn**, mainly due to higher borrowings for plant and equipment upgrades, which rose from ₹ 1,064 Mn to ₹ **1,122 Mn**
- NIP+OTF Dossier Licensing Income rose to ₹ **98 Mn**, indicating strong monetisation of ZIM's Innovative Products and enhanced licensing capabilities
- Gross block additions during FY25 aligned with the Developed Markets expansion strategy, including:
  - Investment of ₹ **365 Mn** in CapEx for facility and infrastructure enhancement
  - Allocation of ₹ **103 Mn** towards Bio-equivalence (BE) studies and regulatory filings to support global market access

## Business and Strategic Highlights

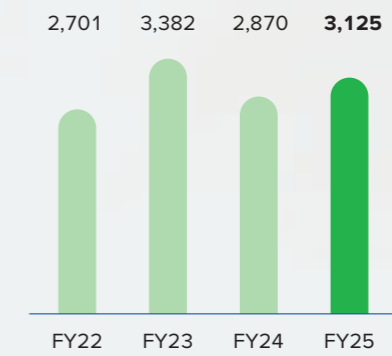
- Expansion in International Markets:**
  - Established a Scientific Office in the UAE to facilitate the registration and marketing of Pharmaceutical and Nutraceutical products
  - A strategic collaboration with a strong local partner in the UAE has significantly enhanced ZIM's position in the MENA region. This partnership enables wider registration and commercialisation of our product portfolio, particularly Oral Thin Films (OTF)
  - 1 NIP and 1 OTF filing done via ZIM's Australian subsidiary, ZIMTAS Pty. Ltd., laying a solid foundation for expansion in Oceania
  - Successfully completed EU re-accreditation (Portugal) and NSF re-accreditation for (Oral Dispersible Strips) Dietary Supplements
- Regulatory Filings and Marketing Authorisations**
  - Received the first EU Marketing Authorisation for Azithromycin Oral Suspension (NIP category)
  - Secured the second EU Marketing Authorisation for Dimethyl Fumarate (NIP category) in Portugal
  - ZIM's co-development partner, Neuraxpharm, received an EU-wide Marketing Authorisation for Buprenorphine Sublingual Films
  - Completed 23 NIP filings for 6 molecules, including 5 filings for 4 molecules in the EU, 1 filing in Australia, and 17 filings in Pharmerging & RoW; 14 filings under ZIM's name
  - Completed 17 OTF filings for 5 molecules—6 filings for 2 molecules in the EU, 1 in Australia, and the rest 10 filings across Pharmerging and RoW markets; 3 filings under ZIM's name
  - Completed 10 FF filings for 5 molecules in the Pharmerging & RoW markets, of which 7 filings were under ZIM's name
- Worldwide Marketing Authorisations:**
  - Received 6 NIP MAs for 3 molecules - 2 in the EU & 4 in Pharmerging & RoW Markets
  - Received 7 OTF MAs for 5 molecules - 1 EU - wide & 6 across Pharmerging & RoW Markets
  - Received 14 FF MAs for 10 molecules in the Pharmerging & RoW Markets
- Strategic CapEx Projects & Market Growth:**
  - Completed CapEx projects for Urology Suite and Nutraceutical Suite, significantly enhancing manufacturing capabilities
  - Strengthened presence in Developed Markets through new marketing partnerships, supporting long - term

## Business-Wise Performance

Domestic (₹ in Mn)



Export (₹ in Mn)



SHAPING THE VISION, ONE STEP AT A TIME

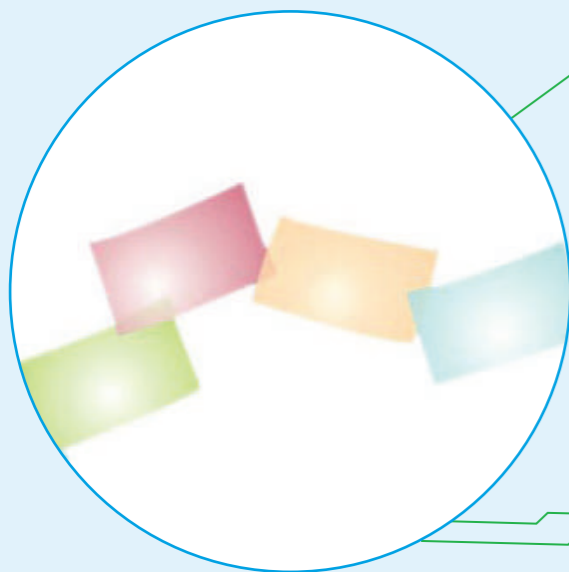
# OUR JOURNEY

At ZIM, our journey is defined by innovation, resilience, and a steadfast commitment to transforming healthcare. Built on a strong foundation and empowered by advanced capabilities, we strive to make healthcare more accessible and patient-centric. Through cutting - edge drug delivery solutions, we enhance treatment efficacy, address critical challenges, and contribute to building a healthier future.



## 1989-2000

- Strengthened market position as a key supplier of Pharmaceutical products to government organisations through tenders, leveraging WHO-GMP-approved manufacturing facilities.



## 2001-2012

- Developed Pellets, Granules, and Taste-Masking Technology Platforms to diversify the portfolio and create differentiated, higher-margin generic products.
- Expanded international presence across the Middle East and North Africa (MENA) region.
- Created Proof-of-Concept for Oral Thin Films (OTF) and Nanotechnology as part of future innovation initiatives.



## 2013-2017

- Secured funding from a private equity investor to accelerate growth.
- Shifted focus to high-margin businesses, reducing reliance on deemed exports and low-margin government contracts.
- Invested in upgrading manufacturing facilities to meet EU-GMP standards, expanded the team, and enhanced processes.
- Established a new WHO-GMP-approved Oral Thin Films (OTF) facility and successfully commercialised OTF products.
- Expanded into new territories, including Southeast Asia, Latin America (LatAm), CIS, and Africa, while deepening market penetration in Sri Lanka, South Asia, and MENA.
- Built a strong pipeline of new products, improved dossier filings, and secured product registrations under the ZIM brand.



## 2018-Present

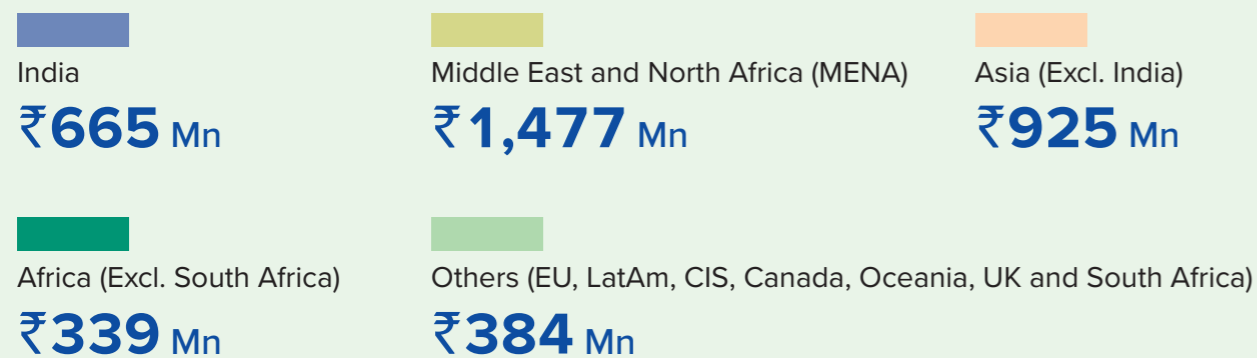
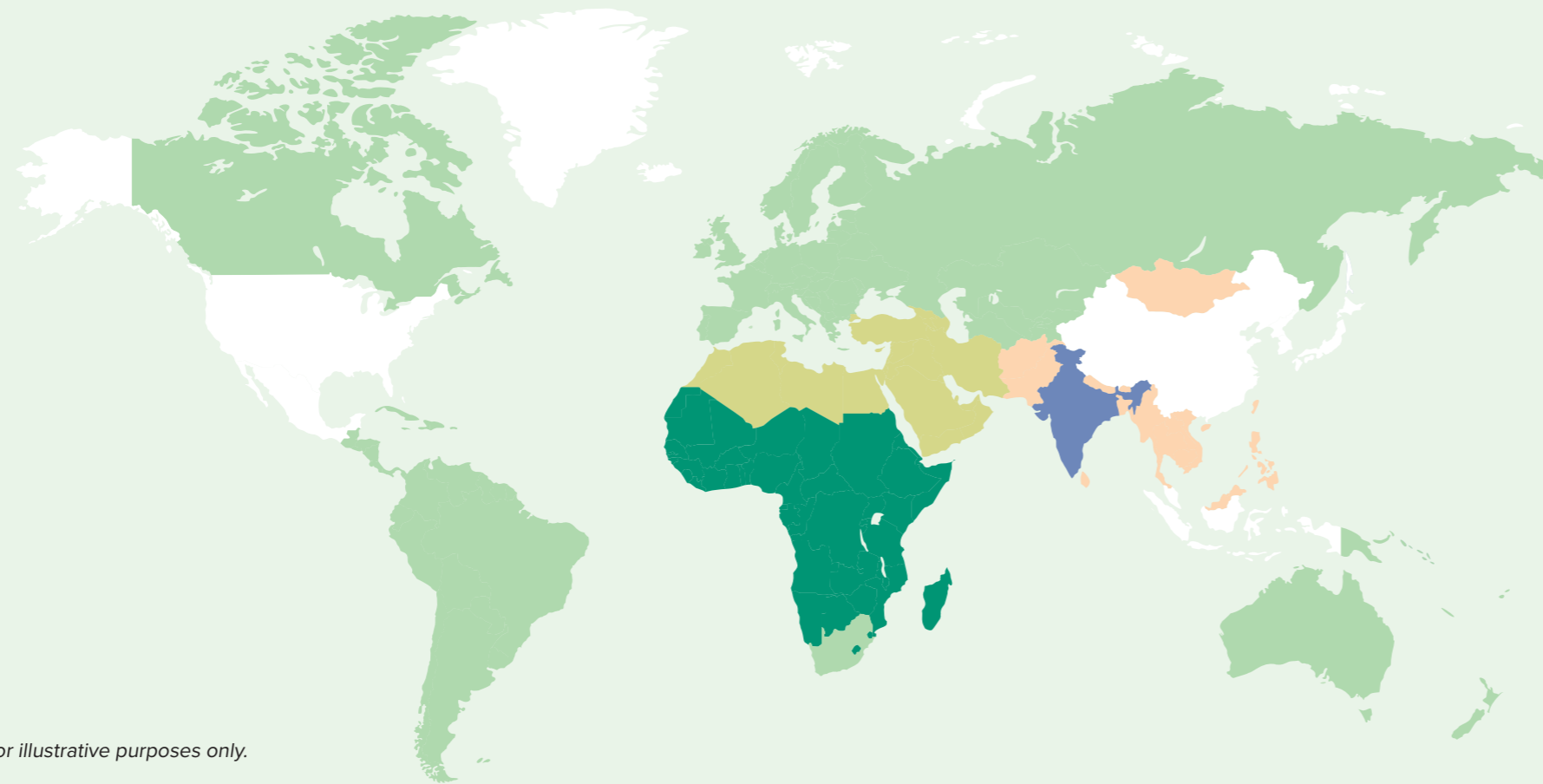
- Focussed on business expansion into new geographies, customer acquisition, and pipeline development.
- Strengthened the generic finished formulations business through product registrations, marketing partnerships, and regular launches across MENA, Southeast Asia, LatAm, and CIS markets.
- Introduced Thinoral® (Patented Oral Thin Films Technology) as an alternative drug delivery platform for prescription and OTC products in RoW, Pharmerging Markets, and the EU.
- Enhanced R&D capabilities to develop new combination generic Pharmaceuticals for Pharmerging and select Developed Markets.
- Listed on BSE Limited and the National Stock Exchange of India Limited.
- Developed 10 New Innovative Products (NIP) for Key Developed and Pharmerging Markets.
- Expanded manufacturing capacity, including a dedicated NIP warehouse and a potential Greenfield Nutraceuticals plant.
- Established ZIMTAS Pty. Ltd., ZIM's subsidiary in Australia (2022), for product registration, marketing, and distribution in Australia and New Zealand.
- Successfully completed EU re-accreditation (Portugal) and NSF re-accreditation for ODS Dietary Supplements.
- Established a Scientific Office in the UAE (Nov 2024) for the registration and marketing of Pharmaceutical and Nutraceutical products, driving expansion in MENA region.
- Completed two major CapEx projects in FY25 - a Urology Suite and a Nutraceutical Suite to support future business initiatives.
- Received EU Marketing Authorisations for Azithromycin Oral Suspension and Dimethyl Fumarate, both under the New Innovative Products (NIP) category.
- ZIM's co-development partner, Neuraxpharm, secured an EU-wide Marketing Authorisation for Buprenorphine Sublingual Films.

**Key Developed and Pharmerging Markets:** EU, Turkey, Canada, Australia, BRICS, LatAm, Saudi Arabia, and other markets with high GDP / Capita.

## INNOVATING ACROSS GEOGRAPHIES

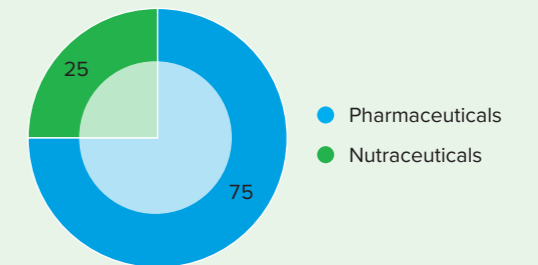
# GLOBAL PRESENCE

Driven by a commitment to excellence in innovation and execution, we strive to make medicines more effective, accessible, and convenient for a growing patient base. We continue to expand our reach in emerging markets, while strengthening our presence in established regions, delivering differentiated solutions that advance healthcare outcomes worldwide.

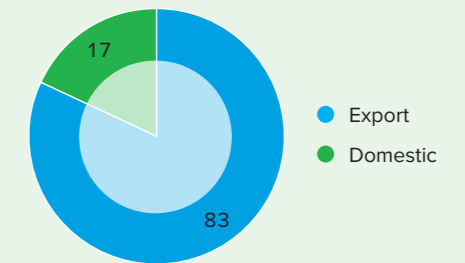


### FY25 Revenue Mix

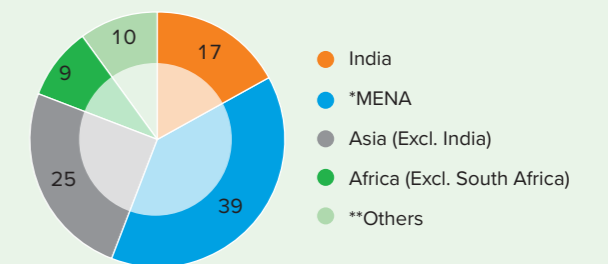
By Verticals (%)



By Geography (%)



By Region (%)



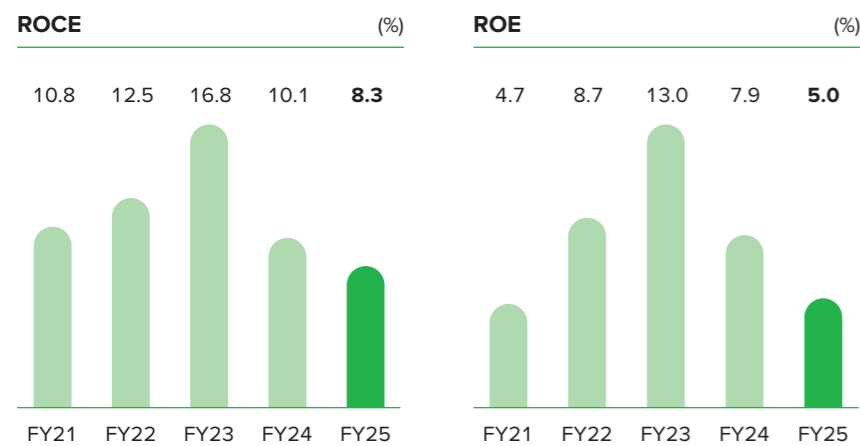
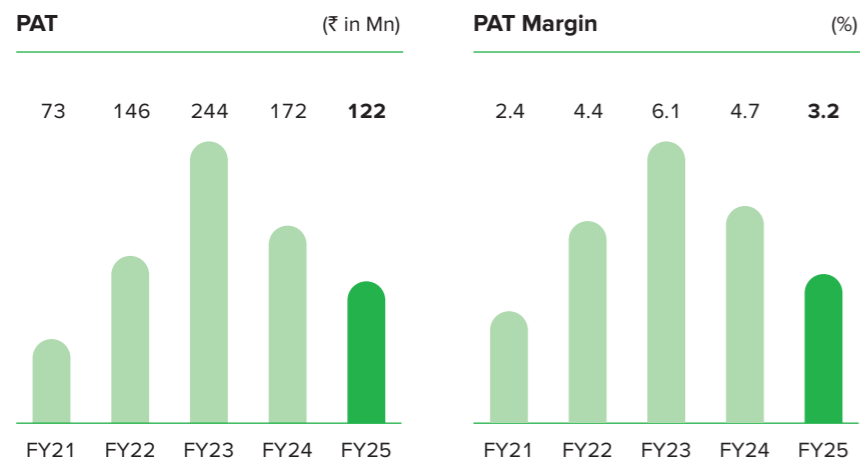
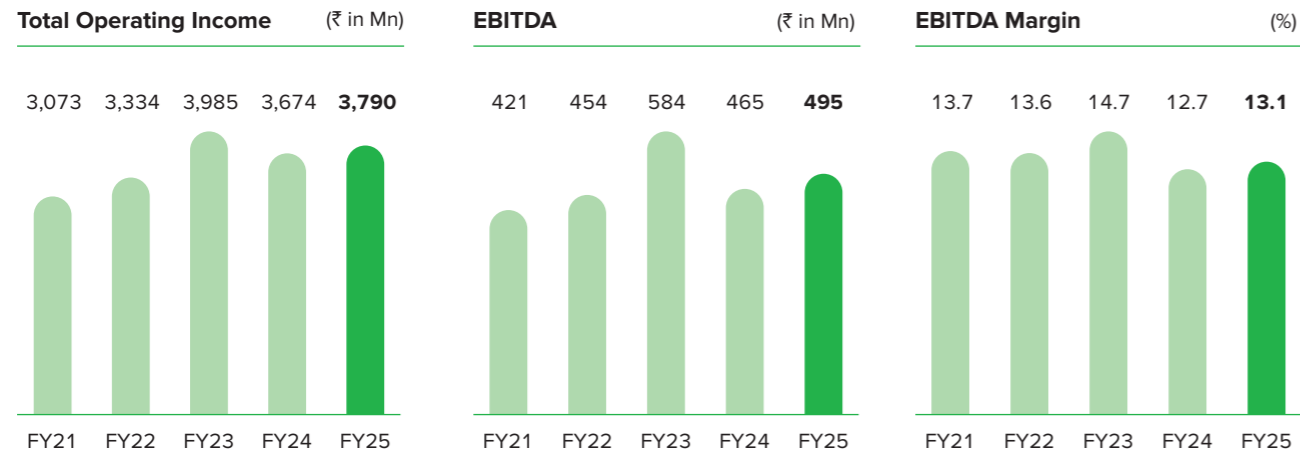
\*\*Others - EU, LatAm, CIS, Canada, Oceania, UK, and South Africa

\*MENA - Middle East and North Africa

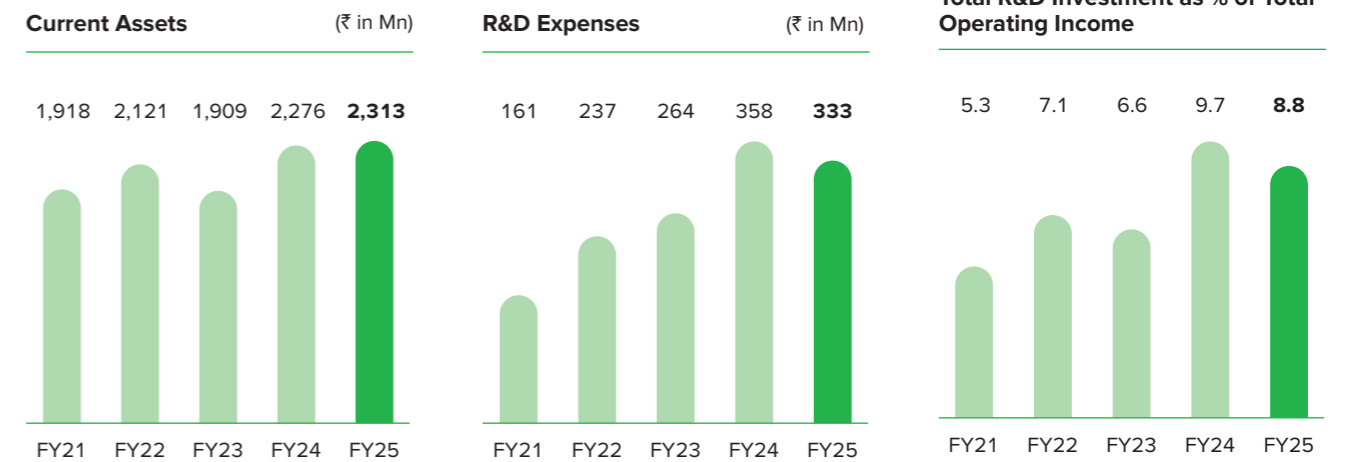
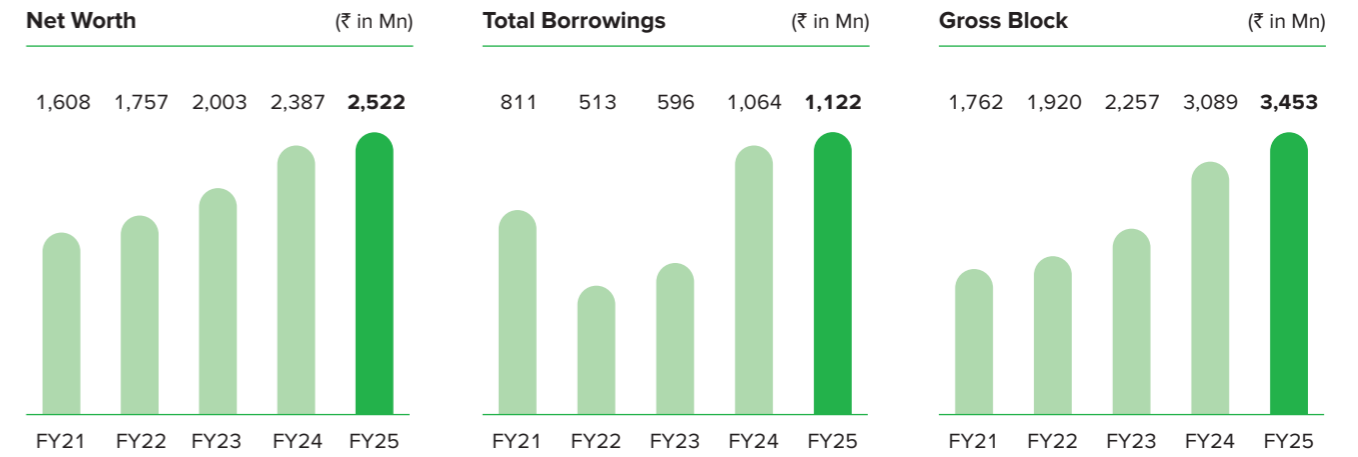
# ACCELERATING GROWTH, DELIVERING RESULTS

## FY25 KEY PERFORMANCE INDICATORS

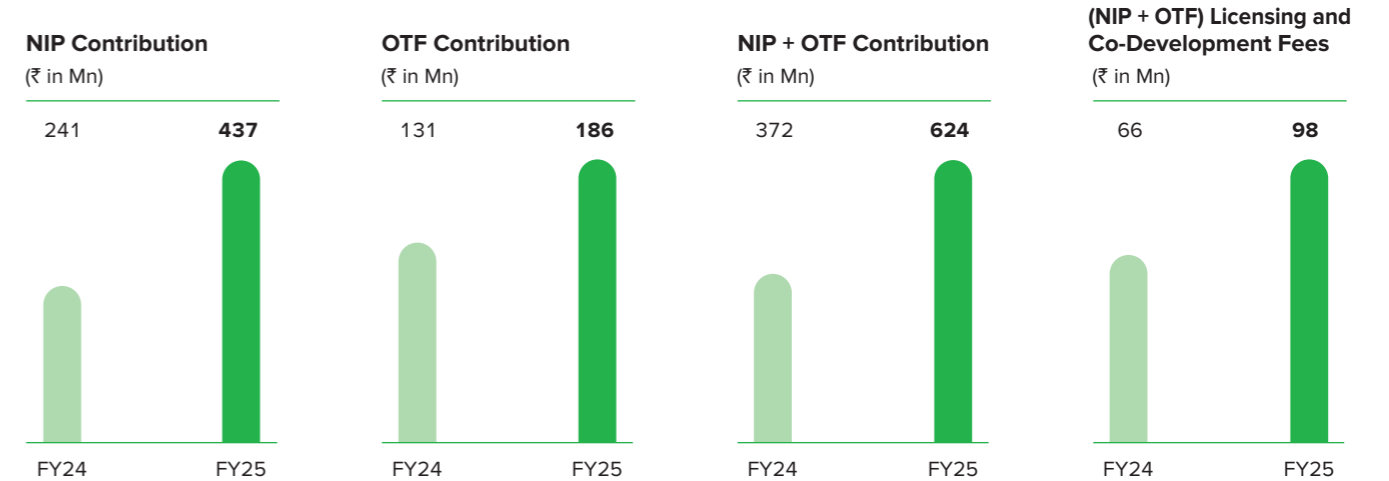
### Profit & Loss Indicators



### Balance Sheet Indicators



### Innovative Products Performance



# CHAIRMAN AND MANAGING DIRECTOR'S MESSAGE



**We made significant progress in our Innovative Products portfolio: New Innovative Products (NIP) and Oral Thin Films (OTF) – in line with our vision to build a differentiated, value-driven pipeline.**



## Dear Shareholders,

It gives me immense pleasure to present to you the 41<sup>st</sup> Annual Report of ZIM Laboratories Limited (ZIM) for the Fiscal Year 2025. I hope this message finds you and your families in good health and high spirits.

## Business Overview

FY25 marked a year of focussed strategic execution and measured business expansion, underpinned by our continued commitment to innovation, quality, and sustainable growth.

Our Pharmaceutical business remained the primary revenue contributor, accounting for 75% of Total Operating Income, reflecting the strength of our core strategy and disciplined execution. The Nutraceutical segment contributed 25%, aligning with ZIM's strategic focus on balanced and diversified

growth through innovative and differentiated products. Exports continued to be the mainstay of our business, contributing 83% to Total Operating Income, reinforcing both the relevance of our product offerings and our expanding global reach.

We made significant progress in our Innovative Products portfolio: New Innovative Products (NIP) and Oral Thin Films (OTF) – in line with our vision to build a differentiated, value-driven pipeline. The combined contribution from NIP and OTF increased notably during the year, reaching 16.5% of Total Operating Income, up from 10.1% in FY24. NIP sales contributed 11.5%, while OTF sales contributed 4.9%. This growth was further supported by increased revenue from dossier licensing and co-development fees, amounting to

₹98 Mn. During the year, ZIM entered into several licensing agreements with partners across the EU and other markets, underscoring the commercial potential of our innovation-led product pipeline.

In our domestic business, which contributed 17% of Total Operating Income, we continued supplying high-margin Pharmaceutical and Nutraceutical products, particularly to government institutions. The penetration of innovative offerings, including NIP and OTF, into government schemes and select private market contracts reaffirms their value and the opportunity to scale further in India.

## Business Development and Marketing

Throughout FY25, we sustained steady momentum in dossier filings across key geographies. In the EU, 5 NIP filings covering 4 molecules were completed, bringing the cumulative EU NIP filings to 7 to date. Additionally, 6 OTF filings for 2 molecules were completed in the EU. Filings also progressed across Pharmerging and RoW markets for Finished Formulations, NIP, and OTF products. Notably, through our Australian subsidiary ZIMTAS Pty. Ltd., 1 NIP and 1 OTF product were filed, further strengthening our regulated market presence.

During the year, we received 2 Marketing Authorisations in the NIP category for Dimethyl Fumarate and Azithromycin Suspension. Our EU partner also secured approval for Buprenorphine Sublingual Films (OTF), underscoring the regulatory progress and scientific strength of our differentiated portfolio.

To support product registration and commercialisation, we adopted a structured regional business development strategy, on-boarding experienced Business Development leaders across our five key regions. Through our EU and Australian subsidiaries, as well as a newly established Scientific Office in the UAE, we established a local presence to facilitate the registration and launch of high-value NIP and OTF products. A landmark contract was signed with partners in the GCC region to expand our Oral Thin Films business.

## Product, Plant and Technology Upgradation

We continue to invest in R&D to enhance product differentiation and advance drug delivery platforms. In FY25, consolidated R&D investment stood at 8.8% of Operating Income, consistent with prior years.

Our pipeline now includes 12 NIP products, of which 8 have been fully developed. The remaining 4 are expected to be completed in FY26 and filed in the EU and other regulated markets. This pipeline represents a cornerstone of our future growth strategy.

FY25 also marked significant investment in production capacity expansion, aligning with our strategic goal of completing the CapEx cycle required to scale operations. We now have substantial capacity for manufacturing our key NIP and OTF products, along with a specialised Liquid-in-Pellet Technology based Nutraceutical Suite to support high-value OTC supplements and formulations. Several audits and accreditations were successfully completed during the year, including the EU-GMP audit of our facilities.

While FY25 was a year of progress, it was not without challenges. We encountered headwinds from geopolitical instability, currency depreciation, and payment uncertainties in some of our traditionally stable legacy markets – particularly impacting our Pre-Formulation Intermediates (PFI) and Nutraceutical exports. In line with our prudent risk management approach, we refrained from accepting new orders in these regions without clear payment visibility. Despite these setbacks, our diversified business model and the growing share of high-value innovative products helped offset the impact and sustain momentum.

## Looking Ahead

As we look ahead to FY26, we anticipate strong growth across developed, RoW, and Pharmerging markets, driven by our regional BD teams and increased product registrations. The execution of ongoing agreements remains a top priority, and we are confident that our continued efforts will lead to sustained value creation.

On behalf of the Board, I thank our shareholders for their continued trust and support. I extend my heartfelt appreciation to all 'ZIMians' for their unwavering commitment, and to our customers, partners, regulatory agencies, and stakeholders for their collaboration and confidence.

Together, we look forward to scaling new heights as we continue our journey of innovation and growth.

Warm regards,

**Anwar S. Daud**

Chairman and Managing Director

# CHIEF FINANCIAL OFFICER'S (CFO) MESSAGE



**Exports remained a key growth engine, contributing 83% to our Total Operating Income. Export revenues rose to ₹3,125 Mn, a 8.9% increase over FY24, reflecting the success of our regional strategies and the effectiveness of our business development efforts across key geographies.**



## Dear Shareholders,

It gives me great pleasure to present an overview of ZIM Laboratories Limited's performance for FY25 and outline our strategic direction for the years ahead. This past year was defined by our unwavering commitment to disciplined execution, forward-looking investments, and the pursuit of long-term value creation. Despite facing external uncertainties, our innovation-driven strategy and sound financial stewardship enabled us to overcome challenges and stay firmly on the path of sustainable growth.

## Performance Highlights

In FY25, we delivered a resilient financial performance, with Total Operating Income reaching ₹3,790 Mn, a 3.2% increase from ₹3,674 Mn in FY24. This growth was largely driven by

strong traction in our Innovative Product portfolio – particularly New Innovative Products (NIP) and Oral Thin Films (OTF).

Exports remained a key growth engine, contributing 83% to our Total Operating Income. Export revenues rose to ₹3,125 Mn, an 8.9% increase over FY24, reflecting the success of our regional strategies and the effectiveness of our business development efforts across key geographies.

The NIP segment recorded revenues of ₹437 Mn, marking an 82% year-on-year increase. OTF revenues stood at ₹186 Mn, a 42% increase over FY24. Licensing and dossier-related revenues contributed ₹98 Mn, supported by a series of new agreements across the EU and other developed markets.

The contribution from NIP and OTF, along with dossier fees, accounted for 19% of Total Operating Income.

Our domestic business generated ₹665 Mn, or 17% of Total Operating Income, reflecting ongoing traction in high-margin Pharma and Nutra segments. Within this, our NIP and OTF products gained further ground, especially in public sector supply channels and government health schemes.

EBITDA for FY25 increased by 6.4% to ₹495 Mn from ₹465 Mn in FY24, with the EBITDA margin improving to 13.1% (FY24: 12.7%), reflecting sustained cost efficiency and operational stability.

Profit After Tax (PAT) stood at ₹122 Mn, compared to ₹172 Mn in FY24, with a PAT margin of 3.2% versus 4.7% in the previous year. While this represents a 29.3% decline in absolute PAT, the overall net margin was supported by a more favourable product and regional mix.

## Strengthening Capabilities for Sustainable Growth

FY25 was also a year of strengthening operational capabilities through targeted capital investment. We completed two key CapEx projects – the Urology Suite and the Specialised Nutraceutical Suite - both of which enhance our capacity to serve growing demand in high-value therapeutic segments. A total of ₹365 Mn was invested during the year to support these initiatives.

We continued to expand our Nutraceutical business under ZimUNat, with a focus on science-backed, patient-friendly formulations. Simultaneously, we strengthened our in-house manufacturing infrastructure to meet the quality and compliance expectations of regulated markets.

On the R&D front, we invested ₹103 Mn towards bioequivalence (BE) studies and regulatory filings. Our pipeline of 12 exclusive NIP products made steady progress - 7 products filed in the EU, and several more in Pharmerging and RoW markets. We received 2 Marketing Authorisations during the year, further reinforcing the strength of our development engine.

## Enhancing Financial Health

ZIM remains committed to prudent financial management. During FY25, we strategically raised borrowings to support expansion and meet regulatory requirements for developed markets. Total borrowings increased to ₹1,122 Mn, leading

to a gearing ratio of 44% (FY24: 45%). Despite the increased leverage, we maintained robust capital efficiency - Return on Equity (ROE) stood at 5.0%, and Return on Capital Employed (ROCE) at 8.3%, supported by disciplined cost control and efficient capital deployment.

We also took proactive measures to manage currency risk and safeguard liquidity, particularly in light of volatility in some of our legacy markets. Our decision to withhold accepting orders in certain MENA and African markets without clear payment visibility helped preserve financial stability and cash flow integrity.

## Outlook

As we look ahead to FY26, we will continue building on our foundations of financial discipline, innovation, and operational excellence. With key infrastructure in place, expanding market access, and a more diversified product and regional mix, we are well-positioned for the next phase of sustainable growth.

We anticipate the commercialisation of several NIP products in developed markets and continued traction in Pharmerging and RoW markets, supported by our enhanced BD structure. As a team, we remain focussed on improving capital efficiency, expanding our value-added portfolio, and delivering superior returns for all stakeholders.

On behalf of the finance team, I extend my gratitude to our shareholders, partners, and employees for their continued trust and collaboration. Together, we remain committed to building a stronger, more resilient ZIM.

Best Wishes,

**Shyam Mohan Patro**  
Chief Financial Officer

# DELIVERING VALUE AT EVERY STAGE

## INTEGRATED BUSINESS MODEL

Our value creation model focuses on innovation, patient satisfaction, and sustainability, driving long - term growth, market leadership, and enhanced stakeholder value. Through our core capabilities and R&D expertise, we advance healthcare by delivering innovative drug delivery solutions to improve patient outcomes globally contributing to a healthier ecosystem.

### Input



#### Financial Capital

- Paid-up Equity Share Capital – ₹ 487.25 Mn
- Borrowings – ₹ 1,122 Mn
- Debt-to-Equity Ratio – 44%
- Net Worth – ₹ 2,522 Mn
- ROCE – 8.3%
- ROE – 5.0%



#### Manufacturing Capital

- 3 Modern Manufacturing facilities in Nagpur:
- Solid Oral Dosage Facility (General) – 1,00,000 Sq. Ft.
- Oral Thin Film Facility (OTF) – 6,300 Sq. Ft.
- Solid Oral Dosage Facility (Cephalosporin) – 16,000 Sq. Ft.
- ₹ 365 Mn CapEx spend in FY25
- Focussed on diverse and unique Manufacturing Process Capabilities



#### Intellectual Capital

- Proprietary Technology Platforms – 4
- Regulatory Filings completed overall:
  - 23 NIP Filings done for 6 molecules
  - 17 OTF Filings done for 5 molecules
  - 10 FF Filings done for 5 molecules
- Regulatory Filings completed in the EU:
  - 5 NIP Filings for 4 molecules
  - 6 OTF Filings for 2 molecules
- R&D Employees – 90
- R&D Spend – ₹ 333 Mn (8.8% of Total Operating Income)
- New Innovative Products (NIP) in development pipeline – 12



#### Human Capital

- Total Employees – 603 (as of 31<sup>st</sup> March, 2025)
- Average Management Experience – 30+ Years



#### Social and Relationship Capital

- CSR Spend: ₹ 48.53 Lakhs
- CSR Focus Areas: Healthcare & Sanitation, Education Development, Women Empowerment, and Environment Conservation
- Healthcare Projects Implemented: 7
- Education Development Initiatives Implemented: 4
- Rural / Tribal Area Projects Executed: 1
- Number of Schools Covered under CSR Focus Areas: 11

### How We Create Value – Where Innovation meets Execution

#### Key Activities

- **State-of-the-Art Manufacturing**  
Leveraging modern, scalable, and cost-efficient infrastructure to deliver high-quality Pharmaceutical products across diverse dosage forms.
- **Efficient Distribution**  
Ensuring timely, compliant, and optimised supply chain management across regulated and emerging markets to maximise reach and reliability.
- **Cutting-Edge Research & Development**  
Investing in R&D to develop proprietary, non-infringing technologies and differentiated drug delivery platforms that address evolving global healthcare needs.
- **Strategic Collaborations**  
Building long-term partnerships with global Pharmaceutical companies and research institutions to co-develop high-potential products and expand market reach.
- **Patient-Centric Innovation**  
Focussing on formulations that enhance treatment adherence, therapeutic outcomes, and patient convenience through novel delivery systems like Oral Thin Films (OTF), Taste-masked powders, pellets with different release patterns, etc.
- **Market Expansion & Growth**  
Pursuing opportunities in Pharmerging and RoW markets through product diversification, regulatory approvals, and targeted commercial strategies.

#### Advancing Treatment Across Essential Therapeutic Areas

##### DOSAGE FORMS

- Tablets
- Capsules
- Oral Thin Films (OTF)
- Dry Syrups
- Taste-Masked Powders
- Pellets
- Directly Compressible (DC) Granules

##### THERAPY SEGMENTS

- Urology
- Gastrointestinal
- NSAID / Pain Analgesics
- Anti – Infective & Anti - Biotic
- Central Nervous System (CNS)
- Cardiovascular
- Nutraceuticals, Vitamins, and Supplements



#### Key Differentiators

- Advanced R&D Capabilities
- Scalable and Cost-Optimised Manufacturing Infrastructure
- Deployment of Proprietary and Cutting-Edge Technology Platforms
- Broad Portfolio of Diverse Dosage Forms for Global Applications
- Innovative and Adaptive Drug Delivery Solutions
- Strong Emphasis on Patient Convenience and Treatment Adherence
- Robust Strategic Collaborations & Global Partnerships
- Experienced Leadership and Deep Industry Expertise

### Output

#### Financial Capital

- Total Operating Income – ₹ 3,790 Mn
- EBITDA – ₹ 495 Mn
- PAT – ₹ 122 Mn
- Exports Revenue – ₹ 3,125 Mn
- Domestic Revenue – ₹ 665 Mn
- EPS – ₹ 2.50
- Cash Flow from Operations – ₹ 414 Mn

#### Manufacturing Capital

- Distinct Offerings – 4
- Therapy Segments Covered – 7
- Dosage Forms Offered – 7
- Production Utilisation Rate – 65%

#### Intellectual Capital

- Marketing Authorisations received overall:
  - New Innovative Products (NIP) – 6
  - Oral Thin Films (OTF) – 7
  - Finished Formulations (FF) – 14
- Marketing Authorisations received in the EU:
  - New Innovative Products (NIP) – 2
  - Oral Thin Films (OTF) – 1
- Licensing Revenue – ₹ 98 Mn
- Revenue from NIP + OTF – ₹ 624 Mn

#### Human Capital

- Accidents / Fatalities – 0
- Women in Workforce – 17%
- Diversity hiring: 72% new hires came from different cities & states
- Equal pay ratio: Maintained a 64% pay ratio between male and female employees

#### Social and Relationship Capital

- Underprivileged Students Served – Approx. 1,525
- Scholarship Support Beneficiaries – 9

# STRATEGIC PRIORITIES FY26

## Sustainable Development Goals (SDGs)



## PHARMACEUTICALS

1. Expand the product portfolio with a focus on New Innovative Products (NIP) and Oral Thin Films (OTF) products, while upgrading dossiers to support market growth.
2. Accelerate product registrations and regulatory filings across targeted markets.
3. Strengthen presence in key Developed and Pharmerging markets through Strategic and market-driven efforts.
4. Invest in plant, machinery, and technology upgrades to enhance manufacturing capabilities.
5. Enhance workforce capabilities by developing skills and expertise to foster innovation and growth.
6. Expand partnerships and collaborations to increase market reach and penetration.
7. Increase revenue through licensing fees, co-development, and dossier out-licensing for NIP and OTF products.

## NUTRACEUTICALS

1. Broaden the Nutraceuticals portfolio with innovative, science-backed formulations aligned with evolving health and wellness trends.
2. Develop Nutraceuticals products that complement the Pharmaceuticals portfolio to offer holistic treatment solutions.
3. Strengthen strategic partnerships with established Nutraceutical brands to expand market reach and accelerate growth.
4. Scale up supply of high-value, differentiated Nutraceuticals to institutional and government procurement channels.
5. Boost product availability through a robust omnichannel strategy, integrating E-commerce platforms and offline distribution networks.
6. Prioritise consumer-centric product development focussed on wellness, preventive healthcare, and lifestyle disease management.
7. Utilise advanced drug delivery systems such as Oral Thin Films (OTF) and Liquid - in - Pellet technology to enhance product effectiveness and improve patient convenience.

## RESEARCH AND DEVELOPMENT

1. Develop cutting-edge formulations leveraging advanced drug delivery technologies to improve patient outcomes.
2. Prioritise first- and second-generation molecules to build a robust, future - ready product pipeline.
3. Strengthen R&D infrastructure through investments in world-class facilities, top-tier talent, and next-gen technology platforms.
4. Conduct Bioequivalence (BE) studies to support regulatory submissions and facilitate entry into new markets.
5. Accelerate dossier filings across Key Developed & Pharmerging markets to drive global expansion.
6. Upgrade existing dossiers for resubmissions in RoW markets and initiate new filings in regulated territories.
7. Capitalise on proprietary, non-infringing technology platforms to deliver differentiated, high-value products.
8. Drive product innovation across high - growth segments such as Oral Thin Films (OTF) and New Innovative Products (NIP).
9. Invest in development of new technology platforms to create value - added, differentiated generics.

## CAPITAL EXPENDITURE

1. Complete key CapEx projects on schedule to enhance production readiness.
2. Upgrade plant and machinery progressively to boost efficiency, reliability, and scalability.
3. Establish dedicated manufacturing facilities for Innovative Products to align with future expansion plans.
4. Expand production capacity to meet increasing domestic and international demand.
5. Strengthen infrastructure for Oral Thin Films (OTF) and other complex dosage forms to maintain competitive advantage.
6. Integrate sustainable and eco-friendly practices into manufacturing operations to minimise environmental impact.
7. Upgrade quality control systems to comply with evolving global regulatory standards.
8. Enhance operational processes through automation, digitisation, and technology-led improvements.

## OPERATIONS AND QUALITY

1. Conduct strategic audits aligned with the action plan to ensure regulatory compliance, operational efficiency, and continuous improvement.
2. Upgrade facilities to increase capacity, boost productivity, improve safety, and adopt sustainable practices while minimising waste.
3. Implement automation to elevate workplace safety, reduce manual intervention, streamline operations, and mitigate operational risks.
4. Optimise manufacturing processes to drive consistency, reduce costs, and improve overall throughput.
5. Strengthen quality control frameworks to ensure compliance with global regulatory norms and uphold product excellence.
6. Invest in cutting-edge technologies to support innovation, enhance performance, and build future-ready operations.

## MARKETING

1. Regional teams have been onboarded to improve market reach in our target geographies.
2. Focus on registering products under ZIM's brands to enhance value along the supply chain.
3. Enter new markets in collaboration with local partners to strengthen marketing efforts.
4. Appoint distributors capable of marketing ZIM's brands effectively in targeted regions.
5. Plan to set up local marketing offices to facilitate registration and commercialisation in key markets.
6. Prioritise the registration of our Innovative Product basket across key Developed and Pharmerging Markets.

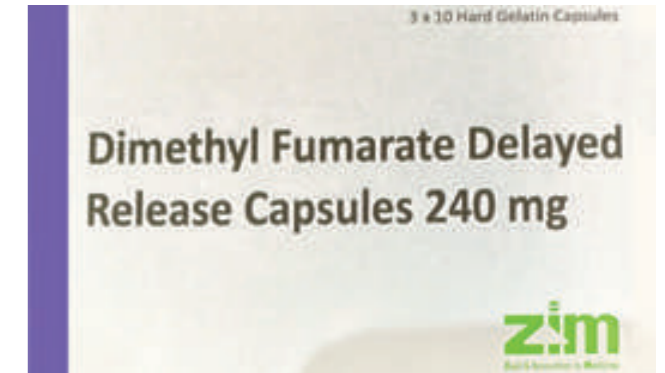
PERFORMANCE

# PHARMACEUTICALS: POWERING OUR CORE GROWTH ENGINE

The Pharmaceutical business, our primary revenue driver, focuses on accelerating the growth of our Innovative Basket comprising New Innovative Products (NIP) and Oral Thin Films (OTF) across Key Developed and Pharmerring markets. At the same time, we continue to deepen our presence in Pharmerring and RoW markets by strengthening our generic product footprint and broadening market access.

**₹2,836 Mn**  
Total Pharmaceuticals Revenues in FY25

**75%**  
Of Total Operating Income in FY25



### Business Offerings

- We offer a diverse range of differentiated generic Pre-Formulation Intermediates (PFI), including pellets with varied release profiles, Directly Compressible (DC) granules, and taste - masked powders tailored for diverse therapeutic applications.
- Our PFI strategy focuses on markets where regulatory frameworks restrict the direct import of Finished Formulations (FF).
- We establish long - standing partnerships with global associates to enable seamless PFI exports and ensure supply continuity.
- All PFI products are registered and marketed under our clients' brands, providing strong market visibility and ensuring full regulatory compliance.
- Our Finished Formulations (FF) portfolio comprises a diverse range of dosage forms, including tablets, capsules (with pellets offering varied release profiles), dry syrups, and Oral Thin Films - both Oro-dispersible and Oro-mucosal.
- We collaborate with local distributors to market ZIM branded products and also partner with regional companies that commercialise our offerings under their own Marketing Authorisations (MA), supported by ZIM's robust dossiers.
- These collaborations are structured through flexible licensing, manufacturing, and supply arrangements, enabling effective and scalable market reach.
- ZIM licenses its dossiers on a non-exclusive basis or registers them under its own MA in partner countries, adapting to strategic needs.
- We continue to reinforce our core FF Business by consolidating top-performing, differentiated products and driving operational efficiency for sustainable growth.



PERFORMANCE

# NEW INNOVATIVE PRODUCTS (NIP)

In a rapidly evolving Pharmaceutical landscape, we are focussed on developing a differentiated pipeline of complex, non-infringing New Innovative Products (NIP) by harnessing advanced proprietary technology platforms. NIP represent a new generation of complex molecules with the potential to be First or Second Generics across diverse global markets, enabling early market entry and competitive advantage.

To date, we have developed 12 NIP, each at various stages of development. 7 NIP have been successfully filed in the European Union, with several additional filings underway across RoW and Pharmerging markets - reinforcing our commitment to innovation-led growth.

**₹437 Mn**  
Total NIP Revenues in FY25

**11.5%**  
Of Total Operating Income in FY25

IN FY25, ZIM RECEIVED TWO EU MARKETING AUTHORISATIONS FOR AZITHROMYCIN ORAL SUSPENSION AND DI-METHYL FUMARATE (DMF), MARKING A SIGNIFICANT MILESTONE IN OUR EXPANSION INTO REGULATED MARKETS.

NIP Development Blueprint

Product	Therapy	Global Market Size (USD Mn)	Global Market Size Ex - USA, Japan (USD Mn)	Remarks
Product 1	Urology	588	573	Filed in the EU and awaiting MA
Product 2	Gastrointestinal	4,500	729	Filed in the EU during Q2FY25 and awaiting MA
Product 3	Anti Coagulant	1,000	867	Filed in the EU during Q4FY24 and awaiting MA
<b>Di - Methyl Fumarate</b>	CNS	1,444	1,110	MA received in FY25
Product 5	Urology	3,350	686	Planned for filing in FY26
Product 6	Rheumatoid Arthritis	3,173	575	Planned for filing in FY26
<b>Azithromycin Oral Suspension</b>	Anti - Infective	1,760	1610	MA received in FY25
Product 8	Analgesics / Pain	142	120	Filed in EU in Q4FY25 and awaiting MA
Product 9	Gastrointestinal	186	186	Planned for filing in FY26
Product 10	Gastrointestinal	687	260	Planned for filing in FY26
Product 11	Skin Disorders (Antipsoriatic)	65	40	Filed in the EU during Q2FY24 and awaiting MA
Product 12	Urology	109	109	Planned for filing in FY26

PERFORMANCE

ORAL THIN FILMS (OTF)

ZIM's Co-Development Partner in the EU has secured Marketing Authorisation for Buprenorphine Sublingual Films across Europe (covering 24 countries), marking a significant milestone in our journey toward commercialisation.

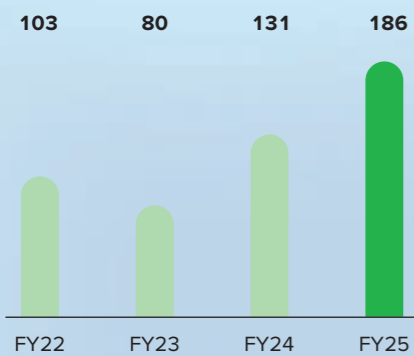
Our OTF division continues to gain strong momentum, fuelled by increasing global demand for innovative, patient-centric drug delivery solutions.

**₹ 186 Mn**  
Total OTF Revenues in FY25

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**4.9%**  
Of Total Operating Income in FY25

Year - wise Revenue Contribution of Oral Thin Films (OTF) (₹ in Mn)



The Oral Thin Films (OTF) business achieved a 42% increase in sales revenue in FY25, reaching ₹186 Mn - marking a significant milestone for this segment. The OTF portfolio gained strong traction under various government schemes, with the successful registration of both Pharmaceutical and Nutraceutical OTF products, contributing to sustained momentum.

In a key strategic development during FY25, ZIM entered into a landmark agreement with a renowned, strong local partner in the UAE for the out-licensing of technology and local manufacturing of Oral Thin Films in the GCC region, further expanding our footprint and strengthening market presence.



Oro-dispersible films

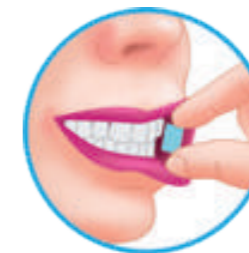
Non - mucoadhesive films designed to rapidly disintegrate upon contact with saliva, enabling fast and convenient drug delivery without the need for water – ideal for improved patient compliance.



Thinoral® Technology

Oro-mucosal films

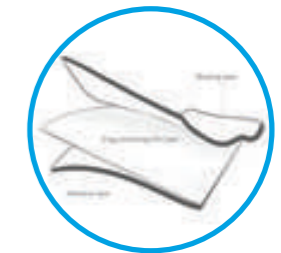
Mucoadhesive films developed for controlled drug release within the oral cavity, facilitating direct systemic absorption, and enhanced therapeutic efficacy.



Mucostrip® Technology



Sublingual Technology



Bilayer Oral Thin Film Layer

Innovative Drug Delivery Technologies at ZIM

Our technology-driven approach integrates diverse and complementary innovations to improve drug content uniformity, and enable combination drug delivery on our Oral Thin Films (OTF) platform.



Spinoral®

- Combines nanotechnology with Thinoral® technology to enhance the bioavailability of poorly soluble drugs.



Printoral®

- Technology for uniform drug content and improved yield of controlled and potent drugs, ideal for combination delivery.



Non-invasive Sublingual Spray

- Delivers fast and efficient drug absorption without the need for injections or incisions, ensuring a patient-friendly administration experience.

PERFORMANCE

# NUTRACEUTICALS - FUELLING WELLNESS FROM WITHIN

Our Nutraceutical division complements our Pharmaceutical business by developing supplements to support a holistic approach to patient care.

**₹954 Mn**  
Total Nutraceuticals Revenues in FY25

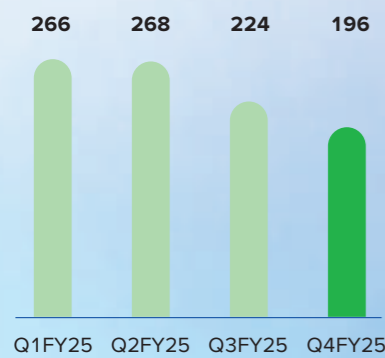
**25%**  
Revenue contribution to Total Operating Income

Overview

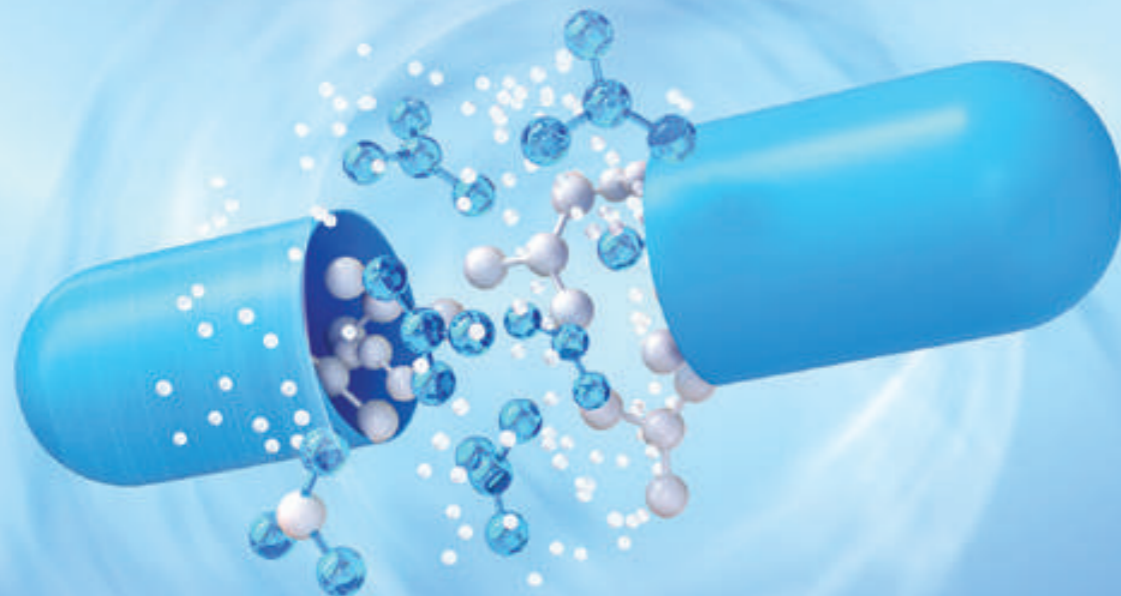
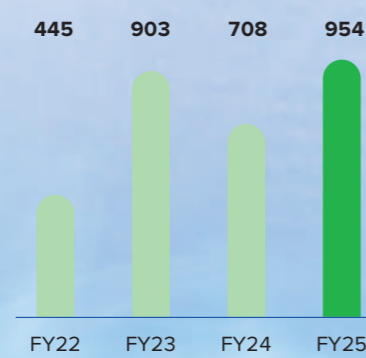
We are committed to delivering unique, science-backed products tailored to the specific needs of our clients and patients. Our Nutraceutical segment offers differentiated dosage forms, including Pellets in Capsules and Oral Thin Films (OTF). Over time, this segment has demonstrated steady growth, fuelled by rising demand and our continued innovation in preventive and wellness-oriented healthcare solutions.

Nutraceutical Division Performance

Quarter - wise Revenue Contribution of Nutraceuticals (₹ in Mn)



Year - wise Revenue Contribution of Nutraceuticals (₹ in Mn)



Key Products



## ZimUNat

Our unique and specialised Nutraceutical supplements

ZimUNat, our in - house Nutraceutical brand, offers well - researched and impactful healthcare supplements. We have developed 20 unique and differentiated products under the ZimUNat brand, all designed to support overall health. Our continued focus remains on developing innovative products targeting specialised therapeutic areas, further reinforcing our commitment to delivering holistic healthcare solutions.

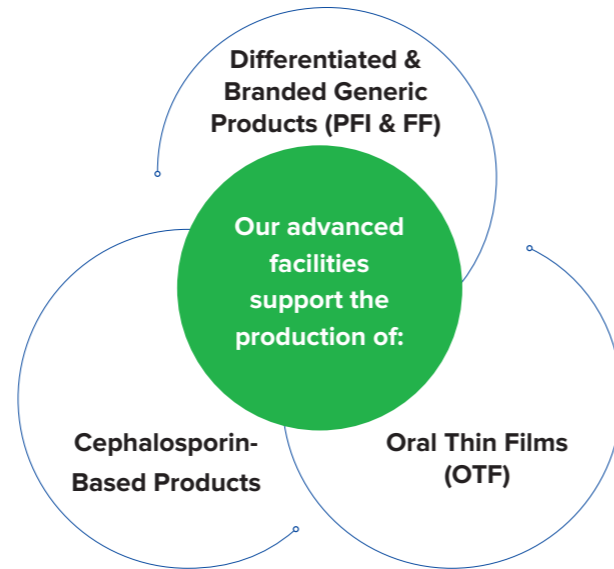
Certifications



TECHNOLOGY - DRIVEN PRODUCTION & TRUSTED QUALITY

# STATE-OF-THE-ART MANUFACTURING FACILITIES

We have established world - class manufacturing facilities that leverage the latest technologies to deliver innovative, differentiated, and affordable healthcare solutions tailored to the evolving needs of patients. These state-of-the-art facilities enhance patient trust and ensure sustained competitiveness in the Pharmaceutical Industry.



## 3 State-of-the-Art Manufacturing Facilities

### General Facility

#### Oral Dosage (General)

**Manufacturing Capabilities**  
Tablets, Capsules, DC Granules, Pellets, and Dry Syrup

**Accreditations**  
EU-GMP, ISO-9001

**Area**  
100,000 Sq. Ft.

**Operational Year**  
1989

### OTF Facility

#### Oral Thin Films (OTF)

**Manufacturing Capabilities**  
Oral Thin Films

**Accreditations**  
EU-GMP, ISO 9001, NSF-ANSI 455-2

**Area**  
6,300 Sq. Ft.

**Operational Year**  
2014

### Cephalosporin Facility

#### Solid Oral Dosage (Cephalosporin)

**Manufacturing Capabilities**  
Tablets, Capsules, and DC Granules

**Accreditations**  
WHO-GMP, ISO 9001

**Area**  
16,000 Sq. Ft.

**Operational Year**  
2011

In FY25, we invested ₹365 Mn in CapEx towards the completion of our ongoing projects and the upgrading of plant and manufacturing capacity. Our CapEx cycle is nearing completion, with 2 Key Projects – the Urology NIP Suite and the Liquid-in-Pellet Technology based Nutraceutical Suite – successfully completed.



## LEADING WITH RESEARCH, INNOVATING PATIENTCARE RESEARCH & DEVELOPMENT

At ZIM Laboratories Limited, we are dedicated to enhancing patient outcomes through advanced, differentiated, and non-infringing drug delivery solutions. By leveraging world-class manufacturing facilities, a robust R&D infrastructure, and cutting-edge technology platforms, we aim to meet the evolving needs of patients globally while driving sustainable progress.

**₹333 Mn**

Total R&D Expense in FY25

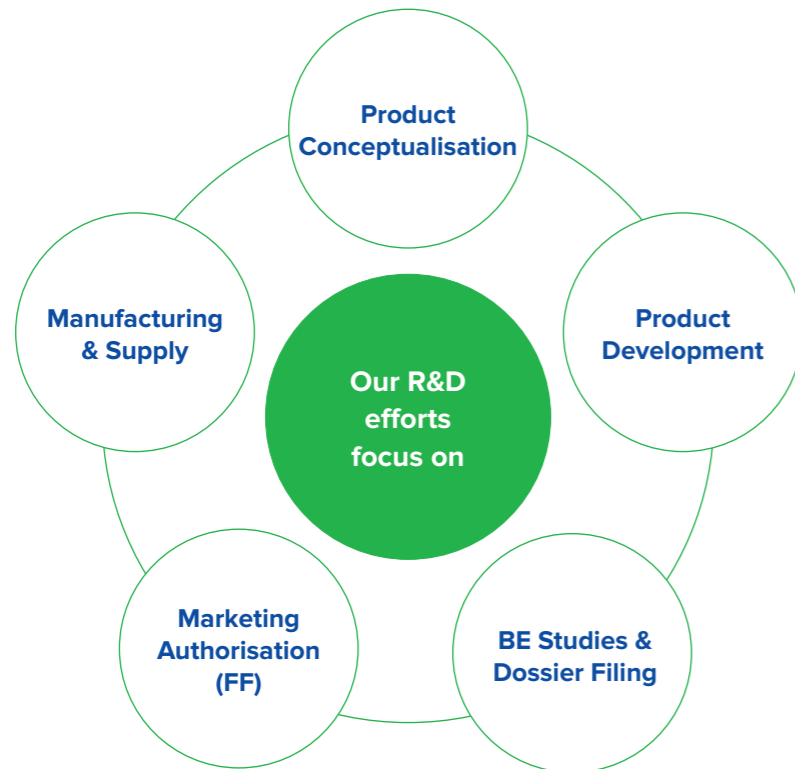
**8.8%**

of Total Operating Income in FY25

### Our R&D Excellence in Drug Delivery Innovations

Our independent R&D centre, recognised by the Department of Scientific and Industrial Research (DSIR), Government of India, leverages state-of-the-art infrastructure and advanced process technologies to develop high-quality, innovative, and differentiated solutions in both Pharmaceuticals and Nutraceuticals, optimising patient outcomes.

By harnessing the expertise of our dedicated in-house teams, we continue to drive excellence in research and development while capitalising on emerging global Pharmaceutical opportunities.



### ZIM Health Technologies Limited (ZHTL)

ZIM Health Technologies Limited (ZHTL), our wholly-owned subsidiary, serves as an extended research and development arm, reinforcing ZIM's capabilities in R&D, manufacturing, and marketing of complex generics and advanced Pharmaceuticals. Its strategic focus lies in catering to Key Developed and Pharmerging markets.

ZHTL is led by Dr. Chandrashekhar Mainde, a seasoned expert in Pharmaceutical R&D, and is supported by a multidisciplinary team of professionals across Research & Development (R&D), Quality Assurance (QA), Quality Control (QC), Regulatory Affairs (RA), and production. Dr. Mainde oversees the entire product lifecycle – from conceptualisation and development to dossier readiness, manufacturing, and regulatory registrations for the ZIM Group.

In an advisory capacity at ZHTL, Mr. Gautam Saigal brings his strategic expertise in expert management, investment planning, and market expansion to support ZIM's vision of becoming a global leader in innovative healthcare solutions.

To establish a world-class R&D centre, we have invested ₹333 Mn in operational expenditure, bioequivalence (BE) studies, product registrations, and the recruitment of skilled professionals. Equipped with advanced machinery and a highly competent team, ZHTL continues to propel ZIM's global expansion by building a robust pipeline of innovative products and advancing regulatory filings across international markets.

### Key FY25 R&D Developments

- **R&D Expense in P&L (Employee, Material, BE-Study, etc.):** 65% of total R&D expenditure was directed towards employee costs, materials, bioequivalence (BE) studies, and related activities.
- **Capital Expenses on Infrastructure & Equipment:** 4% of the R&D spend was allocated to capital expenses for upgrading infrastructure and acquiring advanced equipment.
- **Capital Expenses on BE study, registrations, etc.:** 31% of the R&D investment was capitalised for bioequivalence studies to support regulatory filings and product approvals.

### FY25 R&D Insights

**₹103 Mn**

R&D Spend on BE studies, regulatory filings, and innovation scale-up

**₹1,353 Mn**

R&D Spend over the last 5 years on Opex, Facility, and BE studies

**90**

R&D Team Size

**2**

PhDs

**76**

Postgraduates

**2**

NIP Marketing Authorisations received

#### Micro-Emulsion Coating Technology (MECT)

Enhances solubilisation of oil-soluble drugs and liquid-based formulations by micro-emulsifying the oil phase with an aqueous polymer solution, prior to coating it onto the substrate.

#### Rapid Gelation Drug Release Technology (RGDRT)

Facilitates pseudo-zero-order drug release kinetics, offering an effective alternative to OROS® technology.

#### Pellet Cold Forming Technology (PCFT)

Designed for heat-sensitive materials that may lose potency or undergo undesirable changes when exposed to high temperatures during processing.

#### Matrix Pore Forming Tablet Technology (MAPOTAB)

Ensures controlled drug release via porous structures in an aqueous environment.

**4 Advanced Technology Platforms Driving Innovation**

## NAVIGATING RISKS, UNLOCKING POTENTIAL

# RISK MANAGEMENT

At ZIM Laboratories Limited, we prioritise proactive risk management to safeguard our operations and enhance resilience in an ever-evolving global marketplace. Our robust risks, management framework enables us to identify, assess, and mitigate potential risks while simultaneously capitalising on emerging market opportunities to drive growth and innovation.

Our comprehensive risk management process follows a strategic approach:



### Enterprise Risk Management Framework

At ZIM Laboratories Limited, we consider risk management a fundamental part of our business operations. Our comprehensive Risk Management Framework is overseen by a dedicated Risk Management Committee, comprising Directors with extensive expertise in risk management, finance, accounting, and related fields.

This committee plays a crucial role in assisting the Board in fulfilling its Corporate Governance responsibilities, ensuring a balanced approach to risks and opportunities.

### Key Responsibilities of the Risk Management Committee:

- **Identifying and Categorising Company-related Risks:** Recognising and classifying risks across various business functions.

- **Ensuring Compliance:** Guaranteeing adherence to all applicable laws and regulations.
- **Assessing Management's Competency:** Evaluating the management team's ability to make informed, risk-based business decisions.
- **Leveraging Business Opportunities:** Identifying opportunities for growth while protecting the company from unacceptable risks.
- **Preventing Value Erosion:** Implementing strong compliance measures to safeguard organisational value.
- **Prioritising Risks:** Classifying risks based on their likelihood and potential impact on the business.

### Key Risks, Mitigating Actions and Opportunities

Area of Risk	Description	Potential Impact	Mitigating Actions	Opportunities
<b>Geopolitical Risks &amp; Market Disruptions</b>	<ul style="list-style-type: none"> <li>• Potential geopolitical challenges that may disrupt operations, supply chains, and market access</li> </ul>	<ul style="list-style-type: none"> <li>• Disruptions in operations, supply chains, and market access</li> <li>• Adverse effects on exports and revenue</li> </ul>	<ul style="list-style-type: none"> <li>• Maintaining a globally diversified portfolio to reduce dependence</li> <li>• Expanding into Key Developed and Pharmerging markets</li> <li>• Strengthening sourcing and supply chain networks</li> <li>• Driving innovation in key target markets and leveraging the Indian generic drugs market</li> </ul>	<ul style="list-style-type: none"> <li>• Maximising value in the expanding Indian Generic Drugs Market</li> <li>• Driving innovation to strengthen market resilience</li> </ul>
<b>Delays in Registration and Manufacturing approval</b>	<ul style="list-style-type: none"> <li>• Delays in obtaining product registration, marketing approvals, manufacturing permits, and regulatory audits</li> <li>• Setbacks in the commercial launch of New Innovative Products (NIP) across developed and pharmerging markets</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory delays impacting product launches and operations</li> <li>• Negative impact on growth and profitability</li> </ul>	<ul style="list-style-type: none"> <li>• Enhancing NIP filings in RoW markets</li> <li>• Increasing product dossier submissions</li> <li>• Expanding the Nutraceutical segment</li> <li>• Strengthening local partnerships for innovation and regulatory insights</li> </ul>	<ul style="list-style-type: none"> <li>• Fostering innovation through Strategic Local Partnerships</li> <li>• Accelerating market growth through focussed regulatory preparedness and faster go-to-market strategies</li> </ul>
<b>Competitive Pressures in the Global Pharmaceutical Industry</b>	<ul style="list-style-type: none"> <li>• Operating in a competitive global Pharmaceutical landscape with pressure from larger players</li> </ul>	<ul style="list-style-type: none"> <li>• Market share erosion</li> <li>• Increased pricing pressure</li> <li>• Slower penetration in key segments</li> </ul>	<ul style="list-style-type: none"> <li>• Focussing on high-value New Innovative Products (NIP) and Oral Thin Films (OTF)</li> <li>• Investing in AI, telemedicine, and machine - learning for advanced healthcare solutions</li> <li>• Revamping distribution strategies to improve market competitiveness</li> </ul>	<ul style="list-style-type: none"> <li>• Harnessing digital technologies (AI, telemedicine, machine - learning) to differentiate offerings</li> <li>• Strengthening the product pipeline and optimising distribution for competitive advantage</li> </ul>
<b>Stringent Regulatory &amp; Compliance Risk</b>	<ul style="list-style-type: none"> <li>• Evolving global regulatory frameworks that may impact exports, audits, and market entry</li> </ul>	<ul style="list-style-type: none"> <li>• Non-compliance risks affecting operational continuity and reputation</li> <li>• Delays in approvals and certifications</li> </ul>	<ul style="list-style-type: none"> <li>• Rigorous implementation of compliance processes across facilities</li> <li>• Maintaining EU-GMP, NSF/ANSI 455-2, and other global certifications</li> <li>• Collaborating with local authorities and regulatory experts for ongoing compliance intelligence</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthening regulatory preparedness through strategic collaborations</li> <li>• Gaining real-time insights into local compliance to support global market expansion</li> </ul>
<b>Cyber Security Threats &amp; Data Protection</b>	<ul style="list-style-type: none"> <li>• Increasing risk of cyber-attacks, data breaches, and intellectual property theft</li> </ul>	<ul style="list-style-type: none"> <li>• Loss of sensitive data (customer/partner/shareholder)</li> <li>• Financial losses and reputational damage</li> </ul>	<ul style="list-style-type: none"> <li>• Advanced cyber security frameworks with real-time threat detection</li> <li>• Regular audits and employee training</li> <li>• Data encryption, multi-layered security, and adherence to compliance standards</li> </ul>	<ul style="list-style-type: none"> <li>• Investing in AI-driven cyber security tools</li> <li>• Building stakeholder trust by exceeding global data protection standards</li> <li>• Enhancing operational security infrastructure</li> </ul>

# CORPORATE SOCIAL RESPONSIBILITY (CSR)

At ZIM Laboratories Limited, we believe in driving positive change through responsible and sustainable business practices. Our commitment to Corporate Social Responsibility (CSR) goes beyond compliance – it is deeply embedded in our corporate philosophy to contribute meaningfully to society. Through our CSR initiatives, we aim to make a lasting impact on Healthcare & Sanitation, Education Development, Environmental Sustainability, and Women Empowerment.

## CSR Vision & Approach

Our CSR efforts focus on creating long-term value for society by addressing key challenges in health & sanitation, education, environmental conservation, and women's empowerment. We strive to align our CSR initiatives with the United Nations Sustainable Development Goals (SDGs), prioritising positive, measurable outcomes that enhance societal well-being.

## Key Focus Areas of CSR at ZIM Laboratories Limited:

### 01 Healthcare & Sanitation

Enhancing access to healthcare and sanitation facilities, with a focus on community health and hygiene.

### 02 Education Development

Supporting educational opportunities and empowering underprivileged students to achieve their full potential.

### 03 Women Empowerment

Advancing gender equality by empowering women economically, socially, and educationally.

### 04 Environmental Conservation & Sustainability

Promoting eco-friendly initiatives and actively reducing our carbon footprints to protect our planet.

## CSR Initiatives & Impact in FY 2024-25

### 01 Healthcare & Sanitation

#### Sustainable Development Goals (SDGs)



Access to quality healthcare and sanitation is essential for building healthier communities. Our initiatives focus on improving hygiene infrastructure, ensuring the availability of clean drinking water, and promoting health awareness to foster long-term well-being.

#### i. Gurukripa English Primary School, Kalmeshwar, Nagpur

- **Project Scope:** Washroom Construction & Renovation
- **Beneficiaries:** 336 students (Girls: 175, Boys: 161)
- **Purpose:** Constructed new washroom facilities for primary section girls and renovated existing washrooms for secondary section boys and girls.
- **Impact:** Strengthened sanitation standards by providing clean and safe washroom facilities, creating a healthier and more hygienic learning environment.

#### ii. Kusumtai Wankhede Kanya Vidyalaya, Mohpa, Nagpur

- **Project Scope:** Washroom Construction & Drinking Water Facility
- **Beneficiaries:** 205 students (Girls: 148, Boys: 57)
- **Purpose:** Constructed new washroom facilities for boys & girls and installed a clean drinking water system.
- **Impact:**
  - Improved access to hygienic and safe washroom facilities, promoting better health and well-being.
  - Ensured proper hydration with clean water facilities, enhancing students' concentration and energy levels.

#### iii. Zilla Parishad Prathmik School, Wathoda, Kalmeshwar, Nagpur

- **Project Scope:** Washroom Construction
- **Beneficiaries:** 30 students (Girls: 17, Boys: 13)
- **Purpose:** Constructed new washroom facilities for boys and girls.
- **Impact:** Enabled access to clean and safe washroom facilities, reducing the spread of infections.

#### iv. Pragati Prathmik Shala, MIDC Kalmeshwar, Nagpur

- **Project Scope:** Washroom Construction & Drinking Water Facility
- **Beneficiaries:** 53 students (Girls: 31, Boys: 22)
- **Purpose:** Constructed new washroom facilities and provided clean drinking water system.



Washroom Construction & Renovation - Gurukripa English Primary School, Kalmeshwar, Nagpur

- **Impact:**
  - Enhanced sanitation standards and created a hygienic space, supporting better focus and attendance.
  - Reduced risk of waterborne diseases through access to clean drinking water, improving students' health and energy.
- v. **Zilla Parishad Uchch Prathmik School, Wadhona, Kalmeshwar, Nagpur**
  - **Project Scope:** Washroom Construction & Drinking Water Facility
  - **Beneficiaries:** 48 students (Girls: 22, Boys: 26)
  - **Purpose:** Constructed new washroom facilities and provided clean drinking water.
  - **Impact:**
    - Fostered a healthier learning environment through clean and secure washroom facilities.
    - Boosted immunity and reduced dehydration through access to clean drinking water.
- vi. **Pratap Madhyamik & Uccha Madhyamik Vidyalaya, Kalmeshwar, Nagpur**
  - **Project Scope:** Washroom Construction
  - **Beneficiaries:** 300 girl students
  - **Purpose:** Constructed new washroom facilities for girls.
  - **Impact:** Promoted better hygiene practices and long-term health by ensuring access to clean, safe washrooms.
- vii. **Rekhade Vidyalaya, Pipla Kinkhede, Kalmeshwar**
  - **Project Scope:** Drinking Water Facility
  - **Beneficiaries:** 210 students
  - **Purpose:** Installed a clean drinking water system.
  - **Impact:** Reduced dehydration and risk of illness while boosting students' immunity and well-being.

## 02 Education Development



### Sustainable Development Goals (SDGs)



Access to quality education and skill development is vital for empowering future generations. Through our CSR initiatives, we focus on enhancing educational infrastructure, providing financial support, and fostering enriched learning environments to help students reach their full potential.



Classroom Renovation - Gat Gram - Panchayat Sawangi (Ghogli), Kalmeshwar, Nagpur

### Educational Infrastructure & Scholarships

#### i. Maharashtra University of Health Science, Regional Centre, Nagpur

- **Project Scope:** Financial Assistance for International Symposium & Workshop on Tribal Health.
- **Beneficiaries:** 700 attendees.
- **Purpose:** Provided financial support for organising the International Symposium and Workshop on Tribal Health.
- **Impact:** Raised awareness about tribal health issues and fostered actionable solutions.

#### ii. Gat Gram - Panchayat Sawangi (Ghogli), Kalmeshwar, Nagpur

- **Project Scope:** Classroom Renovation.
- **Beneficiaries:** 50 students (Girls: 28, Boys: 22).
- **Purpose:** Renovated classroom infrastructure to enhance the learning experience.
- **Impact:** Improved the learning environment, leading to better student focus and engagement.

#### iii. Shri Vidyalaya Ghorad, Kalmeshwar, Nagpur

- **Project Scope:** Provision of Desks and Benches.
- **Beneficiaries:** 250 students.
- **Purpose:** Supplied new desks and benches to enhance classroom conditions.
- **Impact:** Increased student comfort, supporting improved concentration and academic performance.

#### iv. Dr. Bhabha Vidnyan Lokshikshan Sanstha & KZS Science College, Kalmeshwar, Nagpur

- **Project Scope:** Scholarship Awards.
- **Beneficiaries:** 9 students.
- **Purpose:** Scholarship Distribution Program to recognise and encourage student achievement.
- **Impact:** Empowered deserving students by providing financial support for their future educational endeavors.

## 03 Women Empowerment



### Sustainable Development Goals (SDGs)



Creating safe and secure communities remains a core pillar of our CSR commitment. In FY25, we harnessed technology to bolster public security and promote women's safety, reinforcing our dedication to building inclusive and resilient societies.

### Safety & Security Initiative

#### Police Station, Kalmeshwar, Nagpur

- **Project Scope:** Installation of CCTV Surveillance Systems
- **Beneficiaries:** Residents of Kalmeshwar Town

- **Purpose:** Deployed CCTV cameras at strategic locations throughout Kalmeshwar city to enhance safety & security for the public.
- **Impact:** Significantly enhanced public safety and security, fostering a safer community environment.

### CSR Spending & Compliance

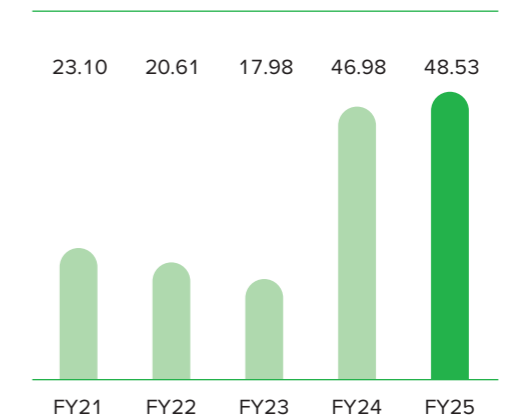
ZIM Laboratories Limited remains steadfast in its commitment to Corporate Social Responsibility (CSR) in accordance with the Companies Act, 2013.

In FY 2024 - 25, we allocated and spent ₹48.53 Lakhs towards CSR initiatives, prioritising high-impact, scalable projects aimed at creating meaningful and sustainable community development.

**₹ 48.53 Lakhs**

FY25 CSR Spend

### Year - wise CSR Expenditure (₹ in Lakhs)



Scholarship Felicitation Program - Dr. Bhabha Vidnyan Lokshikshan Sanstha & KZS Science College, Kalmeshwar, Nagpur



Tribal Symposium - Maharashtra University of Health Science, Regional Centre, Nagpur

## BOARD OF DIRECTORS



**Dr. Anwar Siraj Daud**  
Chairman and  
Managing Director

Dr. Anwar Siraj Daud, the visionary behind ZIM Laboratories Limited, holds an M. Pharm. and a Ph.D. in Pharmaceutical Chemistry and Pharmaceutics. He embarked on his professional journey in 1981, and since then, has played a pivotal role in shaping ZIM into an R&D-driven Pharmaceutical enterprise known for its commitment to quality and innovation.

Under his dynamic leadership, ZIM has grown into a trusted global supplier of high-quality medications, reaching over 50 countries. Driven by a passion for innovation, Dr. Daud has spearheaded the development of several novel drug delivery systems and differentiated Pharmaceutical products.

He plays an instrumental role in defining the company's business strategy, driving R&D operations, and expanding international business footprints. A respected member of numerous professional bodies, Dr. Daud remains committed to advancing Pharmaceutical standards in India. His outstanding contributions to the industry and society have been widely recognised through multiple accolades and honours from esteemed organisations.



**Mr. Zulfiqar Kamal**  
Director – (Finance)

Mr. Zulfiqar Kamal, a seasoned Chartered Accountant, has been a key pillar of ZIM Laboratories Limited for over 26 years and has served on the Board of Directors since 1991. With more than three decades of comprehensive financial expertise, he has been instrumental in instilling financial discipline and strengthening internal controls, thereby significantly contributing to ZIM's sustained growth.

As Director Finance, Mr. Kamal leads the company's commercial operations and has been a driving force behind ZIM's transformation into a financially robust and operationally efficient organisation. His strategic insight and commitment to excellence have also played a pivotal role in integrating technological advancements across financial processes, enhancing ZIM's competitive edge.



**Mr. Niraj Dhadiwal**  
Director - (Business Development)

Mr. Niraj Dhadiwal, a pharmacy graduate with a Diploma in Business Management, began his journey with ZIM Laboratories Limited in 1990 as a Production Officer and has steadily progressed to serve as a Director on the Board.

With a strong foundation in Pharmaceuticals and business strategy, Mr. Dhadiwal has played a pivotal role in spearheading ZIM's international growth. His strategic foresight, technical acumen, and deep understanding of global markets have been instrumental in expanding the company's export footprint.

As Director of Business Development, he leads ZIM's marketing and business development efforts, championing innovative drug delivery solutions and forging lasting partnerships that drive sustainable value creation and enhance the company's global presence.



**Mr. Prakash Sapkal**  
Director and Head – ODS Business, Formulations –  
Domestic, ROW & Emerging Markets

Mr. Prakash Sapkal, a Pharmacy graduate with a postgraduate degree in Business Administration, has been an integral part of ZIM Laboratories Limited for over 26 years. Beginning his journey as an Assistant Chemist, he has risen through the ranks, holding key positions including Production Supervisor, Production Manager, and Vice President – Operations.

With a passion for driving meaningful change, Mr. Sapkal has played a pivotal role in building and nurturing the team that has helped translate ZIM's vision into reality. His leadership focusses on aligning operational excellence with people-centric, customer-driven priorities, while continuously striving for process optimisation and efficiency.



**Mrs. Kavita Loya**  
Independent Director

Mrs. Kavita Loya, a seasoned Chartered Accountant with over 21 years of experience, is a Partner at Loya Bagri & Company, Chartered Accountants. She brings deep expertise in Audit, Taxation, and Financial Advisory Services.

Since joining the Board of ZIM Laboratories Limited as an Independent Director in 2017, she has made significant contributions across various governance functions. Mrs. Loya has actively served on key committees, including the Capacity Building Committee and the Women's Empowerment Committee of the Institute of Chartered Accountants of India (ICAI) in both the Western Region and at chapters in Mumbai and Nagpur. She is also a core group member of the Bombay Chartered Accountants Society, reflecting her continued commitment to professional excellence and community leadership.



**Mr. Padmakar Joshi**  
Independent Director

Mr. Padmakar Joshi, a seasoned banking professional with over 38 years of extensive experience in commercial banking, has been serving as an Independent Director on the Board of ZIM Laboratories Limited since September 2017.

He retired as the Deputy Head of Corporate & SME Credit Monitoring and Debt Restructuring at Union Bank of India, where he played a key role in overseeing credit operations and managing financial restructuring initiatives. His deep insights into banking and financial management continue to contribute meaningfully to ZIM's strategic direction and governance.



**Dr. Kamlesh Shende**  
Independent Director

Dr. Kamlesh Shende brings over 30 years of rich experience in regulatory affairs within the Pharmaceutical industry. He holds a Master's Degree in Pharmacology and a PhD in Herbal Medicine from the University of Health Sciences, Nashik.

Over the course of his career, Dr. Shende has served as a technical consultant to numerous Pharmaceutical companies, offering his expertise on drug policy and regulatory compliance. He has also held the role of Drug Formulation Expert for the state of Maharashtra and was a member of the National Subcommittee on Formulations, constituted by the Drugs Consultative Committee.

Dr. Shende retired as Joint Commissioner (Drugs) from the Food and Drug Administration (FDA), Mumbai, and now contributes his extensive regulatory insight and leadership to the Board of ZIM Laboratories Limited.



**Mr. Ashok Bhatia**  
Independent Director

Mr. Ashok Bhatia is an experienced Pharmaceutical executive with over 48 years of leadership spanning sales, marketing, business development, M&A, and talent management. He dedicated 37 years to Zydus Lifesciences, where he rose to the position of President – Emerging Markets, overseeing operations across 12 markets and managing a team of over 800 professionals. As a Group CEO of Abacus Pharma (Africa) Ltd. (Carlyle Group), he successfully transformed the company to a professionally managed, compliant organisation. His strategic expertise has driven the launch of more than 25 million-dollar brands and facilitated business expansion across Brazil, South & East Africa, Asia Pacific. Additionally, he has spearheaded regulatory, manufacturing & supply chain functions.

Mr. Bhatia has served as an advisor to McKinsey, KKR India, Chryscapital and is currently a board member of Shalby Ltd. He holds a Doctorate in Business Administration (DBA), an MBA, and a B.Sc., and is a guest faculty at IIM Ahmedabad and IIM Rohtak, specialising in International Marketing and Talent Management. His article 'Gender and Workplace' has been published in VIKALPA, the journal of IIM Ahmedabad.

## ZIM HEALTH TECHNOLOGIES LIMITED (ZHTL) - WHOLLY-OWNED SUBSIDIARY

# BOARD OF DIRECTORS

### Dr. Anwar Siraj Daud

Non-Executive Chairman (ZHTL)

### Dr. Chandrashekhar Mainde

Chief Executive Officer (CEO) and Executive Director

### Mr. Zulfiquar Kamal

Non-Executive and Non-Independent Director (ZHTL)

### Mr. Gautam Saigal

Non-Executive and Non-Independent Director



### Dr. Chandrashekhar Mainde

CEO and Executive Director

Dr. Mainde holds an M. Pharm. and a Ph.D. in Pharmaceutical Technology from Nagpur University and brings over 26 years of extensive industrial experience. He leads the company's Research & Development initiatives, overseeing all technical functions, including Quality and Operations. Additionally, he plays a key role in business development activities for regulated markets.

He represents several esteemed Pharmaceutical organisations and has an impressive track record, having successfully undergone approximately 75 audits by major regulatory authorities, including the USFDA, MHRA, ANVISA, TGA, and EMA.

Dr. Mainde has spearheaded the filing of over 300 products with the Ministry of Health (MOH) in Turkey, 10 ANDA submissions to the USA, and 50 EU CTD dossiers across various European countries. He is the principal investigator for more than 100 Indian patents and has contributed to numerous global patent filings.

His expertise also includes conducting over 300 bio-equivalence studies, including those involving complex formulations, and submitting approximately 150 ANDA applications in the USA and other regulated markets.



### Mr. Gautam Saigal

Non-Executive and  
Non-Independent Director

Mr. Gautam Saigal, a Chartered Accountant and postgraduate in Commerce from Calcutta University, is the Founding Partner of Pachira Financial Services LLP and an adviser to ZIM Laboratories Limited. He brings over 31 years of experience in financial services, with expertise in private equity investment, investment banking, and advisory services.

Until mid-2013, he served as Managing Director of AA Indian Development Capital Advisors Ltd., advising an India-focused mid-market private equity fund launched by the Ashmore Group and Alchemy Partners, UK. He was also associated with AIG Global Investment Group (Asia) as Vice - President and Co-Head of its India private equity advisory practice.

Since 1997, he has led numerous private equity investments, actively monitoring them as a Board Member across various sectors, including healthcare, financial services, telecom, and consumer products. He played a key role in leading the investment of the AA India Development Capital Fund in ZIM and served on ZIM Laboratories Limited's Board until mid-2013. Currently, he serves on the Boards of Asirvad Microfinance Ltd. and Manappuram Home Finance Ltd.

# CORPORATE INFORMATION

## Board of Directors

### Dr. Anwar Daud

Chairman and Managing Director

### Mr. Zulfiquar Kamal

Director (Finance)

### Mr. Niraj Dhadiwal

Director (Business Development)

### Mr. Prakash Sapkal

Director & Head – ODS Business, Formulations  
(Domestic, ROW & Emerging Markets)

### Mrs. Kavita Loya

Independent Director & Chairperson – Audit Committee  
and Stakeholders Relationship Committee

### Mr. Padmakar Joshi

Independent Director & Chairman – Nomination and  
Remuneration Committee and Risk Management Committee

### Dr. Kamlesh Shende

Independent Director & Chairman – Corporate Social  
Responsibility Committee

### Dr. Kakasaheb Mahadik

Independent Director & Chairman:  
Corporate Social Responsibility Committee  
(upto: 31<sup>st</sup> March, 2025)

### Mr. Ashok Bhatia

Independent Director  
(w.e.f.: 1<sup>st</sup> April, 2025)

## Key Managerial Personnel

### Mr. Shyam Mohan Patro

Chief Financial Officer

### CS. Piyush Nikhade

Company Secretary & Compliance Officer

## Banking and Financial Institutional Partners

Bank of India

SVC Co-operative Bank Limited

IndusInd Bank Limited

TATA Capital Limited

## Statutory Auditors

### Walker Chandio & Co. LLP

Chartered Accountants

## Cost Auditor

### M/s Dhananjay V. Joshi & Associates

Cost Accountants

## Internal Auditors

### Protiviti India Member Private Limited

## Secretarial Auditor

### BNP & Associates

Practicing Company Secretaries

## Registered Office

### ZIM Laboratories Limited

Sadoday Gyan (Ground Floor),  
Opp. NADT, Nelson Square,  
Nagpur – 440013, Maharashtra, India  
Tel: +91 712 2981960  
Website: www.zimlab.in  
Email: cs@zimlab.in

CIN: L99999MH1984PLC032172

## Registrar And Share Transfer Agent

### MUFG Intime India Private Limited

Unit: ZIM Laboratories Limited,  
C-101, 247 Park, LBS Marg, Vikhroli (West),  
Mumbai – 400083, Maharashtra, India  
Tel: +91 22 4918 6000  
Toll-Free: 1800 1020 878  
Email: rnt.helpdesk@linkintime.co.in

## Legal Consultant

### Adv. Shabana Karim

## Investor Relations

### Mr. Zain Daud

Email: zain.daud@zimlab.in

Address:

ZIM Laboratories Limited  
2<sup>nd</sup> Floor - MHKS Spaces, Nelson Square,  
Nagpur - 440013, Maharashtra, India

# Management Discussion & Analysis

## ECONOMIC REVIEW

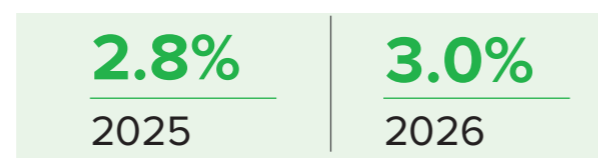
### World Economic Overview

The global economy stands at a critical juncture. After a prolonged and unprecedented period of shocks, it appeared to stabilise through much of 2024, marked by steady yet modest growth. Global GDP is projected to grow by 2.8% in 2025 and 3.0% in 2026, maintaining a pace similar to that of 2023. Despite substantial interest rate hikes by central banks aimed at restoring price stability, the global economy demonstrated resilience and withstood a series of mutually reinforcing shocks. However, growth remained subdued amid persistent uncertainty, weak investment, sluggish productivity, and elevated debt levels.

However, the global landscape has since shifted, as governments around the world have realigned their policy priorities in response to rising uncertainties. Geopolitical conflicts, escalating trade tensions, and elevated borrowing costs in several regions have emerged as significant risks. Further compounding these challenges, the ongoing war in Ukraine has pushed energy prices even higher, placing additional strain on energy-dependent economies.

<https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025>

### Projected world economic growth



### World Economic Growth – An Overview

	Estimate	Projections	
	2024	2025	2026
World output	3.3%	2.8%	3.0%
<b>Advanced economies:</b>	1.8%	1.4%	1.5%
United States	2.8%	1.8%	1.7%
Euro Area	0.9%	0.8%	1.2%
<b>Emerging Markets and Developing Economies:</b>	4.3%	3.7%	3.9%
Emerging and Developing Asia	5.3%	4.5%	4.6%
China	5.0%	4.0%	4.0%
India	6.5%	6.2%	6.3%
Middle East and Central Asia	2.4%	3.0%	3.5%

<https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025>

### Future Outlook

Looking ahead, intensifying downside risks continue to dominate the global economic outlook, driven by escalating trade tensions and ongoing financial market adjustments. The global growth forecast has been significantly revised downward, reflecting an increasingly unpredictable environment. Divergent and rapidly shifting policy stances, coupled with deteriorating investor sentiment, are likely to result in tighter financial conditions. Both short- and long-term growth prospects are expected to be adversely affected by continued trade disputes and heightened uncertainty around trade policies.

The global growth forecast for the next five years stands at 3.1%, marking its lowest level in decades. However, moderating inflation and ongoing monetary easing in several economies could offer a modest boost to global economic activity in 2025. Advanced economies are expected to grow at a steady pace of 1.5% in 2024, with a marginal increase to 1.7% in 2025. In contrast, developing economies are projected to grow at an average rate of 4% across 2024 and 2025, slightly slower than in 2023.

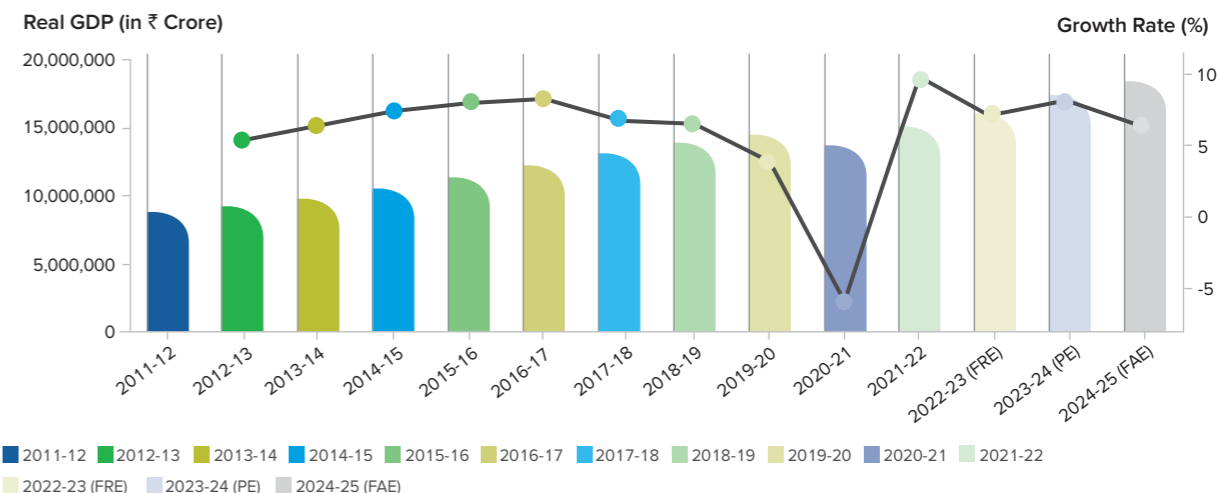
At this critical juncture, it is imperative for nations to collaborate constructively to foster a stable and predictable global trade environment. Enhancing international cooperation and addressing structural imbalances and policy gaps will be crucial. Global headline inflation is projected to decline at a slightly slower pace, falling from 5.9% in 2024 to 4.5% in 2025. Advanced economies are expected to reach their inflation targets sooner than emerging and developing markets.

<https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025>

### India Economic Overview

India's growth story remains a compelling narrative of ambition, innovation, and immense potential. According to the second advance estimates released by the National Statistics Office (NSO), under the Ministry of Statistics and Programme Implementation (MOSPI), India's real GDP is projected to grow by 6.5% in FY25. This follows a robust real GDP growth rate of 9.2% in FY24, the highest recorded in the past 12 years (excluding FY22). Headline inflation stood

## Annual GDP Estimates (in ₹ Crore) and Growth Rates (%) at Constant Prices (Base Year: 2011-12)



Source: MoSPI, India (Press Note on First Advance Estimates of GDP for 2024-25), Click to get data/ visualization. Prepared by Data Informatics & Innovation Division (DIID) @GolStats  
 Note: Growth Rates Calculated with respect to Previous Year; FRE: First Revise Estimate; PE: Provisional Estimates; FAE: First Advance Estimates  
 Source: <https://www.mospi.gov.in/dataviz-annual-estimates-gdp>

at 4.1% during the year under review, compared to 5.4% in the previous year, supported by strong, high - frequency macroeconomic indicators and reflecting a promising outlook for the years ahead.

The growth trajectory has been largely driven by a significant increase in government spending, a sharp rise in exports, higher capital expenditure, and strong growth in private consumption. These factors collectively reinforce the belief that India's long-term growth story remains intact.

Despite the challenging global environment, India has emerged as a resilient economic powerhouse. The country is steadily moving up the global value chain and continues to hold its position as the world's fifth-largest economy. This ascent is underpinned by solid economic fundamentals, ongoing structural reforms, robust domestic demand, prudent fiscal management, a high savings rate, and favourable demographic dynamics.

### India GDP Current Growth and Future Projections (%)

	Estimate	Projections	
	FY 2024-25	FY 2025-26	FY 2026-27
India	9.2	6.5	6.5

<https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>

Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=2097892>

### Future Outlook

India is well-positioned to take the lead in the global economic landscape, continuing to retain its status as the fastest-growing major economy. According to the World Bank's Global Economic Prospects (GEP) report, India's economy is projected to grow at a robust 6.7% in both FY26 and FY27—significantly outpacing global and regional counterparts. With global growth expected to remain at 2.7% in FY 2025-26, India's strong performance underscores its economic resilience and its growing influence in shaping the future of the global economy.

This sustained momentum is a testament to the country's solid economic fundamentals and its capacity to navigate and thrive amid global uncertainties. India's continued expansion reinforces its standing as a key driver of global growth and a critical contributor to the world's economic stability and progress.

### Industry Overview

#### Global Pharmaceutical Industry

The global pharmaceutical industry has surpassed pre-pandemic growth rates, demonstrating remarkable resilience in the face of inflation, geopolitical conflicts, and persistent supply chain disruptions. Novel therapies continue to be a major growth driver, with emerging markets such as China, India, and Latin America experiencing expansion rates exceeding 3%. Global medicine spending is projected to maintain this upward trajectory through 2028, underscoring sustained demand and innovation across the sector.

A key indicator of this recovery is the Eastern European Pharmaceutical market, where volume growth trends have reverted to pre-Ukraine conflict levels. Among the therapeutic areas, Immunology and Oncology are expected to witness robust growth in the coming years, with Compound Annual Growth Rates (CAGR) estimated at 14%–17% and 2%–5%, respectively. These projections highlight the industry's focus on advanced treatments and its adaptability in a rapidly evolving global landscape.

**Key Growth Drivers in Therapeutic Medicine Usage:**

- **Immunology treatments** have seen a 12% year-on-year (YoY) increase in usage. Even in developed markets, biosimilar competition has contributed to an incremental growth of 5%
- **GLP-1 medicines** continue to witness rapid adoption, particularly for the treatment of diabetes and obesity
- Usage of **Anti-bacterial medicines**, which was disrupted during the COVID-19 pandemic, is returning to normal; however, adult vaccination rates remain below the pre-pandemic trends
- **Oncology treatments** are expected to see the launch of at least five new therapies over the next five years, with limited loss of exclusivity
- **Auto-immune Disorders treatment's** growth is driven by a rising number of treated patients and the introduction of new therapies

Despite challenges such as manufacturer net sales declines due to confidential rebates, government discounts, and clawbacks, the global pharmaceutical market is projected to grow at a CAGR of 5%–8%, reaching USD 2.3 trillion by 2028. Global medicine spending is expected to increase by over USD 600 billion during this period.

While the five-year growth forecast for the U.S. Pharmaceutical market has been revised downward to 2%–5%, this still represents an improvement from earlier projections of -1% to 2%. The outlook for next-generation bio-therapeutics—including cell, gene, and RNA therapies - remains strong, with promising clinical and commercial prospects.

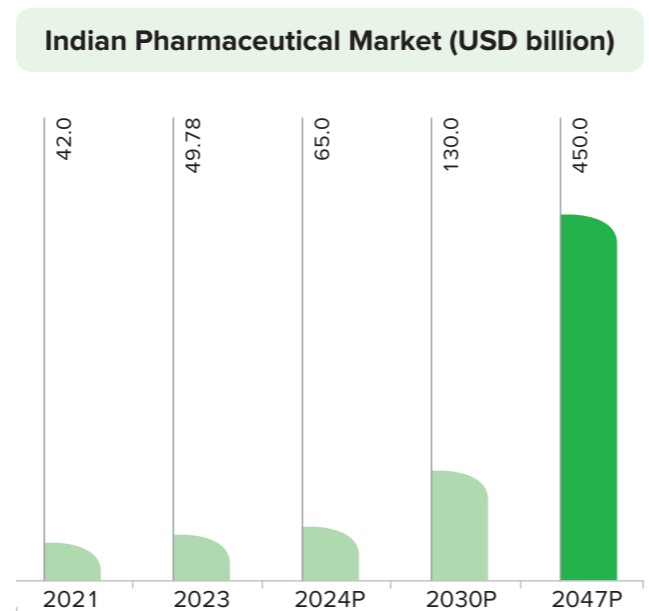
**Indian Pharmaceutical Industry**

The Indian Pharmaceutical Industry ranks as the third - largest globally in terms of Pharmaceutical production by volume and 14<sup>th</sup> - largest by value. Valued at USD 65 billion in 2024, the industry is projected to reach USD 130 billion by 2030 and USD 450 billion by 2047. Contributing approximately 1.72% to India's total GDP, the sector boasts a robust network of ~3,500 manufacturing companies and ~10,500 manufacturing units.

<https://www.ibef.org/industry/pharmaceutical-india>

India's Pharmaceutical sector has undergone massive expansion and is expected to capture ~13% of the global pharmaceutical market, while continuously enhancing its quality, affordability, and innovation. According to IQVIA, the highest volume growth in the global pharmaceutical sector over the next five years is expected in India, China, and the Asia-Pacific region, with growth exceeding 3% CAGR.

The sector is growing at a CAGR of 9.43%, driven by strong domestic and international demand. This growth is supported by a large number of manufacturing plants adhering to Good Manufacturing Practices (GMP) set by the World Health



Organization (WHO) and the United States Food & Drug Administration (FDA).

**Key product categories include:**

- o Over-The-Counter (OTC) medications
- o Bulk Drugs
- o Vaccines
- o Contract Research & Manufacturing
- o Biosimilars & Biologics

**Key Industry Highlights:**

From FY18 to FY23, the Indian Pharmaceutical industry grew at a 6–8% CAGR, driven by 8% export growth and 6% domestic growth. India accounts for 20% of global generic drug exports, solidifying its status as the world's largest generics supplier. The biosimilars market is expected to grow at a 22% CAGR, reaching USD 12 billion by 2025, making up nearly 20% of the total Pharma market.

India is the 3<sup>rd</sup> - largest producer of APIs, with an 8% global market share. Over 500 APIs are manufactured in India, contributing 57% of the WHO's pre-qualified API list.

<https://www.ibef.org/industry/pharmaceutical-india>

**Other References:** Consolidated FDI Policy, Press Information Bureau (PIB), Media Reports, Pharmaceuticals Export Promotion Council, AIOCD-AWACS, IQVIA, Union Budget 2023-24, Interim Budget 2024-25.

**Increasing Contribution to Global Pharmaceutical Market**

India plays a crucial role in the Global Pharmaceutical Landscape:

- 50% of global vaccine demand
- 40% of generic medicines in the US
- 25% of all medicines in the UK
- 80% of global anti-retroviral drugs (for AIDS treatment), reinforcing its title as the "Pharmacy of the World"

India is also identified as a key "Pharmerging Market" (IQVIA).

**Government Initiatives Supporting Growth**

Recognising the sector's vast potential, the Government of India has implemented various initiatives to foster pharmaceutical industry growth:

1. **Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP)**
  - Provides affordable, quality generic medicines
  - ~14,000 functional Jan Aushadhi stores as of H1 FY25
  - Product range: 2,000+ drugs, 300+ surgical items
2. **Production-Linked Incentive (PLI) Scheme**
  - Promotes domestic manufacturing of Key Starting Materials (KSMs)
  - Supports the medical devices industry
3. **Financial Support for Jan Aushadhi Kendras (JAK)**
  - In partnership with SIDBI, offers credit lines for store expansion
  - Aims to strengthen the pharmaceutical ecosystem

(Source: [Department of Pharmaceuticals & www.janaushadhi.gov.in](https://www.departmentofpharmaceuticals.gov.in))

**Note:** There is growing adoption of innovative products within government programmes, building on last year's foundation and supporting the evolving needs of public healthcare initiatives.

**Company Overview**

ZIM Laboratories Limited ("ZIM" or "the Company"), established in 1989, specialises in the development, manufacturing, and supply of differentiated generic Pharmaceutical and Nutraceutical products in oral solid dosage forms. The Company offers both Pre-Formulation

Intermediates (PFI) and Finished Formulations (FF) across key therapeutic segments globally.

ZIM's innovative drug delivery solutions leverage cutting-edge technology platforms to enhance patient convenience and treatment adherence. With expertise in complex and differentiated generic products, ZIM employs advanced drug delivery techniques and diverse release patterns to provide effective and accessible healthcare solutions.

**Key Therapy Areas**

The key therapy focus areas include: Urology, Gastrointestinal, NSAIDs / Analgesics, Anti-infectives, Cardiovascular, Central Nervous System, and Vitamins & Supplements.

**Dosage Offerings**

The Company's dosage offerings include: Tablets, Dry Syrups, Directly Compressible (DC) Granules, Pellets, Capsules, Oral Thin Films (OTF), and Taste - Masked Powders.

**Manufacturing Process Capabilities**

ZIM's manufacturing process capabilities include: Oral film casting, Stability enhancement, Transmucosal and Multilayer film technologies, bi / multi - layer film casting, Active nano-particulate granulation, Solvent-less processing, Taste masking, Solubility and Bioavailability enhancement, Multi-layered pellets.

**Proprietary and Non-Infringing Technology Platforms**

- Micro-Emulsion Coating Technology (MECT)
- Pellet Cold Forming Technology (PCFT)
- Rapid Gelation Drug Release Technology (RGDRT)
- Matrix Pore Forming Tablet Technology (MAPOTAB)

ZIM's Innovative Products Basket, including New Innovative Products (NIP) and Oral Thin Films (OTF), is designed to drive high value revenue growth, expand the global footprint, and improve patient outcomes.

With a strong commitment to delivering high-quality healthcare solutions worldwide, ZIM continues to develop proprietary technology platforms and differentiated, value-added generics through continuous R&D efforts. The Company is a key supplier of both finished and semi-finished products across therapeutic areas in its targeted markets.

**State-of-the-Art Manufacturing Facility & R&D Capabilities**

ZIM operates state-of-the-art manufacturing facilities and a robust R&D centre, staffed with highly skilled professionals. These capabilities enable the Company to develop and manufacture high-quality medicines that meet global regulatory standards.

**Key Certifications:**

- EU-GMP
- WHO-GMP
- ISO 9001
- NSF/ANSI 455-2

**Global Presence & Operations:**

The Company has established subsidiaries at strategic locations - including India, UAE, Australia, and the EU - to support global operations, enhance operational efficiency, and ensure compliance with local regulations.

Additionally, ZIM has set up a Scientific Office (SO) in the UAE to facilitate the registration and marketing of its innovative Pharmaceutical and Nutraceutical products.

ZIM's integrated business model offers end-to-end product development solutions, covering:

Product Conceptualisation → Product Development → Dossier Development & Filing → Marketing Authorisation (MA) → Manufacturing & Supply

**Key Offerings**

The Company's product portfolio comprises value-added and complex generics, offered as both - Pre-Formulation Intermediates (PFI) and Finished Formulations (FF).

Pre - Formulation Intermediates are developed in collaboration with distribution partners to deliver tailor-made solutions for the development, sourcing, and marketing of differentiated generic products.

Additionally, Finished Formulations (FF) include branded generics, which are registered in select markets and launched through partnerships with local distributors and marketing companies.

The company's innovative product basket includes:

**o New Innovative Products (NIP)**

- Focuses on advancing innovation, featuring complex generic Pharmaceuticals developed using in-house technology platforms
- These next-generation complex molecules have the potential to become first- or second-generation advanced generics in select markets

**o Oral Thin Films (OTF)**

- Offers branded Pharmaceutical and Nutraceutical products delivered in a patient-centric, innovative film format

**Performance Highlights**

- Pharmaceuticals remained the primary revenue driver, contributing 75% to total revenue, while Nutraceuticals accounted for 25%
- Exports remained the key growth engine, accounting for 83% of total revenue
- NIP revenues reached ₹437 Mn, while the OTF segment contributed ₹186 Mn to operating revenue
- The combined of NIP + OTF to Total Operating Income was 19% including licensing fees

**Export Business**

ZIM Laboratories Limited continues to strengthen its global footprint through strategic partnerships, innovative R&D, and local presence and offices across regions. ZIM's diversified technology and product portfolio enables its presence in 50+ countries, including:

- Asia (including India), Africa, MENA (Middle East & North Africa), Latin America, and CIS
- Key developed and Pharmerging markets: EU, Turkey, Canada, Australia, BRICS, Saudi Arabia, and other high-GDP markets

To support this expansion, ZIM is actively strengthening its Business Development team across regions.

**Key Filings and Business Updates**

ZIM successfully completed EU re-accreditation through Portugal and also received NSF re-accreditation for its Orally Disintegrating Strips (ODS) Dietary Supplements.

In November 2024, ZIM established a Scientific Office in the UAE to support the registration and marketing of its Pharmaceutical and Nutraceutical products, enabling expansion across the MENA region.

In FY25, ZIM completed a total of 50 regulatory filings across key geographies. This included 23 NIP filings for 6 molecules, 17 OTF filings for 5 molecules, and 10 FF filings for 5 molecules. Of these, 5 NIP filings (for 4 molecules) and 6 OTF filings (for 2 molecules) were submitted in the EU, while 1 NIP and 1 OTF filings were completed in Australia through ZIM's Australian Subsidiary, ZIMTAS Pty. Ltd.

During the year, ZIM received 2 EU Marketing Authorisations for NIP products (Azithromycin Oral Suspension and Dimethyl Fumarate). In partnership with Neuraxpharm, EU-wide Marketing Authorisation was secured for Buprenorphine Sublingual Films across 24 countries. During the year, ZIM and its partners successfully secured 6 Marketing Authorisations for NIP, 7 for OTF, and 14 for FF products, marking a significant milestone in regulatory achievements.

Additionally, ZIM entered into a landmark licensing agreement with its UAE-based partner for its innovative Oral Thin Films (OTF) technology & products. This strategic collaboration enables local manufacturing and further strengthens the Company's presence across the GCC region.

ZIM entered into multiple licensing agreements with partners across the EU and other international markets, underscoring the commercial viability of its innovation-led product portfolio. Licensing income during the year amounted to ₹98 Mn.

**Domestic Business**

ZIM's operations focuses on delivering unique and differentiated Pharmaceutical and Nutraceutical products, to a diverse customer base, including central and state government agencies, as well as private-sector Pharmaceutical and Nutraceutical companies.

The Company supplies high-margin, value-added generic formulations under key government schemes, which helps mitigate risks associated with price volatility and delayed payments. Major initiatives include: Jan Aushadhi, Central Government Health Scheme (CGHS), Employees' State Insurance Corporation (ESIC), and the Indian Railways.

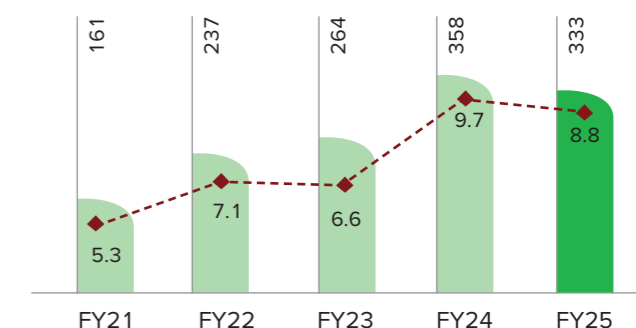
ZIM's innovative formulations gained strong traction under central and state government schemes, with domestic revenues contributing 17% to Total Operating Income in FY25.

**R&D – Driving Product Innovation**

ZIM remains dedicated to developing differentiated generics by leveraging innovative and advanced drug delivery systems and proprietary manufacturing technologies. This

innovation-first approach is powered by a robust R&D infrastructure, supported by a team of highly skilled, target-driven professionals and sustained investments in research and development.

**R&D Expense Mix as % of Total R&D Investment, and Year-Wise Allocation (₹ Mn)**



- In FY25, 8.8% of total revenue was invested in R&D.
- An allocation of ₹ 103 Mn was dedicated to BE studies and regulatory registrations, advancing the Innovative Products (NIP + OTF) pipeline.

90 R&D Team size	2 PhDs	76 Post Graduates
₹ 333 Mn Allocation on Opex, Facility, BE Studies, Registrations, and for advancing the pipeline of innovative products	2 NIP & 1 OTF EU Marketing Authorisations (MAs) received	7 NIP filed in Europe (till date)

**Financial Overview**

Ratio		FY25	FY24	YoY Change
Current Ratio	Times	1.39	1.43	-3%
Debt - Equity Ratio	%	44	45	0%
Debt Service Coverage Ratio*	Times	1.65	2.03	-19%
Return on Equity Ratio	%	4.96	7.86	-37%
Inventory Turnover Ratio	Times	2.00	2.54	-21%
Trade Receivable Turnover Ratio	Times	3.50	3.64	-4%
Trade Payable Turnover Ratio	Times	4.27	5.00	-15%
Net Capital Turnover Ratio	Times	5.84	5.39	8%
Net Profit Ratio	%	3.21	4.69	-32%
Return on Capital Employed	%	8.29	10.10	-18%
Operating Profit Margin	%	7.76	8.32	-7%
Basic EPS	Times	2.50	3.54	-29%
Interest Coverage Ratio	Times	2.58	4.41	-42%

- (i) Return on Equity Ratio: Decreased by 37% in the current year due to decrease in profitability of the Group
- (ii) Net Profit Ratio: Decreased by 32% in the current year due to decrease in profitability of the Group
- (iii) Basic EPS: Decreased by 29% in the current year due to decrease in profitability of the Group
- (iv) Interest Coverage Ratio: Decreased by 42% in the current year is mainly due to increase in the finance costs on account of working capital utilisation

\*Earnings for Debt Service = Net Profit after tax + Depreciation and amortisation expense + Finance costs (recognised excluding lease), Debt Service = Principal Repayments + Finance costs (recognised excluding lease)

## Future Outlook

ZIM is strategically positioned to capitalise on emerging opportunities in both domestic and international markets. The Company plans to leverage its expertise in innovative drug delivery solutions, strong market presence, and continuous innovation to expand its business in the years to come. By optimising its existing product portfolio, ZIM aims to grow its New Innovative Products (NIP) and Oral Thin Films (OTF), targeting high-potential markets and strategic partners, with a focus on increasing revenue from developed markets in FY26.

The Company remains committed to enhancing product life cycles and prioritising patient convenience through innovative technologies and differentiated offerings. ZIM aims to deliver value-driven products to its partners and patients across RoW and Pharmerging markets.

In the coming years, ZIM is set to build on strategic collaborations around the globe, expanding its reach and creating synergies through key partnerships. The Company's focus on R&D innovation will be reinforced by continued investments in bioequivalence studies, registrations, and advanced drug delivery technologies. These initiatives will support ZIM's penetration into both regulated and emerging markets, paving the way for growth, product diversification, and long-term success.

With a robust strategic approach, continuous regulatory filings, and a steadfast commitment to innovation, ZIM is well-positioned to achieve sustained growth and expand its global presence in the coming years.

## Key Risks & Mitigation

### 1. Geo - Political and Economic Risk

Geo - political events, such as government or regime changes, modifications in trade and investment policies, and conflicts, can lead to political instability and impact financial markets. Rising inflation, financial sanctions, and trade restrictions may disrupt supply chains, increase commodity prices, and cause shortages of key resources, ultimately affecting industrial production worldwide.

#### Mitigation measures:

- ZIM's diverse geographic presence and product portfolio reduce dependence on any single region or product, mitigating geopolitical risks
- The Company has established alternative raw material sources, including domestic suppliers within India, ensuring business continuity

### 2. Registration and manufacturing approval delays

Regulatory approvals for registrations and manufacturing involve extensive processes, including plant audits, accreditations, and commercialisation steps. Delays in these processes can impact overall financial performance, especially of New Innovative Products (NIP) in the Developed and Pharmerging markets.

#### Mitigation measures:

- ZIM has adopted a multi-country registration strategy, filing simultaneously across multiple European and target markets
- Subject Matter Experts (SMEs) have been engaged to ensure compliance with regulatory guidelines and proactively mitigate procedural delays

### 3. Competition Risk

The Indian Pharmaceutical industry is highly competitive, with both large corporations and small – to – medium enterprises competing for market share. This results in pricing pressures and market fragmentation.

#### Mitigation measures:

- ZIM maintains a balanced mix of exports and domestic businesses across Pharmaceutical and Nutraceutical segments
- Strategic market expansion and strict regulatory compliance ensure ZIM's long-term sustainability

### 4. Compliance & Regulatory Risk

The primary regulatory body overseeing the pharmaceutical sector is the Central Drugs Standard Control Organization (CDSCO).

#### Recent Regulatory Developments (2024):

- Introduction of the Uniform Code of Pharmaceutical Marketing Practices (2024) to ensure transparency and ethical marketing
- Implementation of updated Schedule M guidelines requiring adherence to stricter regulations
- Strengthened drug quality standards and enhanced supply chain integrity

#### Mitigation measures:

- ZIM maintains EU - GMP and NSF / ANSI 455-2 certifications, ensuring adherence to the highest manufacturing and regulatory standards
- Regular third-party audits and compliance checks reinforce regulatory commitments
- Expert regulatory consultants ensure proactive compliance with evolving global standards

### 5. Cyber Security Threats & Data Protection Risk

The organisation faces an increasing risk of cyber-attacks, data breaches, and intellectual property theft. These threats can result in the loss of sensitive data belonging to customers, partners, or shareholders, as well as financial losses and reputational harm.

#### Mitigation measures:

- Deployment of advanced cyber security frameworks with real-time threat detection
- Conducting regular audits and comprehensive employee training programmes
- Utilisation of data encryption, multi-layered security protocols, and adherence to global compliance standards

## Opportunities and Challenges

### Opportunities

- Global demand for Indian Generics:** India's generic drugs market continues to expand, driven by cost – effectiveness and high-quality manufacturing
- Enhanced Regulatory Compliance:** The Indian government has strengthened quality controls, enforcing adherence to Good Manufacturing Practices (GMP) under the revised Schedule M guidelines (December 2023)
- China Plus One Strategy:** Amidst geopolitical uncertainties, global companies are shifting manufacturing operations from China to India, presenting a significant growth opportunity for Indian pharmaceutical manufacturers

### Challenges

- Counterfeit and sub-standard drugs:** WHO estimates that 35% of the world's counterfeit drugs originate from India, affecting the credibility of the pharmaceutical industry
- Cybersecurity Threats:** The industry remains highly vulnerable to cyber-attacks due to the presence of sensitive proprietary drug data and patient information
- Price Volatility in Active Pharmaceutical Ingredients (APIs):** Currency fluctuations, inflation, and policy changes impact API costs and pressure profit margins
- R&D Investment:** Escalating research and development (R&D) costs exerts pressure on margins and require careful capital allocation

## Technology & IT Infrastructure

In FY25, ZIM Laboratories Limited made significant strides in modernising its IT infrastructure, reinforcing data security, and aligning systems with long-term strategic goals. Key advancements include:

- ERP (Enterprise Resource Planning) & MIS (Management Information System):** Continued implementation of an advanced ERP system, integrated with real-time MIS dashboards, enhanced transparency and efficiency in

R&D tracking, machine utilisation, and sales order management

- HRMS (Human Resource Management System) & QMS (Quality Management System) Upgrades:** HRMS modernisation improved recruitment and performance tracking, while Quality Management Systems (QMS) were upgraded to include Document Management System (DMS), Transportation Management System (TMS), and e-BMR to enable paperless operations and facilitate remote audits
- Analytical Software Modernisation:** Upgraded core research platforms to a hybrid cloud/on - premises setup, improving scalability and performance for scientific teams
- Cybersecurity Enhancements:** Deployed next-generation firewalls and executed comprehensive Vulnerability Assessment & Penetration Testing (VAPT) to enhance cyber defenses and ensure compliance
- Advanced R&D Support:** Introduced a modern Waters HPLC system, to enhance research and quality assurance capabilities
- Resilience & Data Protection:** Established a Disaster Recovery system on Microsoft Azure, implemented a 3-2-1 backup strategy, and deployed Veeam Enterprise Backup for secure and rapid recovery
- Private Cloud Transition:** Migrated from physical servers to an on-premises private cloud, enhancing operational efficiency and manageability
- Policy Implementation:** Rolled out a standardised Laptop Usage Policy to bolster endpoint security and asset governance

ZIM's forward-looking IT strategy reinforces its commitment to operational excellence, digital resilience, and sustained stakeholder value.

## Human Resources

During the financial year, the Company continued to strengthen its Human Resources function, with a strong focus on diversity, inclusion, and employee well-being. Female representation reached 17%, highlighting the Company's efforts to build a balanced workforce. Upholding its non-discrimination policy, the Company ensures equal opportunities for all, regardless of age, gender, ethnicity, or physical ability. To support fair and transparent HR processes, an HR Risk Management Subcommittee was established to review key decisions such as disciplinary actions, career advancement, and employee recognition.

In line with its commitment to long-term employee welfare, the Company introduced the National Pension Scheme (NPS), enhancing financial security and engagement. Its HR policies continue to promote a performance-driven and collaborative work environment, while aligning employee interests with organisational goals. To ensure workplace safety, enhanced protocols were implemented across manufacturing units, including the use of Powered Air-Purifying Respirators (PAPRs) in high-risk zones.

The Internal Complaints Committee (ICC) remained active in addressing concerns related to sexual harassment, and the Company successfully maintained a zero-complaint record during the year. In terms of organisational development, over 60% of managerial appointments were focussed on improving quality and operational excellence. The expansion of the technical team also played a vital role in strengthening customer service and driving efficiency.

The Company actively fosters employee engagement through a variety of initiatives designed to build morale, promote collaboration, and support personal development. These include cultural events, team-building activities, wellness programmes, and employee recognition platforms. By encouraging open communication and cross-functional participation, the Company creates a sense of belonging and shared purpose among employees.

As of March 31, 2025, the Company had 603 employees, reflecting a growing and dynamic workforce aligned with its long-term vision.

### Internal Control Systems and Their Adequacy

#### Strong Internal Controls & Risk Management Framework

ZIM Laboratories Limited has established a comprehensive internal control system tailored to its operational scale, complexity, and strategic objectives. This system is built on a strong foundation of risk management, financial discipline, internal audit practices, and sound corporate governance.

To ensure operational efficiency, regulatory compliance, and alignment with strategic goals, the Company has implemented well-defined policies and procedures across financial, operational, and compliance domains. The internal control framework is designed to provide reasonable assurance in the following areas:

1. Adherence to applicable laws and regulations
2. Accuracy and completeness of financial and accounting records
3. Timely preparation of reliable financial reports
4. Operational effectiveness and efficiency
5. Safeguarding of assets from unauthorised access or misuse
6. Early detection and prevention of fraud and errors

### Proactive Risk Mitigation & Safety Enhancements

ZIM adopts a preventive approach to safety and risk management. Enhanced safety protocols have been rolled out across manufacturing units, including the installation of intrinsically safe Powered Air-Purifying Respirators (PAPRs) in high-risk operational zones.

Preventive and detective controls are in place to identify and address potential risks. A well-structured Whistle-Blower Policy empowers directors, employees, and stakeholders to report concerns confidentially. These reports are reviewed by the Audit Committee and the Board, ensuring appropriate and timely action.

### Internal Audit Mechanism

Internal audits are conducted in close coordination between the Management and Internal Auditors. The scope includes evaluation of business processes, risk management practices, regulatory compliance, and internal financial controls (IFC), in line with the requirements of the Companies Act, 2013.

Each financial year, the Audit Committee and the Board approve a structured internal audit plan, executed quarterly. Key observations and action points from previous audits are reviewed regularly to drive continuous improvement. The management also engages in frequent discussions with Internal Auditors to implement enhancements across systems and processes.

### Ongoing Evaluation & Governance

Acknowledging that every internal control system has its limitations, ZIM maintains a dynamic and responsive approach to control enhancements. The Audit Committee and Risk Management Committee periodically assess audit outcomes, recommend improvements, and refine the Company's internal control environment to strengthen operational resilience and business continuity.

### Disclaimer

The Management Discussion and Analysis (MD&A) includes statements regarding expected future events, financial performance, and operational results of ZIM Laboratories Limited. These statements may be construed as forward-looking and are based on assumptions that are subject to inherent risks and uncertainties.

Significant risks exist that assumptions, projections, and forward-looking statements may not prove to be accurate. Readers are advised not to place undue reliance on such statements, as various factors could cause actual results and future events to differ materially from those expressed or implied.

Accordingly, all assumptions, limitations, and risk factors mentioned in the Management Discussion and Analysis (MD&A) of ZIM Laboratories Limited's Annual Report for Financial Year 2024 - 25 should be carefully considered.

# Board's Report

The Board of Directors of our Company has pleasure in presenting the 41<sup>st</sup> Annual Report pursuant to Section 134(3) of the Companies Act, 2013, comprising the prescribed particulars and information as per the Companies (Management and Administration) Rules, 2014, and the Companies (Accounts) Rules, 2014, in respect of the year ended 31<sup>st</sup> March, 2025, as follows:

#### a) Number of Meetings of the Board : 11

#### b) Directors' Responsibility Statement:

##### Pursuant to Section 134(5) of the Companies Act, 2013 (Act) our Directors hereby state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with a proper explanation relating to material departures.
- ii) The directors had selected such accounting policies, applied them consistently, and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.
- iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and preventing and detecting fraud and other irregularities.
- iv) The directors had prepared the annual accounts on a going-concern basis.
- v) The directors have laid down internal financial controls to be followed by the company, and such internal financial controls are adequate and are operating effectively.
- vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws, and that such systems were adequate and operating effectively.

#### c) Declaration by Independent Directors under Sub-section (6) of Section 149:

The company has received the necessary declarations from each Independent Director under Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### d) Nomination and Remuneration Policy:

The criteria laid down in the Companies Act, 2013 and the Rules framed thereunder are complied with while appointing the Directors. For appointment of an Independent Director, the independence criteria defined in Section 149(6) of the Act, and Regulation 16(1)(b) of the SEBI Listing Regulations are also considered. The Nomination and Remuneration Policy has been formulated and approved by the Nomination and Remuneration Committee and Board of Directors in accordance with Section 178(3) of the Act and Regulation 19(4) of the SEBI (LODR) Regulations, and the same is available on the website of the company at <https://www.zimlab.in/investor-reports-policies>.

#### e) Explanations or comments on a qualification/reservation/adverse-remark/disclaimer made by:

1. Statutory Auditor: Not applicable since there is no qualification, reservation, adverse remark, or disclaimer by the auditor.
2. Secretarial Auditor: Not applicable since there is no qualification, reservation, adverse remark, or disclaimer by the auditor.

#### f) Particulars of loans, guarantees, or investments under Section 186:

- a) Loan : NIL
- b) Guarantee : NIL
- c) Investment : ₹ 385.09 lakhs

Details of Loans, guarantees and investments covered under Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on 31 March 2025, also forms part of the Notes to the financial statements provided in this Annual Report.

#### g) Particulars of contracts or arrangements with related parties pursuant to Section 188(1)

During the year, there were no transactions with related parties that conflicted with the interests of the company. All transactions entered into by the company with related parties during the financial year were in the ordinary course of business and on an arm's length basis. Statements of transactions with related parties are periodically placed before the Audit Committee and are approved by the committee. Particulars of contracts or arrangements with related parties referred to in Section 188 (1) of the Companies Act, 2013, in the prescribed Form AOC-2 is appended herewith as **Annexure III** to the Board's Report.

**h) Annual Return:**

The Annual Return of the Company as on 31<sup>st</sup> March, 2025, in Form MGT-7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company at <https://www.zimlab.in/investor-reports-annual-reports>.

**i) The state of Company's affairs:**

This part has been covered under the Management Discussion & Analysis Report, which forms part of the Annual Report.

**j)** The amount proposed to be carried to reserve : NIL

**k)** The amount of dividend payment recommended : NIL

**l)** Material changes and commitments, if any, affecting the financial position of the company, which has occurred between the end of the financial year and the date of the report : NIL

**m)** Conservation of energy, technology absorption, foreign exchange earnings and outgo: -

**A. Energy Conservation:**

ZIM is dedicated to enhancing energy efficiency and conserving energy across its operations. A committed team actively works to ensure the optimal use of energy, closely monitoring equipment and plant-wise energy consumption. Regular benchmarking and energy gap assessments are conducted to identify opportunities for improvement. Energy conservation projects are continuously identified, developed, and implemented, all aimed at reducing carbon emissions and advancing the organization's decarbonization efforts. These initiatives contribute to a more sustainable future by minimizing environmental impact and enhancing overall energy performance.

**(i) The steps taken or impact on conservation of energy are:**

- To minimize electricity wastage, the company has replaced certain DX coils with chilled water systems, ensuring more efficient and effective cooling.
- Power factor optimization has been achieved by installing capacitors, maintaining a stable electrical supply.
- Energy-efficient pumps and LED lighting have been installed across the facility to reduce energy consumption.
- Variable Frequency Drives (VFDs) have been implemented to enhance

the energy performance of pumping systems and compressors.

- Condensate recovery has been improved by utilizing hot water in select AHUs, leading to a reduction in water usage on-site.
- Duct leakage in the HVAC system has been minimized through regular audits and the application of advanced sealing technology.
- Motion sensors have been installed in various locations to reduce unnecessary energy consumption.
- The belt drive motor of AHUs has been upgraded to a self-driven motor with a VFD, improving energy efficiency.

**(ii) The steps taken by the Company for utilizing alternate sources of energy are:**

The company is currently exploring initiatives for various systems of renewable energy as part of its efforts to increase the utilization of alternative renewable energy sources.

**(iii) The capital investment on energy conservation equipment: NIL****B. Technology Absorption:****Efforts made towards technology absorption:**

At ZIM Laboratories, we are committed to continuous innovation and the absorption of cutting-edge technologies to drive growth and enhance our product offerings. The following outlines our key efforts in this area:

- ZIM operates an independent R&D Centre, recognized by the Department of Scientific and Industrial Research (DSIR). Our R&D team specializes in developing differentiated generics, focusing on Pre-Formulation Intermediates (PFI) and Finished Formulations (FF) using proprietary, non-infringing technology platforms for oral solid dosage forms.
- We are dedicated to advancing drug delivery systems through innovations such as electrospun nanofiber technology for controlled drug delivery, tissue engineering, and wound healing.
- Our R&D efforts also focus on improving manufacturing processes, including exploration of Multi-layer film technology for oral solid dosage forms and pioneering 2D

printing on Oral Thin Films (OTF) for flexible dosage forms.

- We have invested in proprietary, non-infringing technology platforms, such as Thinoral® technology, which enable the creation of unique and effective products without infringing on existing patents.
- To support our technology absorption efforts, ZIM has made significant investments in recruiting skilled and experienced personnel and integrating modern, state-of-the-art equipment, ensuring our R&D capabilities remain at the forefront of innovation.
- ZIM Laboratories Limited maintains a global footprint through subsidiaries in key markets including Europe, North America, Middle East, UAE, Australia, and India. Recently, in November 2024, we established a Scientific Office in the UAE to facilitate registration, marketing of our Pharma and Nutraceutical products, and expansion of operations in the MENA region.
- Our subsidiaries and Scientific Office enable seamless transfer of knowledge, practices, and innovative solutions across borders, leveraging local insights and ensuring alignment with specific regulatory requirements and market needs in each region.

**Derived Benefits such as Product Improvement, Cost Reduction, Product Development or Import Substitution:**

- ZIM is progressing toward the completion of 10 New Innovative Products (NIP), with 7 already filed in the EU; Filings are targeted at the EU, key Pharmerring markets, and the Rest of the World (RoW).
- In November 2024, ZIM's Scientific Office was established in the Middle East, complementing ongoing regulatory filings for innovative products through our Australian Subsidiary ZIMTAS Pty Ltd.
- 1 NIP and 1 OTF filings were completed in Australia through ZIMTAS Pty. Ltd.
- In FY25, ZIM completed 23 NIP filings for 6 molecules, 17 OTF filings for 5 molecules, and 10 FF filings for 5 molecules across Regulated, Pharmerring, and RoW markets.
- 5 NIP filings for 4 molecules and 6 OTF filings for 2 molecules were completed in the EU, bringing cumulative EU strengthening our

regulatory Innovative Products pipeline and global market readiness.

- ZIM received 2 NIP Marketing Authorizations in the EU during FY25 for Azithromycin Oral Suspension and Dimethyl Fumarate.
- ZIM's co-development partner, Neuraxpharm, received a Marketing Authorization for Buprenorphine Sublingual Films across Europe—a key milestone in the OTF segment.
- ZIM and its partners secured 6 NIP, 7 OTF, and 14 FF Marketing Authorizations during the year across Regulated, Pharmerring, & RoW markets.
- In line with the global expansion strategy, ZIM entered into strategic collaborations, including a partnership with a local UAE company to scale our Oral Thin Films (OTF) footprint across the GCC region.
- ZIM is developing a portfolio of 12 NIP, with 8 already completed. The remaining are expected to be finalized and filed through FY26, focusing on the EU, Regulated, and Pharmerring markets.
- The R&D team comprises 90 scientists, including 2 PhDs and 76 postgraduates.

**In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) :**

- The details of technology imported: NIL
- The year of import: N.A.
- Whether the technology has been fully absorbed: N.A.
- If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.

**The expenditure incurred on Research and Development:**

Revenue expenses	:	₹ 2,171.63 Lakhs
Capital expenses	:	₹ 132 Lakhs

**C. Foreign Exchange earnings and outgo :**

- Foreign exchange earned : ₹ 30,424 Lakhs
- Expenditure in foreign exchange : ₹ 3,751 Lakhs

**n) Risk Management Policy :**

This part has been covered under the **Management Discussion & Analysis Report**, which forms part of the Annual Report.

**o) Corporate Social Responsibility (CSR) :**

The Corporate Social Responsibility policy approved by the Board at its meeting held on 29<sup>th</sup> June, 2021 is available on the website of the company at <https://www.zimlab.in/investor-reports-policies>.

The policy, inter alia, covers the following:

- Guiding principles for selection, implementation, and monitoring of CSR activities, as well as the formulation of the Annual Action Plan.
- Roles and Responsibilities of the CSR Committee.
- CSR projects or programs that include focus areas such as Education, Sanitation, Healthcare, Women's Empowerment, and Environment Conservation.
- Approval Process for CSR Projects and Expenditure.
- Implementation and Monitoring of CSR Activities.

The Composition of Corporate Social Responsibility Committee during the Financial Year 2024-25 was as follows:

- |       |                       |   |          |
|-------|-----------------------|---|----------|
| (i)   | Dr. Kakasaheb Mahadik | : | Chairman |
| (ii)  | Mr. Padmakar Joshi    | : | Member   |
| (iii) | Mr. Niraj Dhadiwal    | : | Member   |

**q) Financial Highlights:**

Particulars	Standalone (Rs. In Lakhs)		Consolidated (Rs. In Lakhs)	
	FY 2025	FY 2024	FY 2025	FY 2024
Revenue	37,563.55	36,547.32	37,903.10	36,742.44
Other Income	562.09	469.10	578.41	518.39
Total Income	38,125.64	37,016.42	38,481.51	37,260.83
Operating expenditures	33,236.71	32,537.08	33,530.41	32,608.97
Profit before interest, depreciation, and tax	4,861.46	4,479.34	4,951.10	4,651.86
Less: Finance costs	1,138.58	692.44	1,138.82	692.44
Depreciation and amortisation	1,989.14	1,482.93	2,011.34	1,595.18
Profit/ (Loss) before exceptional items and tax	1,761.21	2,303.97	1,800.94	2,364.24
Exceptional Items – loss	-	-	-	-
Profit/(Loss) before tax	1,761.21	2,303.97	1,800.94	2,364.24
Tax expense	586.81	628.42	584.44	639.61
Profit/(Loss) after tax	1,174.40	1,675.55	1,216.50	1,724.63
Opening balance in Retained Earnings	15,273.42	13,636.06	15,743.15	14,056.70
Profit available for appropriation	16,447.82	15,311.61	16,959.67	15,781.34

The Annual Report on CSR Activities is annexed as **Annexure-I** to the Board's Report.

**p) Board Evaluation:**

Pursuant to the provisions of Section 134(3)(p) of the Act read with Rule 8(4) of the Companies (Accounts) Rules, 2014, an annual evaluation was carried out by the Board of its own performance as well as that of its committees and individual Directors. The evaluation was done by the Board after seeking input from all Directors, inter alia covering different aspects, viz., composition and structure of the Board, attendance, including participation of the Directors at the Board and Committee meetings, observance of governance, quality of deliberation, and effectiveness of the procedures adopted by the Board.

In evaluating the performance of the individual directors, criteria such as qualification, knowledge, attendance at meetings and participation in long-term strategic planning, leadership qualities, responsibilities assumed, interpersonal relationships, and analytical decision-making abilities were taken into consideration. In compliance with regulation 17(10) of the listing regulations, the Board carried out performance evaluations of Independent Directors without the participation of the Directors being evaluated.

The Independent Directors evaluated the performance of the Chairman and Managing Director. The evaluation process has been explained in the Corporate Governance Report. The Board reviewed the evaluation results as collated by the Nomination and Remuneration Committee

Particulars	Standalone (Rs. In Lakhs)		Consolidated (Rs. In Lakhs)	
	FY 2025	FY 2024	FY 2025	FY 2024
Less: Appropriations	-	-	-	-
Dividend	-	-	-	-
Dividend distribution tax	-	-	-	-
Transfer from other comprehensive income	(53.84)	(38.19)	(53.84)	(38.19)
Closing balance in Retained Earnings	16,393.98	15,273.42	16,905.83	15,743.15

**r) Change in nature of business, if any:** NIL

**s) The details of Directors or Key Managerial Personnel who were appointed or have resigned:****Details of Directors appointed:**

The Board of Directors on the recommendation of Nomination & Remuneration Committee, in its meeting held on 28<sup>th</sup> Day of March, 2025 have appointed Mr. Ashok Bhatia (DIN: 02090239) as an Independent Director (Additional Director) of the Company for a period of three years effective from 01<sup>st</sup> day of April, 2025 to 31<sup>st</sup> March, 2028, subject to approval of shareholders in the ensuing Annual General Meeting. A resolution seeking shareholders' approval for his appointment forms a part of the Notice of the Annual General Meeting.

The Board of Directors on the recommendation of Nomination & Remuneration Committee, in its meeting held on 28<sup>th</sup> Day of March, 2025 reappointed Dr. Kamlesh Shende (DIN: 09537666) as an Independent Director of the Company for the further term of three years effective from 01<sup>st</sup> day of April, 2025 to 31<sup>st</sup> March, 2028, subject to approval of shareholders in the ensuing Annual General Meeting. A resolution seeking shareholders' approval for his re-appointment forms a part of the Notice of the Annual General Meeting.

**Details of Directors ceased:**

Dr. Kakasaheb Mahadik (DIN: 08688418), ceased to be Independent Director of the Company with effect from 01<sup>st</sup> April, 2025 upon completion of his term as an Independent Director. The Board places on record its appreciation for his invaluable contribution and guidance.

**Details of Directors resigned during the year:** NIL**Details of Key Managerial Personnel appointed or resigned during the year:** NIL**Details of Director Retiring by Rotation :**

Mr. Zulfikar Kamal, Whole-time Director (DIN: 01786763), who retires by rotation at the ensuing Annual General Meeting and, being willing and eligible, has offered himself for re-appointment. A resolution

seeking Shareholders' approval for his re-appointment along with other required details forms part of the Notice of the Annual General Meeting.

**t) Statement regarding the opinion of the Board with regard to the integrity, expertise, and experience (including proficiency) of the Independent Directors appointed during the year:**

In the Board's opinion, the Independent Directors on the Board of the Company are persons of high repute and integrity who possess relevant expertise and experience in their respective fields.

**u) Name of Companies which have become subsidiaries or ceased to be its Subsidiaries, joint ventures or associate companies, during the year:**

'ZIM Laboratories FZE' the wholly owned subsidiary of the company has incorporated a subsidiary ZIM SCIENTIFIC OFFICE L.L.C in Dubai with effect from 15<sup>th</sup> November, 2024.

As of 31.03.2025, the Company has five Subsidiaries and two step down subsidiaries.

**v) Details relating to deposits covered under Chapter V of the Act:** NIL**w) The details of deposits that are not in compliance with the requirements of Chapter V of the Act are:** The company has not accepted any deposits during the year.**x) The details of significant and material orders passed by the regulators, courts, or tribunals impacting the going concern status and the company's operations in the future:** NIL**y) The details in respect of the adequacy of Internal Financial Controls with reference to the financial statements:**

The details of Internal Financial Controls are separately covered under the **Management Discussion & Analysis Report** which forms part of the Annual Report.

**z) Details of the Employee Stock Option Scheme as of 31st March, 2025:**

The ZIM Laboratories Employee Stock Option Scheme 2023, approved by the shareholders, is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations"). The disclosure required under the SEBI SBEB Regulations and a certificate from the Secretarial Auditors, confirming implementation of the Plan in accordance with SEBI Regulations and shareholder's resolution has been hosted on the website of the Company at <https://www.zimlab.in/investor-reports-general-meeting>

**aa) Report on the performance and financial position of subsidiaries, viz.:**

1. ZIM Laboratories FZE, Sharjah
2. ZIM Health Technologies Limited, India
3. SIA ZIM Laboratories Limited, Latvia
4. ZIM Thinorals Private Limited, India
5. ZIMTAS PTY LTD, Australia
6. ZIM Laboratories Middle East DMCC, UAE, Step Down Subsidiary
7. ZIM SCIENTIFIC OFFICE L.L.C, Dubai, Step Down Subsidiary

In compliance with the first proviso to Section 129(3) of the Companies Act, 2013 and Rules 5 and 8(1) of the Companies (Accounts) Rules, 2014, salient features of the financial statements, performance, and financial position of each subsidiary is given in **Form AOC-I as Annexure VI**.

The consolidated financial statements presented in this Annual Report includes financial results of the subsidiary companies. Copies of the financial statements of the subsidiary companies will be available on the Company's website [www.zimlab.in](http://www.zimlab.in)

**ab) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013.**

The company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition, and Redressal) Act, 2013.

The company has complied with provisions relating to the constitution of an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013.

The Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, and trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed of during the year 2024-25:

- |                                    |   |     |
|------------------------------------|---|-----|
| i) No. of complaints received      | : | NIL |
| ii) No. of complaints disposed off | : | NIL |

**ac) Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016, during the year along with their status as at the end of the financial year:** Not Applicable.**ad) Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof:** Not Applicable.**ae) Disclosure under Section 148(1) of the Companies Act, 2013:**

The Company has maintained proper books of accounts as required pursuant to the Rules made by the Central Government for the maintenance of Cost records under sub-section (1) of section 148 of the Act in respect of Company's products.

**af) In compliance with Regulation 34 read with Schedule V of the Listing Regulations, a Report on Corporate Governance for the year under review is annexed as Annexure IV to this report.****ag) The Secretarial Audit Report for the financial year ended 31st March, 2025 is annexed as Annexure II to this report.****ah) Particulars of Employees and Related Disclosures:**

The statement containing particulars in terms of Section 197(12) of the Companies Act 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report and is annexed as **Annexure V**.

Further, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits as set out in Rules 5(2) and 5(3) of the aforesaid rules forms part of this report. However, in terms of the first provision of Section 136(1) of the Act, the Annual Report and Accounts are being sent to the members and others entitled thereto, excluding the aforesaid information. The said information is available for inspection by the members at the Registered Office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof

such members may write to the Company Secretary, whereupon a copy would be sent.

**(ai) Compliance of Applicable Secretarial Standards:**

The Company has complied with the applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively.

**(aj) ZIM Laboratories Employee Stock Option Scheme 2023**

The Company has obtained Shareholders' approval on 28<sup>th</sup> January, 2024 through a Postal Ballot for the 'ZIM Laboratories Employee Stock Option Scheme 2023' and the Approval of the grant of employee stock options to the eligible employees of the subsidiary company(ies)

under the 'ZIM Laboratories Employee Stock Option Scheme 2023'. During the financial year 6,87,257 options were granted to the eligible employees under the Scheme.

**(ak) Acknowledgements**

We take this opportunity to thank our employees for their dedicated service and contribution to the Company. We also thank our Bankers, business associates, and other stakeholders for their continued support to the Company.

**For and on behalf of the Board of Directors**

**(Dr. Anwar Siraj Daud)**

Place: Nagpur

Date: 20<sup>th</sup> May, 2025

Chairman

DIN: 00023529

# Annexure - I

## The Annual Report on CSR Activities for the Financial Year 2024-25

### 1. Brief outline on CSR Policy of the Company:

ZIM Laboratories Limited is committed to making a positive impact on society through its Corporate Social Responsibility (CSR) initiatives. The Company's CSR policy defines its approach to supporting community welfare and sustainable development, in alignment with its core values and business ethics.

#### The key focus areas of the Company's CSR efforts include:

**Healthcare & Sanitation:** Improving access to healthcare and sanitation facilities, with an emphasis on community health and hygiene.

**Education:** Supporting educational initiatives for under privileged students that foster learning opportunities.

**Women Empowerment:** Promoting gender equality by supporting women's economic, social, and educational empowerment.

**Environment Conservation:** Implementing projects aimed at preserving and improving the environment through sustainable practices.

The CSR policy provides a framework for identifying, executing, and monitoring CSR projects, ensuring they align with the Company's values and address the specific needs of local communities. ZIM Laboratories Limited is committed to making meaningful contributions at the grassroots level, thereby ensuring long-term positive effects on the communities it serves.

### 2. Composition of CSR Committee:

Sr. No.	Name of Director Designation / Nature of Directorship	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr. Kakasaheb Mahadik	Chairman, Independent Director	3	3
2	Mr. Padmakar Joshi	Member, Independent Director	3	3
3	Mr. Niraj Dhadiwal	Member, Whole-Time Director	3	3

3. The web link(s) where Composition of the CSR Committee, CSR Policy, and CSR Projects approved by the Board are disclosed on the website of the company : <https://www.zimlab.in/investor-reports-policies>

4. The executive summary, along with web - link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. : Not Applicable

5. (a) Average net profit of the company as per sub-section (5) of section 135. : ₹ 2,627.84 Lakhs

(b) Two percent of the average net profit of the company as per sub-section (5) of Section 135. : ₹ 52.56 Lakhs

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. : NIL

(d) Amount required to be set-off for the financial year, if any : ₹ 4.06 Lakhs

(e) Total CSR obligation for the financial year [(b)+(c)-(d)] : ₹ 48.50 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects) : ₹ 48.53 Lakhs

(b) Amount spent in Administrative overheads : NIL

(c) Amount spent on Impact Assessment, if applicable : NIL

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] : ₹ 48.53 Lakhs

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹.)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
48,52,556	Not Applicable				

\* Note : For the F.Y. 2024-25, the Company has not undertaken any ongoing projects under CSR.

(f) Excess amount for set-off, if any:

Sr. No.	Particular	Amount (in ₹ Lakhs)
(i)	*Two percent of the average net profit of the company as per sub-section (5) of Section 135	48.50
(ii)	Total amount spent for the Financial Year	48.53
(iii)	Excess amount spent for the Financial Year [(ii) - (i)]	0.03
(iv)	Surplus arising out of the CSR projects, programmes, or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set-off in succeeding Financial Years [(iii)-(iv)]	0.03

\*Note : For calculation of amount at (f)(i) above, please refer to calculation mentioned at serial no. 5 to this annexure.

### 7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
						Amount (in ₹)	Date of Transfer
Not Applicable							

### 8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/acquired : **Not Applicable.**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset (s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable.	Name	Registered Address
Not Applicable							

(All the fields should be captured as appearing in the revenue record: flat no., house no., Municipal Office / Municipal Corporation / Gram Panchayat are to be specified, and also the area of the immovable property as well as boundaries.)

**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135 : Not Applicable**

For and on behalf of the Board of Directors

Place: Nagpur  
Date: 20<sup>th</sup> May, 2025

**Mr. Zulfiqar Kamal**  
Director (Finance)  
DIN : 01786763

**Dr. Kamlesh Shende**  
Chairman (CSR Committee)  
DIN: 09537666

## Annexure - II

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**ZIM Laboratories Limited**  
Sadoday Gyan (Ground Floor),  
Opp. NADT, Nelson Square,  
Nagpur - 440013

We have conducted the Secretarial Audit of the compliance with applicable statutory provisions and the adherence to good corporate practices by **ZIM Laboratories Limited** having **CIN: - L99999MH1984PLC032172** (hereinafter called "the Company") for the Financial Year ended March 31, 2025 (the "Audit Period"/ "Period under review").

We have conducted the Secretarial Audit in a manner that provided us with a reasonable basis for evaluating the Company's corporate conducts/ statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

- (i) Our verification of the Company's books, papers, minutes books, copies of various records, copies of minutes of the meetings of the Board of Directors of the Company (the Board) and Committees thereof, forms and returns filed and records provided and other records maintained by the Company and furnished to us in relation to all compliance-related actions taken by the Company during the Financial Year 2024-25 as well before the day of issue of this report;
- (ii) Compliance certificates confirming compliance with corporate laws as applicable to the Company as given by the Key Managerial Personnel / Senior Managerial Personnel of the Company and taken on record by the Company's Audit Committee / Board of Directors; and
- (iii) Representations made, documents produced and information provided by the Company, its officers, agents and authorized representatives during our conduct of Secretarial Audit.

We hereby report that, in our opinion, during the Audit Period covering the Financial Year ended March 31, 2025 that the Company has:

- (i) Complied with the statutory provisions listed hereunder; and

- (ii) Board processes and compliance mechanisms are in place

to the extent, in the manner and subject to the reporting made hereinafter.

The members are requested to read this report along with our letter of even date annexed to this report as Annexure-A.

### 1. COMPLIANCE WITH SPECIFIC STATUTORY PROVISIONS

**We further report that:**

- 1.1 We have examined copies of the books, papers, minutes books, forms and returns filed and other records maintained by the Company, returns filed and compliance related action taken by the company, and other records maintained and furnished to us, during the period under review, according to the applicable provisions / clauses of:
  - (i) The Companies Act, 2013 (the "Act") and the Rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) Secretarial Standards relating to Board Meetings, Committee meetings and General Meetings issued by The Institute of Company Secretaries of India ("Secretarial Standards") and notified by the Central Government under Section 118 (10) of the Act which have mandatory application;
  - (v) Foreign Exchange Management Act ("FEMA"), 1999 and the Rules and Regulations made thereunder to the extent of Overseas Direct Investment;
  - (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act")
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015\*;
- (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
- (f) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

\*The Company has also maintained a Structured Digital Database ("SDD") pursuant to the requirement of Regulation 3(5) and 3(6) of The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

1.2 During the period under review, and also considering the compliance related action taken by the Company after March 31, 2025, but before the date of issue of this report, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us:

- (i) Complied with the applicable provisions/ clauses of the Acts, Rules, Regulations, Guidelines and Secretarial Standards as mentioned above.
- (ii) Complied with the applicable provisions / clauses of:
  - (a) The Acts, Regulations and rules mentioned under paragraph 1.1; and
  - (b) The Secretarial Standards on meetings of Board of Directors and Committees constituted by it (SS-1) and on General Meetings (SS-2) mentioned under paragraph 1.1 (iv) above, which are applicable to the meetings of the Board and its Committees held during the year, the 40<sup>th</sup> Annual General Meeting (AGM) held on June 27, 2024 and the circular resolutions passed by the Board. The compliance of the provisions of the Rules made under the Act with regard to participation of Directors through video conferencing for the Board/Committee meeting(s) held during the year, were

verified based on the minutes of the meetings provided by the Company.

- (c) During the year under review, the Company has not received any complaints under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act, 2013").

1.3 During the audit period under review, provisions of the following Acts /Regulations were not applicable to the Company:

- (i) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings;
- (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (iii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (iv) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

1.4 We have also examined, on test-check basis, the relevant documents and records maintained by the Company and provided to us with respect to the following Statutes which are specifically applicable to the Company:

- a) Drug (Price Control) Order 2013,
- b) Narcotic Drug and Psychotropic Substance Act 1985,
- c) The Drugs and Cosmetics Act, 1940,
- d) The Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954.

## 2. BOARD PROCESSES:

### We further report that:

- 1.1 The Board of Directors of the Company as on March 31, 2025 comprised of:
  - (i) Mr. Anwar Daud (DIN: 00023529) Chairman and Managing Director ( Promoter of the Company)
  - (ii) Mr. Zulfiqar Murtuza Kamal (DIN: 01786763) Whole-time Executive Director (Promoter of the Company)
  - (iii) Mr. Niraj Pukhraj Dhadiwal (DIN: 02007428) Whole-time Executive Director

- (iv) Mr. Prakash Pralahadrao Sapkal (DIN: 02007385) Whole-time Executive Director
- (v) Ms. Kavita Loya (DIN: 07943519) Non-Executive - Independent Director
- (vi) Mr. Padmakar Shrinivas Joshi (DIN: 07944709) Non-Executive - Independent Director
- (vii) Mr. Kamlesh Bajirao Shende (DIN: 09537666) Non-Executive - Independent Director
- (viii) Mr. Kakasaheb Ramoo Mahadik (DIN: 08688418) Non-Executive - Independent Director

The constitution of the Board is in line with the requirements prescribed under the SEBI(LODR) Regulations, 2015.

2.2 The processes relating to the following changes in the composition of the Board of Directors and Key Managerial Personnel during the Audit Period were carried out in compliance with the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015:

1. Re-appointment of Mr. Prakash Sapkal (DIN: 02007385), as Whole-time Director of the Company, liable to retire by rotation, at the 40<sup>th</sup> Annual General Meeting held on June 27, 2024.
2. Cessation of office of Mr. Kakasaheb Mahadik (DIN: 08688418), as a Non-Executive Independent Director of the Company w.e.f. April 01, 2025, due to completion of tenure.
3. Appointment of Mr. Ashok Bhatia (DIN: 02090239), as Additional Non-Executive Independent Director of the Company by the Board of Directors at its meeting held on March 28, 2025 for a period of three (3) years w.e.f. April 01, 2025 to March 31, 2028 the same is subject to the approval of shareholders at the ensuing Annual General Meeting.
4. Re-appointment of Mr. Kamlesh Bajirao Shende (DIN: 09537666), as a Non-Executive Independent Director of the Company for a second term by the Board of Directors at its meeting held on March 28, 2025 for a period of three (3) years w.e.f. April 01, 2025 to March 31, 2028 the same is subject to the approval of shareholders at the ensuing Annual General Meeting.

2.3 Adequate notice(s) with Agenda and the detailed notes to Agenda were given at least seven days before the meetings to all the directors to enable

them to plan their schedule for the meetings of the Board and the Committees constituted by the Board, and where the same were given at a notice period shorter than seven days, at least one Independent Director was present at the meeting, as required under Section 173(3) of the Companies Act, 2013 and Secretarial Standards.

2.4 A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and to ensure their meaningful participation at the meetings.

2.5 We note from the minutes examined that, at the Board meetings held during the year:

- (i) Decisions were taken through the majority of the Board; and
- (ii) No dissenting views were expressed by any Board member on any of the subject matters discussed, which were required to be recorded as part of the minutes.

## 3. COMPLIANCE MECHANISM

There are reasonably adequate systems and processes prevalent in the Company, which are commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

## 4. SPECIFIC EVENTS / ACTIONS

4.1 During the year under review, the following specific events/ actions, having a major bearing on the Company's affairs took place: -

- a) Incorporation of a wholly owned subsidiary of "ZIM Laboratories FZE", Sharjah, in the name of "ZIM Scientific Office L.L.C." in Dubai, United Arab Emirates, on November 15, 2024, consequently becoming the step-down subsidiary of the Company
- b) Investment of AUD 9,900 (Australian Dollar Nine Thousand Nine Hundred only) in the equity share of ZIMTAS Pty Ltd, on April 02, 2024, which is a Joint Venture between the Company and MEDTAS Pty Ltd situated in Australia. Post investment the Company hold 99% and MEDTAS Pty Ltd held 1%. Subsequently, the Company has further invested AUD 1,23,525 (Australian Dollar One Lakh Twenty-three Thousand Five Hundred and Twenty-five only), on July 02, 2024. The Company now holds 99.93% of the paid-up share capital of ZIMTAS Pty Ltd.

- c) Investment by the Company in SIA ZIM Laboratories Limited (Wholly-Owned Subsidiary) of Euro 44,500 (Euros Forty-Four Thousand Five Hundred Only) divided into 89 Equity Shares of 500 Euro each on October 01, 2024, Subsequently on March 19, 2025, the Company made another investment of Euro 1,53,000 (Euro One Lakh and Fifty-Three Thousand only) divided into 306 Equity Shares of 500 Euro each. The Company holds 100% of Paid up Share Capital of SIA ZIM Laboratories Limited.

For **BNP & Associates**  
Company Secretaries  
[Firm Regn. No. P2014MH037400]  
[PR No.: - 6316/2024]

**Avinash Bagul**  
Partner

FCS No.: -5578

COP No.: - 19862

UDIN: F005578G000383615

Place: Mumbai

Date: 20<sup>th</sup> May, 2025

## Annexure A

### to the Secretarial Audit Report for the Financial Year ended March 31, 2025

To,  
The Members,  
**ZIM Laboratories Limited**

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. We have considered compliance related actions taken by the company in compliance with law.
4. We have verified the secretarial records furnished to us to see whether the correct facts are reflected therein. We have also examined the compliance procedures followed by the Company. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
6. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
7. Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **BNP & Associates**  
Company Secretaries  
[Firm Regn. No. P2014MH037400]  
[PR No.: - 6316/2024]

**Avinash Bagul**  
Partner

FCS No.: -5578

COP No.: - 19862

UDIN: F005578G000383615

Place: Mumbai

Date: 20<sup>th</sup> May, 2025

## Annexure - III

### FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts or arrangements entered by the Company with related parties referred to in subsection (1) of Section 188 of the Companies Act, 2013, including certain arm's length transactions under the fourth proviso there:

- |   |  |       |
|---|--|-------|
| 1 | Details of contracts, arrangements, or transactions not at arm's length basis  | : NIL |
| 2 | Details of material contracts, arrangements, or transactions (i.e., exceeding ten percent of the annual consolidated turnover as per the last audited financial statements) at arm's length basis. | : NIL |

Note: All related party transactions are benchmarked for arm's length and approved by the Audit Committee. The Company has not entered into any material contract / arrangement / transaction with its related parties during FY 2024-25.

**For and on behalf of the Board of Directors**

**(Anwar Siraj Daud)**  
Chairman  
DIN: 00023529

Place: Nagpur

Date: 20<sup>th</sup> May, 2025

# Annexure - IV

## CORPORATE GOVERNANCE REPORT

### 1) Company's philosophy on Code of Governance :-

At ZIM Laboratories Limited, we believe that strong corporate governance is key to building trust, ensuring accountability, and promoting long-term growth. Our approach to corporate governance is based on values of integrity, transparency, and active engagement with all stakeholders. We are dedicated to maintaining the highest standards of governance to protect the interests of our stakeholders, including members, creditors, clients, employees, and others.

A report on compliance with corporate governance principles as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI LODR") is given below.

### 2) Board of Directors :

(i) The composition of the Board of your Company is in conformity with Regulation 17 of the SEBI (LODR) Regulations read with Sections 149 and 152 of the Companies Act.

Name	DIN No.	Category
Dr. Anwar Siraj Daud, Chairman	00023529	Promoter and Managing Director
Mr. Zulfiquar Kamal	01786763	Promoter and Executive Director
Mr. Niraj Dhadiwal	02007428	Executive Director
Mr. Prakash Sapkal	02007385	Executive Director
Mrs. Kavita Loya	07943519	Independent Director
Mr. Padmakar Joshi	07944709	Independent Director
Dr. Kakasaheb Mahadik	08688418	Independent Director
Dr. Kamlesh Shende	09537666	Independent Director

(ii) Eleven Board Meetings were held during the year on 13.05.2024, 03.06.2024, 18.06.2024, 20.07.2024, 03.08.2024, 31.08.2024, 30.09.2024, 09.11.2024, 22.01.2025, 10.02.2025, 28.03.2025 and 40<sup>th</sup> Annual General Meeting was held on 27.06.2024.

(iii) The attendance, number of meetings attended and their directorship in other public companies of the Board of Directors as on 31.03.2025 are as under:

Name	No. of Board meeting held	No. of Board Meeting Attended	Whether attended last AGM held on 27.06.2024	No. of directorship in other public limited companies	Committee positions in other companies		Directorship in other listed entity (Category of Directorship)
					Chairman	Member	
Dr. Anwar Siraj Daud	11	10	Yes	1	NIL	NIL	NIL
Mr. Zulfiquar Kamal	11	10	Yes	1	NIL	NIL	NIL
Mr. Niraj Dhadiwal	11	10	Yes	NIL	NIL	NIL	NIL
Mr. Prakash Sapkal	11	08	Yes	NIL	NIL	NIL	NIL
Ms. Kavita Loya	11	10	Yes	NIL	NIL	NIL	NIL
Mr. Padmakar Joshi	11	10	Yes	NIL	NIL	NIL	NIL
Dr. Kakasaheb Mahadik	11	10	Yes	NIL	NIL	NIL	NIL
Dr. Kamlesh Shende	11	11	Yes	NIL	NIL	NIL	NIL

(iv) No Director is a relative of another Director.

(v) Number of shares held by Non-Executive Director.

Sr. No.	Name of Non-Executive Director	No. of shares held
1	Mrs. Kavita Loya (Joint Holder)	3,600
2	Dr. Kakasaheb Mahadik	2,400

(vi) The Company has not issued any convertible instruments.

(vii) The details of the familiarization program imparted to Independent Directors are disclosed under the Investor section on the website of the company at [www.zimlab.in](http://www.zimlab.in)

(viii) The Board has identified the following skills / expertise / competencies for the effective functioning of the Company which are currently available with the Board:

**(a) Global Business :** Understanding diverse business environments, economic conditions, cultures, and regulatory frameworks and a broad perspective on global market opportunities.

**(b) Strategy and Planning :** Strategic choices and experience in guiding and leading management teams to make decisions in an unenforceable environment, anticipation of long-term trends in the industry, strong management and leadership in business development.

**(c) Corporate Governance:** Experience in developing and implementing good governance practices, maintaining board and management accountability, protecting stakeholders' interests, and fulfilling responsibilities towards customers, employees, and suppliers while driving good corporate ethics and values.

**(d) General Management:** General Know-how of business management, talent management and development, workplace health & safety.

**(e) Industry Experience :** Significant background and experience in pharmaceuticals sector, science, and technology domain.

**(f) Finance & Accounts :** Proficiency in financial management, financial reporting processes, budgeting, treasury operations, audit, and capital allocation.

(ix) The skills which are currently available with the Directors have been mapped below:

Skills / Area of Expertise	Dr. Anwar Siraj Daud	Mr. Zulfiquar Kamal	Mr. Niraj Dhadiwal	Mr. Prakash Sapkal	Ms. Kavita Loya	Mr. Padmakar Joshi	Dr. Kamlesh Shende	Dr. Kakasaheb Mahadik
Global Business	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Strategy and Planning	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Industry Experience	Yes	Yes	Yes	Yes	-	-	Yes	Yes
Finance & Accounts	Yes	Yes	-	-	Yes	Yes	-	-
Corporate Governance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
General Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

(x) In the opinion of the board, the independent directors fulfil the conditions specified in the Listing Regulations and are independent of the management.

(xi) During the year, no independent director has tendered his/her resignation.

### 3) Audit Committee

(i) **Brief description of terms of reference:**

The powers, role, and terms of reference of the Audit Committee are in line with the provisions of Section 177 of the Act read with Regulation 18 and Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee discharges such duties and functions as generally indicated under the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) 2015, as well as such other functions as may be specifically assigned to it by the Board from time to time.

**(ii) Composition :**

Composition of Audit Committee during the Financial Year 2024-25 was as follows :

1	Mrs. Kavita Loya	Chairperson
2	Dr. Kamlesh Shende	Member
3	Mr. Padmakar Joshi	Member
4	Mr. Zulfiqar Kamal	Member

**(iii) Audit Committee Meetings and attendance during the year :**

During the year ended 31<sup>st</sup> March 2025 the Audit Committee meetings were held on 13.05.2024, 03.06.2024, 03.08.2024, 31.08.2024, 30.09.2024, 09.11.2024, 22.01.2025, 10.02.2025 and 28.03.2025.

Sr. No.	Name of the Committee Member	Committee meetings		Attendance at the last Annual General Meeting
		Held during Tenure	Attended	
1	Mrs. Kavita Loya	9	9	Yes
2	Dr. Kamlesh Shende	9	9	Yes
3	Mr. Padmakar Joshi	9	8	Yes
4	Mr. Zulfiqar Kamal	9	8	Yes

- The gap between two meetings did not exceed one hundred and twenty days.
- The Company Secretary acts as Secretary to the Audit Committee

**4) Nomination & Remuneration Committee:****(i) Brief description of terms of reference :**

The powers, role, and terms of reference of the Nomination and Remuneration Committee cover the areas contemplated in Section 178 of the Companies Act, 2013, read with Regulation 19 and Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) 2015, in addition to other terms as may be referred by the Board of Directors. The role includes the formulation of criteria for determining qualifications, positive attributes, and independence of a director; recommending to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel, and other employees; formulating criteria for the evaluation of Independent Directors and the Board; devising a policy on Board diversity; identifying persons qualified to become Directors and who may be appointed in senior management in accordance with the laid-down criteria, and recommending to the Board their appointment and removal; and administering the ESOS Scheme of the Company.

**(ii) Composition :**

The composition of Nomination & Remuneration Committee during the Financial Year 2024-25 was as follows:

1	Mr. Padmakar Joshi	Chairman
2	Dr. Kakasaheb Mahadik	Member
3	Mrs. Kavita Loya	Member
4	Dr. Anwar Siraj Daud, Chairman of the Board	Member

**(iii) Nomination & Remuneration Committee Meetings and attendance during the year:**

During the year ended 31<sup>st</sup> March, 2025, the Nomination & Remuneration Committee meeting was held on 13.04.2024, 18.06.2024, 05.11.2024 and 28.03.2025.

Sr. No.	Name of the Committee Member	Committee meetings		Attendance at the last Annual General Meeting
		Held during Tenure	Attended	
1	Mr. Padmakar Joshi	4	4	Yes
2	Dr. Kakasaheb Mahadik	4	3	Yes
3	Mrs. Kavita Loya	4	4	Yes
4	Dr. Anwar Siraj Daud	4	4	Yes

**Performance evaluation criteria for Independent Directors:**

The performance evaluation criteria for Independent Directors ("IDs") are determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes:

- Participation and contribution by Independent Directors in the business of the company discussed at various meetings;
- Contribution in terms of effective deployment of knowledge, expertise, and commitment;
- Preparedness for areas and issues that are likely to be discussed at the Board level;
- Invests time in understanding the Company and its distinctive requirements;
- Conducts himself/ herself in a manner that is ethical and consistent with various laws and Regulations; and
- Stays conscious of being independent of the management.

**5) Stakeholder's Relationship Committee:**

The terms of reference of the Stakeholders' Relationship Committee are in line with the provisions of Section 178 (5) of Companies Act, 2013 read with Regulation 20 and Part D of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Stakeholders Relationship Committee is primarily responsible for redressal of Shareholders', Investors', Security holders' grievances including complaints related to transfer of shares, non-receipt of declared dividends, annual reports etc.

The composition of Stakeholder's Relationship Committee during the Financial Year 2024-25 was as follows:

1	Dr. Kamlesh Shende	Chairman
2	Dr. Kakasaheb Mahadik	Member
3	Mr. Prakash Sapkal	Member

During the year ended 31<sup>st</sup> March, 2025, Stakeholder's Relationship Committee meeting was held on 19.03.2025.

Sr. No.	Name of the Committee Member	Committee meetings		Attendance at the last Annual General Meeting
		Held during Tenure	Attended	
1	Dr. Kamlesh Shende	1	1	Yes
2	Dr. Kakasaheb Mahadik	1	1	Yes
3	Mr. Prakash Sapkal	1	1	Yes

**Name and designation of Compliance Officer:**

Mr. Piyush Nikhade, Company Secretary acts as the Secretary to the Stakeholder Relationship Committee and also as the Compliance Officer.

**Status of Shareholders' complaints:**

During the year, the Company received 03 investor complaints, all of them were satisfactorily resolved. There is no complaint pending for redressal.

**5A. Risk Management Committee :**

The Risk Management Committee is constituted on voluntary basis to address the risks associated with the company. The Risk Management Committee, constituted by the Board of Directors, is entrusted with the responsibility of reviewing Risk Management Policy to monitor various organisational risks (strategic, operational, and financial).

**(i) Composition :**

The Composition of Risk Management Committee during the Financial Year 2024-25 was as follows :

1	Mrs. Kavita Loya	Chairperson
2	Dr. Kamlesh Shende	Member
3	Dr. Anwar Siraj Daud	Member

**(ii) Risk Management Committee Meetings and attendance during the year:**

During the year ended 31<sup>st</sup> March, 2025, Risk Management Committee meeting was held on 20.07.2024 and 11.02.2025.

Sr. No.	Name of the Committee Member	Committee meetings		Attendance at the last Annual General Meeting
		Held during Tenure	Attended	
1	Mrs. Kavita Loya	2	2	Yes
2	Dr. Kamlesh Shende	2	2	Yes
3	Dr. Anwar Daud	2	2	Yes

**5B. Particulars of the Senior Management of the Company**

Sr. No.	Name of Employee	Designation
1	Dr. Chandrashekhar Mainde	Technical Director
2	Dr. Uttam Kedar	Assistant Vice President - R&D
3	Mr. Vijay Fudke	Senior Vice President – Technical Services
4	Mr. Pradeep Katariya	Senior Vice President – Operations
5	Mr. Shyam Mohan Patro	Chief Financial Officer
6	Mr. Piyush Nikhade	Company Secretary and Compliance Officer

**6) Remuneration of Directors :**

(i) Remuneration Policy: Your Company has a well-defined policy for remuneration of the Directors, Key Management Personnel, Senior Management, and other Employees. The policy is available on the website of the Company, and the weblink for the same is <https://www.zimlab.in/investor-reports-policies>

ii) Details of remuneration of Independent Directors are as follows :

Sr. No.	Name of Director	Remuneration paid in F.Y. 2024-25 (₹ In Lakhs)
1	Mrs. Kavita Loya	9.00
2	Mr. Padmakar Joshi	7.00
3	Dr. Kamlesh Shende	7.00
4	Dr. Kakasaheb Mahadik	7.00

(i) Details of Sitting Fees : The Directors are not paid any Sitting Fee.

(ii) Remuneration to Executive Directors :

(₹ in Lakhs)

Sr. No.	Name of Director	Remuneration paid in F.Y. 2024-25	Stock Option	Performance Linked Incentive F.Y.2024-25*	Performance Linked Incentive F.Y. 2023-24*	Others	Total Remuneration
1	Dr. Anwar Daud	1,46,74,000	-	Upto 2% of the Consolidated PAT for FY 2024-25	-	-	1,46,74,000
2	Mr. Zulfiqar Kamal	91,88,000	-	Upto 1% of the Consolidated PAT for FY 2024-25	-	-	91,88,000
3	Mr. Niraj Dhadiwal	80,90,000	-	Upto 0.75% of the Consolidated PAT for FY 2024-25	8,20,000	11,13,000	1,00,23,000
4	Mr. Prakash Sapkal	72,25,000	-	Upto 0.75% of the Consolidated PAT for FY 2024-25	11,31,000	15,35,000	98,91,000

- The above remuneration of Mr. Zulfiqar Kamal is exclusive of ₹ 27.72 Lakhs equivalent to 1,20,000 AED received as remuneration from Wholly Owned Subsidiary "ZIM Laboratories Limited FZE" for the F.Y. 2024-25.
- The above remuneration of Mr. Prakash Sapkal is exclusive of ₹ 7.73 Lakhs equivalent to Euro 8,520 received as remuneration from wholly owned subsidiary "SIA ZIM Laboratories Limited" for the FY 2024-25.
- The performance linked incentive for F.Y. 2023-24 was paid in F.Y. 2024-25 after evaluation of performance of Directors.
- The details mentioned above are based on Standalone Financials.

**7) Corporate Social Responsibility Committee :**

(i) **Composition of Corporate Social Responsibility Committee (CSR) during the Financial Year 2024-25 was as follows:**

Sr. No.	Name of Director	Position held
1	Dr. Kakasaheb Mahadik	Chairman
2	Mr. Padmakar Joshi	Member
3	Mr. Niraj Dhadiwal	Member

The terms and reference of the Committee of the CSR are in line with the provisions of Section 135 of the Companies Act, 2013 (the Act), and inter-alia, includes the following:

- To formulate and recommend to the Board the Corporate Social Responsibility Policy (CSR Policy) as specified in Schedule VII of the Companies Act, 2013 ('the Act') read with Companies (Corporate Social Responsibility) Rules, 2014.
- To recommend to the Board the amount of expenditure to be incurred on the activities undertaken by the Company as per the CSR Policy.
- To monitor the CSR Policy of the company from time to time.

(ii) **Committee Meetings and attendance during the year :**

During the year ended 31<sup>st</sup> March, 2025, Corporate Social Responsibility Committee meeting was held on 20.08.2024, 14.11.2024 and 07.01.2025 and all the members were present in the meeting.

Sr. No.	Name of the Committee Member	Committee meetings		Attendance at the last Annual General Meeting
		Held during Tenure	Attended	
1	Dr. Kakasaheb Mahadik	3	3	Yes
2	Mr. Padmakar Joshi	3	3	Yes
3	Mr. Niraj Dhadiwal	3	3	Yes

**8) General Body Meetings :****Annual General Meeting**

The details of the last three Annual General Meetings are as under :

AGM for the period/year ended	Venue	Date	Time	Special Resolution Passed
40 <sup>th</sup> AGM for the year ended March 31, 2024	Video Conferencing (VC)/ Other Audio- Visual Means (OAVM)	27.06.2024	11:30 a.m.	No Special Resolution was passed.
39 <sup>th</sup> AGM for the year ended March 31, 2023	Video Conferencing (VC)/Other Audio- Visual Means (OAVM)	10.07.2023	11:30 a.m.	No Special Resolution was passed.
38 <sup>th</sup> AGM for the year ended March 31, 2022	Video Conferencing (VC)/Other Audio- Visual Means (OAVM)	19.09.2022	12:30 p.m.	One Special Resolution was passed.

**9) Means of Communication :**

- a. The quarterly, half-yearly, and annual financial results of the Company are published in leading newspapers in India which include The Indian Express, Financial Express, and Loksatta. The results are also displayed on the Company's website at [www.zimlab.in](http://www.zimlab.in). Financial Results, Statutory Notices, Press Releases, and Presentations made to institutional investors/analysts after the declaration of the quarterly, half-yearly, and annual results are submitted to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) as well as uploaded on the Company's website, i.e., [www.zimlab.in](http://www.zimlab.in).
- b. All periodical compliance filings like, Shareholding Pattern, Corporate Governance Report, and Media Releases are electronically filed with BSE and NSE on the Listing Centre and NEAPS Portal respectively which are further disseminated by the exchanges to Public.

**10) General Shareholder information:**

i. AGM: Date, time and venue	The 41 <sup>st</sup> Annual General Meeting of the Company is scheduled to be held on 27 <sup>th</sup> June , 2025 at 11.30 a.m. through Video Conferencing (VC)/ Other Audio- Visual Means (OAVM) Deemed venue : Sadoday Gyan (Ground Floor), Opp. NADT, Nelson Square, Nagpur – 440013. (Registered Office)
ii. Financial Year	01 <sup>st</sup> April 2024 - 31 <sup>st</sup> March 2025
iii. Dividend Payment Date	Not applicable
iv. Listed on stock exchange	BSE Limited and National Stock Exchange of India Limited, Annual Listing Fees as applicable has been paid.
v. Stock Code	BSE Limited : 541400 NSE Limited : ZIMLAB
vi. ISIN Code	INE518E01015
vii. Registrar and Share Transfer Agent	MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), C-101, Embassy 247, L.B.S. Marg, Vikhroli (W) Mumbai - 400 083 Tel No : +91 22 49186000 Email Id: rnt.helpdesk@in.mpms.mufg.com

**Share Transfer System:**

Shares of the company are traded compulsorily in dematerialised form and are transferable through a depository system. Further, SEBI vide its circular dated January 25, 2022, mandated that all service requests for the issue of duplicate certificates, claims from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, subdivision/ splitting/ consolidation of certificate, transmission, and transposition which were allowed in physical form, should be processed in dematerialised form only. The necessary forms for the above request are available on the website of the Company, i.e., [www.zimlab.in](http://www.zimlab.in).

**Shareholders holding shares in physical form are advised to dematerialise their shares.**

Shareholders should communicate with MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited), the Company's Registrars & Share Transfer Agent at [rnt.helpdesk@in.mpms.mufg.com](mailto:rnt.helpdesk@in.mpms.mufg.com) quoting their folio number or Depository Participant ID and Client ID number, for any queries relating to their securities.

A certificate under Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided to the company by the Company Secretary in Practice, who undertakes audit at the end of the financial year of share transfer related activities, which are submitted by the Company to BSE Ltd. & National Stock Exchange of India Limited (NSE Ltd.)

**Distribution of Shareholding pattern as on 31.03.2025**

Nominal Value of Shareholding	No. of Shareholders	% of Shareholders	Total Shares	% of Share
Upto 500	13,334	74.78	18,61,674	3.82
501 – 1000	2,314	12.98	17,09,112	3.51
1001 – 2000	1,043	5.85	15,69,668	3.22
2001 – 3000	419	2.35	10,80,521	2.22

Nominal Value of Shareholding	No. of Shareholders	% of Shareholders	Total Shares	% of Share
3001 – 4000	170	0.95	6,05,161	1.24
4001 – 5000	140	0.78	6,46,315	1.33
5001 – 10000	217	1.22	15,72,355	3.22
10001 and above	194	1.09	3,96,81,008	81.44
Total	17,831	100	4,87,25,814	100

**Shareholding pattern as on 31.03.2025 of equity shares as per Regulation 31 of SEBI (Listing Obligations & Disclosure Requirement) Regulation, 2015.**

Category	No. of Shares	Percentage (%)
Promoter & Promoter Group	1,62,07,980	33.26
Other Bodies Corporate	3,86,04,67	7.92
Non-Resident Indians	9,22,779	1.89
Foreign Individuals	12,95,208	2.66
Public	2,64,39,380	54.27
<b>Total</b>	<b>4,87,25,814</b>	<b>100.00</b>

**Dematerialisation of shares :**

Category	No. of Shares	Percentage (%)
In NSDL	3,85,42,951	79.10
In CDSL	76,30,035	15.66
In Physical form	25,52,828	5.24
<b>Total</b>	<b>4,87,25,814</b>	<b>100.00</b>

Outstanding GDRs/ADRs/Warrants or any convertible Instruments, conversion date and likely impact on equity : NIL

**Dematerialization of shares and liquidity:**

The Company's shares are compulsorily traded in dematerialized form on BSE and NSE. Equity shares of the Company representing 94.76 percent of the Company's equity share capital are dematerialized as on 31<sup>st</sup> March, 2025.

**Foreign exchange risk and hedging activities:**

Being an exporter, the company earns about 78% of the revenue from Exports to various markets across the world. As a result, the exchanges are received in the EEFC account maintained at the scheduled bank. The Imports are being financed through the available balances in the EEFC account.

The Company also availed of the EPC/PCFC/PSFC/FBD/FBN/FBP facility from its Bankers - Bank of India and SVC Co-Operative Bank Ltd.

The exchange inflow is being utilized for satisfaction of the credit availed through the referred facility. This referred process provides a natural hedge to the company.

**Credit Ratings:** The Credit rating agency Acuite Ratings & research Limited (ACUITE) has assigned and reaffirmed credit rating ACUITE BBB; Outlook : Stable to the long-term borrowings and ACUITE A3+ ; Outlook : Stable to short-term borrowing of the company.

The Credit rating agency CARE Ratings Limited has reaffirmed the ratings as CARE BBB ; Stable to the Long Term Borrowings and CARE A3 to short term borrowings of the Company.

**Plant locations :**

B-21/22, MIDC Area, Kalmeshwar-441-501, Dist. Nagpur (MH)  
Ph. : 091-07118-271370 /271990  
Email ID : info@zimlab.in

**Address for correspondence:****Registered Office :**

Mr. Piyush Nikhade, Company Secretary  
ZIM Laboratories Limited  
Sadoday Gyan (Ground Floor) Opp. NADT,  
Nelson Square, Nagpur - 440 013.  
Ph. : 0712-2981960  
Email ID : cs@zimlab.in

**For Share Transfer matters :**

MUFG Intime India Private Limited,  
C-101, Embassy 247, L.B.S. Marg, Vikhroli (W)  
Mumbai - 400 083.  
Ph. (022) 49186000  
Email ID : rnt.helpdesk@in.mpms.mufg.com

**11) Disclosures :**

- (i) **Disclosure on materially significant related party transactions, i.e., transactions of the company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large:**

No materially significant related party transaction took place during the year ended 31<sup>st</sup> March, 2025, that had potential conflict with the interests of the Company. All transactions entered with the related parties during the year ended 31<sup>st</sup> March, 2025, as mentioned under the Companies Act, 2013, and Regulations 23 and 27(2)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, were in the ordinary course of business and on arm's length basis.

- (ii) **Details of non-compliance:** There were no non-compliances during the year ended 31.03.2025.

- (iii) **Disclosure by Senior Management in accordance with Regulation 4 (1)(i), (2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

The Senior Management of the Company has confirmed to the Board of Directors that they do not have any personal interest relating to material, financial, and commercial transactions with the Company that may have a potential conflict with the interests of the Company at large.

- (iv) **Whistle Blower Policy:**

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are implemented through the Company's Whistle Blower Policy to enable the Directors, employees, and all stakeholders of the Company to report genuine concerns, to provide for adequate safeguards against victimisation of persons who use such mechanisms and make provision for direct access to the Chairman of the Audit Committee.

The Whistle Blower Policy of your Company is available on the Company's website at <https://www.zimlab.in/investor-reports-policies>. It is affirmed that no personnel have been denied access to the Chairperson of the Audit Committee.

- (v) **Details of compliance with mandatory requirements and adoption of non-mandatory requirements:**

All mandatory requirements have been complied with and the non-mandatory requirements will be implemented as and when required and/or deemed necessary by the Board.

- (vi) Policy on determining 'material' subsidiaries is disclosed on website of the company at <https://www.zimlab.in/investor-reports-policies>. As of date, Company does not have any material subsidiary.

- (vii) The policy on dealing with related party transactions is disclosed on the website of the company at <https://www.zimlab.in/investor-reports-policies>.

- (viii) A Certificate from Ms. Roshni Jethani, Company Secretary in Practice have been received, stating that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

- (ix) Walker Chandio & Co. LLP Chartered Accountants (Firm Registration No.001076N/ N500013) has been appointed as the Statutory Auditor of the Company. The particulars for payment of Statutory Auditors' fees for all the services provided by them, on a consolidated basis, is ₹ 63.70 Lakhs.

- (x) **Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2018:**

The details have been disclosed in the Board Report, which forms part of the Annual Report.

- (xi) **Disclosure of Loans and advances in the nature of Loans to firms/companies in which directors are interested by name and amount:** The company has not provided loans and advances in the nature of Loan to firms/companies in which directors are interested.

- (xii) Disclosure on the Discretionary requirement as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- Modified opinion(s) in audit report: The auditor's report on the financial statements of the Company is unmodified.
- Reporting of Internal Auditors: Internal Auditors of the Company make quarterly presentations to the audit committee on their reports.

- (xiii) **Declaration by CEO (Managing Director), Director (Finance) and Chief Financial Officer:**

Dr. Anwar Siraj Daud, Managing Director; Mr. Zulfikar Kamal, Director (Finance); and Mr. Shyam Mohan Patro, Chief Financial Officer of the Company, have furnished to the Board the requisite Compliance Certificate under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31.03.2025.

- (xiv) **Compliance with Corporate Governance requirements:**

The Company has complied with the requirements of corporate governance specified in Regulations 17 to 27 and clauses (b) to (i) of the sub-regulation of Regulation 46 of the SEBI Listing Regulations. Compliance Certificate issued by Ms. Roshni Jethani, Company Secretary in Practice, regarding compliance of conditions of corporate governance is annexed and forms part of this report.

- (xv) **Disclosure of certain type of agreements binding listed entities:**

There are no agreements impacting management or control of the Company, or imposing any restrictions, or creating any liability to the Company.

**Disclosures with respect to demat suspense account/ unclaimed suspense account:**

In accordance with the requirements of Regulation 34 (3) and Part F of Schedule V of the Listing Regulations 2015, the Company reports the following details in respect of equity shares lying in the Unclaimed Suspense account :

Particulars	Number of shareholders	Number of Equity Shares
Aggregate number of shareholders and outstanding shares in the suspense account at the beginning of the Financial Year 2024-25	1,662	3,98,600*
Less: Number of shareholders who approached the Company for the transfer of shares and shares transferred from the Suspense Account during the Financial Year 2024-25	7	9,600
Less: Number of shares Transferred to Investor Education and Protection Fund (IEPF)	194	1,12,200
Aggregate number of shareholders and outstanding shares in the suspense account at the end of the Financial Year 2024-25	1,461	2,76,800

\*The voting rights on these shares shall remain frozen until the rightful owner of such shares claims the shares.

Pursuant to SEBI Circular SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022, the Company has transferred 500 shares to the Suspense Escrow Demat Account during F.Y. 2024-25.

#### Code of Conduct :

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company, which is posted on the website of the Company.

All Board Members and Senior Management Personnel have affirmed compliance with the code. A declaration to this effect, signed by the Managing Director, is as follows:

#### Declaration on Code of Conduct

The Company is committed to conducting its business in accordance with the applicable Laws, Rules, and Regulations and with the highest standards of business ethics. The Company has adopted a "Code of Ethics and Business Conduct" which is applicable to all directors, officers, and employees.

I hereby certify that the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Ethics and Business conduct for the year 2024-25.

**For and on behalf of the Board of Directors**

**(Anwar Siraj Daud)**  
Chairman  
DIN : 00023529

Place : Nagpur

Date : 20<sup>th</sup> May, 2025

## CEO AND CFO COMPLIANCE CERTIFICATE

To  
The Board of Directors of  
**ZIM Laboratories Limited**

As required under Regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we, Anwar Daud, Managing Director, Zulfiquar Kamal, Director (Finance), and Shyam Mohan Patro, Chief Financial Officer, certify that: -

- A. We have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2025 and that to the best of our knowledge and belief:
  - (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee :
  1. There have been no significant changes in internal control over financial reporting during the year;
  2. There have been no significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  3. We have not noticed any fraud, particularly those involving the management or an employee having a significant role in the Company's internal control system over Financial Reporting.

**(Anwar Daud)**  
Managing Director

**(Zulfiquar Kamal)**  
Director (Finance)

**(Shyam Mohan Patro)**  
Chief Financial Officer

Place : Nagpur

Date : 20<sup>th</sup> May, 2025

## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members  
**ZIM Laboratories Limited**  
Sadoday Gyan (Ground Floor),  
Opp. NADT, Nelson Square,  
Nagpur - 440013.

- I have examined the compliance of the conditions of Corporate Governance by ZIM Laboratories Limited ('the Company') for the year ended on 31<sup>st</sup> March, 2025, as stipulated under Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paras C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments from time to time ("SEBI Listing Regulations").

### Management's Responsibility

- Compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

### Opinion

- Based on my examination of the relevant records and according to the information and explanations provided to me and the representations provided by the Management, in my opinion the Company has complied in all material respects with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31<sup>st</sup> March, 2025.
- I state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Date: 05<sup>th</sup> May, 2025  
Place: Nagpur

**(CS Roshni Jethani)**  
Practicing Company Secretary  
ACS No. 48849  
CP No. 17722  
Peer Review No.: 1244/2022  
UDIN: A048849G000273876

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015.

To  
The Members  
**ZIM Laboratories Limited**  
Sadoday Gyan (Ground Floor),  
Opp. NADT, Nelson Square,  
Nagpur - 440013.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ZIM Laboratories Limited, having Corporate Identification Number (CIN) L99999MH1984PLC032172 and having registered office at Sadoday Gyan (Ground Floor), Opp. NADT, Nelson Square, Nagpur-440013 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub clause (10) (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications [including Director Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	DIN	Name of Director	Date of appointment
1	00023529	Dr. Anwar Daud	01/04/2009
2	01786763	Mr. Zulfiquar Kamal	19/10/2012
3	02007385	Mr. Prakash Sapkal	22/11/2013
4	02007428	Mr. Niraj Dhadiwal	22/11/2013
5	07943519	Mrs. Kavita Loya	21/09/2017
6	07944709	Mr. Padmakar Joshi	21/09/2017
7	08688418	Dr. Kakasaheb Mahadik	01/04/2022
8	09537666	Dr. Kamlesh Shende	01/04/2022

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Nagpur  
Date: 05<sup>th</sup> May, 2025

**(CS Roshni Jethani)**  
Practicing Company Secretary  
Membership No. 48849  
COP No. 17722  
Peer Review No.: 1244/2022  
UDIN : A048849G000273854

## Annexure - V

As per the provisions of Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to disclose the following information in the Board's Report.

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year;

Name of the Director	Ratio with median Remuneration
Dr. Anwar Daud	31.97
Mr. Zulfiqar Kamal	20.02
Mr. Niraj Dhadiwal	21.84
Mr. Prakash Sapkal	22.21
Mr. Padmakar Joshi	01.53
Mrs. Kavita Loya	01.96
Dr. Kakasaheb Mahadik	01.53
Dr. Kamlesh Shende	01.53

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Name of the Director	% Increase in Remuneration in FY 2024-25
Dr. Anwar Daud	-17.46%
Mr. Zulfiqar Kamal	-16.63%
Mr. Niraj Dhadiwal	07.54%
Mr. Prakash Sapkal	17.44%
Ms. Kavita Loya	00.00%
Mr. Padmakar Joshi	00.00%
Dr. Kakasaheb Mahadik	00.00%
Dr. Kamlesh Shende	00.00%
Mr. Shyam Patro*	-00.60%
Mr. Piyush Nikhade	38.25%

\*One time reward has been excluded in the calculation.

- (iii) The percentage increase in the median remuneration of financial year : 2.09%
- (iv) The number of permanent employees on the rolls of company : 577
- (v) Average percentage change made in the salaries of eligible employees other than the managerial personnel in the financial year ending March 31, 2025 was approximately 17.78%, and the average increase in the managerial personnel remuneration was -2.60%.
- (vi) The Company affirms that the remuneration paid for FY 2024-25 to the Managerial and Non-Managerial Personnel is as per the remuneration policy of the Company.
- (vi) The statement containing particulars of employees as required under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further the report and the accounts are being sent to members excluding the aforesaid Annexure. In terms of section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

## Annexure - VI

### FORM AOC - 1

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 and rule 8(1) of the Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries as on 31.03.2025

(Figures in Lakhs)

Sr. No.	Particulars	Name of the Subsidiary						
		ZIM Laboratories FZE	ZIM Health Technologies Limited	SIA ZIM Laboratories Limited	ZIM Thinorals Private Limited	ZIMTAS PTY Limited	ZIM Laboratories Middle East DMCC	ZIM Scientific Office LLC
1	Date since when subsidiary was acquired/ incorporated	09.06.2014	16.05.2019*	06.09.2019	18.05.2021	05.03.2024	28.09.2023	15.11.2024
2	Reporting currency	AED	INR	EURO	INR	AUD	AED	AED
3	Exchange Rate as on 31.03.2025	23.27	1.00	92.09	1.00	53.81	23.27	23.27
4	Share Capital	37.66	40.00	3.88	10.00	1.34	-	**1.00
5	Reserves & Surplus	34.29	159.70	(2.41)	(0.29)	(0.09)	-	(0.74)
6	Total Assets	81.69	375.52	5.01	10.11	2.35	-	1.43
7	Total Liabilities	9.74	175.82	3.54	0.40	1.10	-	1.17
8	Investments	-	-	-	-	-	-	-
9	Turnover	159.57	357.79	-	-	-	-	-
10	Profit / (Loss) before Tax	6.35	(9.01)	(0.73)	0.22	(0.06)	-	(0.74)
11	Provision for Tax	-	2.28	-	0.09	-	-	-
12	Profit / (Loss) after Tax	6.35	(6.73)	(0.73)	0.31	(0.06)	-	(0.74)
13	Proposed Dividend	-	-	-	-	-	-	-
14	Extent of Shareholding (in percentage)	100%	100%	100%	100%	99.93%	70%	100%

\* The date of Board approval for acquisition of the Company is considered as the date of acquisition.

\*\* Share Capital is issued, subscribed but not paid as on 31<sup>st</sup> March, 2025 as the process of opening of Bank Account was under process.

For and on behalf of the Board of Directors of ZIM Laboratories Limited

(Anwar Siraj Daud)  
Managing Director  
DIN : 00023529

(Mr. Zulfiqar Kamal)  
Director (Finance)  
DIN : 01786763

Place: Nagpur

Date: 20<sup>th</sup> May, 2025

(Mr. Shyam Mohan Patro)  
Chief Financial Officer

(Mr. Piyush Nikhade)  
Company Secretary

#### Notes:

- Names of subsidiaries, which are yet to commence operations:
  - ZIM Thinorals Private Limited, Wholly Owned Subsidiary
  - ZIM Laboratories Middle East DMCC, Step Down Subsidiary
- Names of subsidiaries, which have been liquidated or sold during the year : NIL

# Independent Auditor's Report

## To the Members of ZIM Laboratories Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

- We have audited the accompanying consolidated financial statements of **ZIM Laboratories Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at **31 March 2025**, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.
- In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated 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 ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2025, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.
- We have determined the matters described below to be the key audit matters to be communicated in our report.

#### Basis for Opinion

- We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, 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 consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

- Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Independent Auditor's Report on the Audit of the Standalone Financial Statements

Key audit matter	How our audit addressed the key audit matter
Based on management's expectation of its commercial utilization of these products, these costs are amortized over a period of three years from the date of capitalization.	<ul style="list-style-type: none"> <li>Tested the mathematical accuracy of the amounts capitalized as marketing rights and also evaluated key assumptions regarding market potential used by the Group on a sample basis;</li> </ul>
For marketing rights under process of approval, the primary risk relates to timely securing of requisite regulatory approvals. For capitalized marketing rights, the key risk is the ability to successfully commercialize the individual product concerned in the respective geography over the expected timelines.	<ul style="list-style-type: none"> <li>Verified sample of costs expensed to supporting documentation such as study reports, invoices and payment records to ensure the correctness of the amounts being expensed;</li> </ul>
The assumptions/judgement applied by management in determining the recoverable value of such rights include expected contributions from projected business generated in respective countries. Changes in these assumptions could lead to an impairment to the carrying value of such intangible assets and Intangible assets under development.	<ul style="list-style-type: none"> <li>Obtained an understanding from management as to the status of each marketing right under process and corroborating, on sample basis, such status assessments from the communications of the Company's management (as distinct from the financial management function) with respective authorities;</li> </ul>
Considering the materiality of the amounts involved, inherent subjectivity and significant management judgement involved to estimate the recoverable value of the marketing rights, capitalization and realisability of 'Product Marketing Authorization' Rights has been identified as a key audit matter for the current year audit.	<ul style="list-style-type: none"> <li>In respect of marketing rights for products that have received regulatory approvals, we assessed the useful life and amortization period for the capitalized costs and challenged their total estimated profitability based on results achieved till date;</li> <li>In respect of marketing rights for products that are no longer considered viable, we determined whether the carrying amount had been appropriately written off; and</li> <li>Evaluated the appropriateness and adequacy of the related disclosures made in the consolidated financial statements in accordance with applicable accounting standards.</li> </ul>

### Information other than the Consolidated Financial Statements and Auditor's Report thereon

- The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of auditor's report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the 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.

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

- The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy

Key audit matter	How our audit addressed the key audit matter
<p><b>Capitalization and realisability of 'Product Marketing Authorization' Rights</b></p> <p>(Refer Note 2(f) to the accompanying consolidated financial statements for material accounting policy information and Note 5(A) and 5(B) for related disclosures)</p> <p>The Group has applied for registration of its various formulated products in different countries. The applications have been made to secure marketing rights / product authorisations in respective geographies, some of which are subject to regulatory approvals. The expenses towards registrations are capitalized as 'Product Marketing Authorizations'. The 'Product Marketing Authorizations' are marketing rights and primarily include costs pertaining to bioequivalence studies, analytical method validation studies and product registration costs in respective geographies.</p>	<p>Our audit procedures with respect to audit of capitalization and realisability of 'Product Marketing Authorization' Rights, included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the management process and controls for calculating the amount to be capitalized and its realisability, and assessed the consistency of the accounting policies with relevant accounting standards;</li> <li>Evaluated the design and tested the operating effective of internal controls around capitalisation and realisability of 'Product Marketing Authorization' Rights;</li> </ul>

## Independent Auditor's Report on the Audit of the Standalone Financial Statements

of records, including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.
9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing 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 consolidated financial statements.
11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143 (3) (l) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' 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 ability of the Group 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which

## Independent Auditor's Report on the Audit of the Standalone Financial Statements

we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. 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.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

15. We did not audit the standalone/ consolidated financial statements of seven subsidiaries, whose standalone/ consolidated financial statements (before eliminating inter-company balances) reflect total assets of ₹ 2,861.76 lakhs as at 31 March 2025, total revenues (before eliminating inter-company transactions) of ₹ 3,916.61 lakhs and net cash outflows amounting to ₹ 796.92 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

Further, of these subsidiaries, four subsidiaries are located outside India whose financial statements and other financial information have been prepared

in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under International Standards on Auditing. The Holding Company's management has converted the financial statements of such subsidiaries, located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiaries located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries, we report that the Holding Company, its subsidiaries incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
17. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.
18. As required by section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act, 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

### Independent Auditor's Report on the Audit of the Standalone Financial Statements

### Independent Auditor's Report on the Audit of the Standalone Financial Statements

- purpose of our audit of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors,
- c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- e) On the basis of the written representations received from the directors of the Holding Company, its subsidiaries, and taken on record by the Board of Directors of the Holding Company, its subsidiaries, and the reports of the statutory auditors of its subsidiaries, covered under the Act, none of the directors of the Group Companies, are disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiaries covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and
- g) 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 and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 44(A) to the consolidated financial statements;
- ii. The Holding Company, and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries, during the year ended 31 March 2025;
- iv. a. The respective managements of the Holding Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, on the date of this audit report, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiaries, ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b. The respective managements of the Holding Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, on the date of this audit report, no funds have been received by the Holding Company or its subsidiaries from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries shall, whether 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; and

- c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Holding Company and its subsidiaries have not declared or paid any dividend during the year ended 31 March 2025.
- vi. As stated in Note 51 to the consolidated financial statements and based on our examination which included test checks performed by us on the Holding Company and that performed by the respective auditors of the subsidiaries of the Holding Company which are companies incorporated in India and audited under the Act, the Holding Company and its subsidiaries, in respect of financial year commencing on 1 April 2024, have used accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and

the same have been operated throughout the year for all relevant transactions recorded in the software except that, the audit trail feature was enabled at the database level for the accounting software used by the Holding Company from 25 July 2024. Further, during the course of our audit we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exception given above. Furthermore, the audit trail has been preserved by the Holding Company and its subsidiaries as per the statutory requirements for record retention from the date the audit trail was enabled for the accounting software.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Khushroo B. Panthaky**  
Partner  
Membership No.: 042423  
UDIN: **25042423BMNRBU5663**

Place: Nagpur  
Date: 20 May 2025

## Annexure I

### List of entities included in the statement

#### Subsidiary companies

1. ZIM Laboratories FZE (UAE)
2. ZIM Health Technologies Limited (India)
3. SIA ZIM Laboratories Limited (Latvia)
4. ZIM Thinorals Private Limited (India)
5. ZIMTAS PTY Limited (w.e.f. 5 March 2024) (Australia)
6. ZIM Laboratories Middle East DMCC (w.e.f. 28 September 2023) (UAE)
7. ZIM Scientific Office L.L.C (w.e.f. 15 November 2024) (UAE)

### Annexure A to the Independent Auditor's Report of even date to the members of ZIM Laboratories Limited on the consolidated financial statements for the year ended 31 March 2025

#### Independent Auditor's Report on the internal financial controls with reference to the Consolidated financial statements under Clause (j) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the consolidated financial statements of ZIM Laboratories Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Holding Company and its two Indian subsidiary companies which are companies covered under the Act, as at that date.

#### Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and two subsidiary companies which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). 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 the Company's business, including adherence to the 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 Act.

#### Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its two subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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

### Independent Auditor's Report on the Audit of the Standalone Financial Statements

of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and two subsidiary companies as aforesaid.

#### Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

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

#### Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

#### Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

#### Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to two subsidiary companies, which are companies covered under the Act, whose financial statements (before eliminating intercompany balances/transactions) reflect total assets of ₹ 4 15.69 Lakhs and net assets of ₹ 2 16.05 Lakhs as at 31 March 2025, total revenues of ₹ 386.24 lakhs and net cash inflows amounting to ₹ 10.71 lakhs for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its two subsidiary companies, as aforesaid, under Section 143 (3) (i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Khushroo B. Panthaky**  
Partner  
Membership No.: 042423  
UDIN: **25042423BMNRBU5663**

Place: Nagpur  
Date: 20 May 2025

# Consolidated Balance Sheet

As at 31 March 2025

	Note	As at 31 March 2025	As at 31 March 2024
(₹ in Lakhs)			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	15,834.39	15,693.35
Capital work-in-progress	4	4,405.44	2,351.60
Goodwill on consolidation	5(A)	16.94	16.94
Other intangible assets	5(A)	576.33	372.34
Intangible assets under development	5(B)	2,641.05	1,876.68
Financial Assets			
Investments	6	5.00	5.15
Other financial assets	7	103.27	78.55
Income tax assets (net)	8	103.82	386.78
Other non-current assets	9	385.36	1,135.99
		<b>24,071.60</b>	<b>21,917.38</b>
<b>Current assets</b>			
Inventories	10	8,647.00	8,126.29
Financial Assets			
Trade receivables	11	10,692.03	10,016.54
Cash and cash equivalents	12	194.66	960.02
Bank balances other than cash and cash equivalents	13	54.59	86.38
Other financial assets	14	30.67	31.85
Other current assets	15	3,511.79	3,543.77
		<b>23,130.74</b>	<b>22,764.85</b>
<b>TOTAL ASSETS</b>		<b>47,202.34</b>	<b>44,682.23</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	16	4,872.58	4,872.58
Other equity	17	20,351.17	19,002.00
<b>Equity attributable to owners</b>		<b>25,223.75</b>	<b>23,874.58</b>
Non controlling interest		0.05	0.03
<b>Total equity</b>		<b>25,223.80</b>	<b>23,874.61</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	18	4,030.10	3,560.06
Lease liabilities	19	206.97	294.95
Deferred tax liabilities (net)	20	1,105.01	1,010.09
		<b>5,342.08</b>	<b>4,865.10</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	21	7,186.45	7,075.20
Lease liabilities	22	356.43	247.18
Trade payables	23		
- total outstanding due of micro enterprises and small enterprises		668.46	466.37
- total outstanding due of creditors other than micro enterprises and small enterprises		6,282.12	5,771.72
Other financial liabilities	24	1,170.36	1,077.72
Other current liabilities	25	612.70	1,224.65
Provisions	26	67.90	79.68
Current tax liabilities (net)	8A	292.04	-
		<b>16,636.46</b>	<b>15,942.52</b>
<b>TOTAL LIABILITIES</b>		<b>21,978.54</b>	<b>20,807.62</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>47,202.34</b>	<b>44,682.23</b>
Material accounting policy information and other explanatory information	1 - 52		

This is the Consolidated Balance Sheet referred to in our report of even date

## For and on behalf of the Board of Directors

**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Khushroo B. Panthaky**  
Partner  
Membership No.: 042423

Place: Nagpur  
Date: 20 May 2025

**Anwar S. Daud**  
Managing Director  
DIN: 00023529

**Shyam Mohan Patro**  
Chief Financial Officer

Place: Nagpur  
Date: 20 May 2025

**Zulfiquar M. Kamal**  
Director (Finance)  
DIN: 01786763

**Piyush Nikhade**  
Company Secretary

# Consolidated Statement of Profit and Loss

For the year ended 31 March 2025

	Note	Year ended 31 March 2025	Year ended 31 March 2024
(₹ in Lakhs)			
<b>I. Income</b>			
Revenue from operations	27	37,903.10	36,742.44
Other income	28	578.41	518.39
<b>Total Income</b>		<b>38,481.51</b>	<b>37,260.83</b>
<b>II. Expenses</b>			
Cost of materials consumed	29	15,500.40	17,769.83
Purchase of stock in trade	30	1,157.82	779.61
Changes in inventories of finished goods and work-in-progress	31	126.65	(1,405.32)
Employee benefits expense	32	6,075.98	5,334.27
Finance costs	33	1,138.82	692.44
Depreciation and amortisation expense	34	2,011.34	1,595.18
Other expenses	35	10,669.56	10,130.58
<b>Total Expenses</b>		<b>36,680.57</b>	<b>34,896.59</b>
<b>III. Profit before tax</b>		<b>1,800.94</b>	<b>2,364.24</b>
<b>IV. Tax (expense):</b>	36		
(i) Current Tax		(419.55)	(88.59)
(ii) Tax adjustment pertaining to earlier years		(47.86)	(5.56)
(iii) Deferred Tax		(117.03)	(545.46)
		(584.44)	(639.61)
<b>V. Net Profit after tax</b>		<b>1,216.50</b>	<b>1,724.63</b>
<b>VI. Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- Measurements of defined employee benefit plans		(75.95)	(53.88)
- Income tax relating to items that will not be reclassified to profit or loss		22.11	15.69
<b>Items that may be reclassified to profit or loss</b>			
- Exchange differences on translation of foreign operations		51.09	13.29
- Income tax relating to items that will be reclassified to profit or loss		-	-
		(2.75)	(24.90)
<b>VII. Total Comprehensive Income</b>		<b>1,213.75</b>	<b>1,699.73</b>
<b>VIII. Net Profit after tax attributable to</b>			
Owners		1,216.52	1,724.64
Non-controlling interest		(0.02)	(0.01)
		<b>1,216.50</b>	<b>1,724.63</b>
<b>IX. Other Comprehensive Income attributable to</b>			
Owners		(2.75)	(24.90)
Non-controlling interest		-	-
		(2.75)	(24.90)
<b>X. Total Comprehensive Income attributable to</b>			
Owners		1,213.77	1,699.74
Non-controlling interest		(0.02)	(0.01)
		<b>1,213.75</b>	<b>1,699.73</b>
<b>XI. Earnings per equity share: Nominal value of ₹ 10 each</b>	48		
Basic ( In ₹)		2.50	3.54
Diluted ( In ₹)		2.50	3.54
Material accounting policy information and other explanatory information	1 - 52		

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

## For and on behalf of the Board of Directors

**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Khushroo B. Panthaky**  
Partner  
Membership No.: 042423

Place: Nagpur  
Date: 20 May 2025

**Anwar S. Daud**  
Managing Director  
DIN: 00023529

**Shyam Mohan Patro**  
Chief Financial Officer

Place: Nagpur  
Date: 20 May 2025

**Zulfiquar M. Kamal**  
Director (Finance)  
DIN: 01786763

**Piyush Nikhade**  
Company Secretary

## Consolidated Statement of Cash Flow

For the year ended 31 March 2025

	(₹ in Lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>1,800.94</b>	<b>2,364.24</b>
Depreciation and amortisation expenses	2,011.34	1,595.18
Government Incentive	(10.24)	(9.26)
Interest on lease deposits	(7.14)	(4.55)
(Gain) on sale of property, plant and equipment (net)	(33.51)	(46.97)
Property, plant and equipment written off	13.71	-
Unrealized foreign exchange (gain)	(29.99)	(113.98)
Provision for employee benefits	(110.05)	(0.04)
Dividend income on investments	(0.75)	(0.60)
Interest income	(5.11)	(4.29)
Share based payments to employees (Refer note 47)	135.40	-
Bad debts written off	212.71	110.07
Loss allowance - trade receivables	(71.97)	(17.47)
Finance costs	1,138.82	692.44
<b>Operating profit before working capital changes</b>	<b>5,044.16</b>	<b>4,564.77</b>
Movement in working capital :		
Increase in trade & other payables and provisions	373.35	790.81
(Increase) in inventories	(520.71)	(2,755.67)
(Increase) in trade and other receivables	(888.93)	(713.65)
<b>Net Cash generated from operations</b>	<b>4,007.87</b>	<b>1,886.26</b>
Direct taxes paid (net of refunds)	107.59	(258.44)
<b>Net cash generated from operating activities (A)</b>	<b>4,115.46</b>	<b>1,627.82</b>
<b>Cash flow from investing activities</b>		
Purchases of property, plant and equipment and intangibles (Refer note i)	(4,079.77)	(7,392.32)
Sale proceeds of property, plant and equipment and intangibles	73.20	54.81
Deposits placed with bank (having original maturity of more than three months)	(35.50)	(28.39)
Maturity of bank deposits (having original maturity of more than three months)	44.03	59.71
Interest received	4.59	4.33
Dividend received	0.75	0.60
<b>Net cash used in investing activities (B)</b>	<b>(3,992.70)</b>	<b>(7,301.26)</b>
<b>Cash flow from financing activities</b>		
Deemed equity contribution from shareholder (net) (Refer note 17)	-	2,140.24
Proceeds from long term borrowings	2,462.40	2,814.69
(Repayment) of long term borrowings	(1,532.02)	(1,293.25)
(Repayment)/proceeds of short term borrowings	(252.65)	3,215.47
(Repayment) of principal portion of lease obligations	(358.16)	(172.39)
Finance costs paid	(1,230.02)	(751.36)
Changes in unclaimed dividend bank balances	5.69	4.93
Dividends paid on equity shares (unclaimed)	(5.69)	(4.93)
<b>Net cash generated from/ (used in) financing activities (C)</b>	<b>(910.45)</b>	<b>5,953.40</b>

## Consolidated Statement of Cash Flow (Contd.)

For the year ended 31 March 2025

	(₹ in Lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>Effects of exchange rate changes on cash and cash equivalents (D)</b>	<b>22.33</b>	<b>38.01</b>
Net (decrease)/increase in cash and cash equivalents (A+B+C+D)	(765.36)	317.97
Opening cash and cash equivalents	960.02	642.05
<b>Closing cash and cash equivalents</b>	<b>194.66</b>	<b>960.02</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	4.42	11.76
Balances with banks in:		
- Current accounts	190.24	948.26
<b>Total cash and cash equivalents (Refer note 12)</b>	<b>194.66</b>	<b>960.02</b>

**Notes:**

- Includes capital work-in-progress, capital advance, payables for property, plant and equipment, intangible assets and intangible assets under development.
- The Consolidated Statement of Cashflow has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash flows.

Material accounting policy information and other explanatory information

1 - 52

This is the Consolidated Statement of Cash Flow referred to in our report of even date

**For and on behalf of the Board of Directors****For Walker Chandio & Co LLP**Chartered Accountants  
Firm's Registration No.: 001076N/N500013**Khushroo B. Panthaky**Partner  
Membership No.: 042423

Place: Nagpur

Date: 20 May 2025

**Anwar S. Daud**Managing Director  
DIN: 00023529**Shyam Mohan Patro**

Chief Financial Officer

Place: Nagpur

Date: 20 May 2025

**Zulfiqar M. Kamal**Director (Finance)  
DIN: 01786763**Piyush Nikhade**

Company Secretary

# Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

## Equity share capital (Refer note 16)

	Number of shares	₹ in lakhs
<b>As at 01 April 2023</b>	4,87,25,814	4,872.58
Changes during the year	-	-
<b>As at 31 March 2024</b>	<b>4,87,25,814</b>	<b>4,872.58</b>
Changes during the year	-	-
<b>As at 31 March 2025</b>	<b>4,87,25,814</b>	<b>4,872.58</b>

## Other equity (Refer note 17)

(₹ in lakhs)

	Other equity attributable to owners						Total other equity
	Reserves & Surplus					Other Reserves	
	Securities premium	General reserve	Retained earnings	Deemed equity contribution from shareholder	Employee stock options	Foreign currency translation reserve	
<b>Opening balance as at 1 April 2023</b>	802.98	106.20	14,056.70	-	-	196.14	15,162.02
<b>Transactions during the year</b>							
<b>Total comprehensive income for the year</b>							
Net Profit after tax	-	-	1,724.64	-	-	-	1,724.64
Other comprehensive income	-	-	(38.19)	-	-	13.29	(24.90)
Deemed equity contribution from shareholder (net)	-	-	-	2,140.24	-	-	2,140.24
<b>Closing balance as at 31 March 2024</b>	<b>802.98</b>	<b>106.20</b>	<b>15,743.15</b>	<b>2,140.24</b>	<b>-</b>	<b>209.43</b>	<b>19,002.00</b>
<b>Transactions during the year</b>							
<b>Total comprehensive income for the year</b>							
Net Profit after tax	-	-	1,216.52	-	-	-	1,216.52
Other comprehensive income	-	-	(53.84)	-	-	51.09	(2.75)
Share based payments to employees (Refer note 47)	-	-	-	-	135.40	-	135.40
<b>Closing balance as at 31 March 2025</b>	<b>802.98</b>	<b>106.20</b>	<b>16,905.83</b>	<b>2,140.24</b>	<b>135.40</b>	<b>260.52</b>	<b>20,351.17</b>

This is the Consolidated Statement of Changes in Equity referred to in our report of even date

### For and on behalf of the Board of Directors

**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Anwar S. Daud**  
Managing Director  
DIN: 00023529

**Zulfiqar M. Kamal**  
Director (Finance)  
DIN: 01786763

**Khushroo B. Panthaky**  
Partner  
Membership No.: 042423

**Shyam Mohan Patro**  
Chief Financial Officer

**Piyush Nikhade**  
Company Secretary

Place: Nagpur  
Date: 20 May 2025

Place: Nagpur  
Date: 20 May 2025

# Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

## 1. Background of the Company

ZIM Laboratories Limited ('the Company / Holding Company / Parent') is a public limited company domiciled in India with its registered office at Sadoday Gyan (Ground Floor), Opposite N.A.D.T., Nelson square, Nagpur - 440013. The Company has primarily listed on BSE/NSE. The Company is engaged in the manufacturing of formulation drugs and pre formulation ingredients in India and marketing and selling these within and outside India. Company also have wholly owned subsidiaries (ZIM Laboratories FZE, UAE; SIA ZIM Laboratories Limited, Latvia; ZIM Health Technologies Limited, India; and ZIM Thinorals Private Limited, India), subsidiary: ZIMTAS PTY Limited, Australia; and step-down subsidiaries: ZIM Laboratories Middle East DMCC, UAE; and ZIM Scientific Office L.L.C., UAE. (the Company and its subsidiaries are together referred to as 'the Group') which are engaged in manufacturing & wholesale of pharmaceutical products, market research and research & development activities.

The consolidated financial statements ("the financial statements") of the Company for the year ended 31 March 2025 were authorised for issue in accordance with resolution of the Board of Directors on 20 May 2025.

## 2. Basis for preparation of financial statements

### (i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India.

The accounting policies are applied consistently to all the periods presented in the financial statements.

### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
- 3) defined benefit plans - plan assets measured at fair value;

### (iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the group's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act.

### (iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

## 2.1 Material accounting policy information

### a Principles of consolidation

#### -Subsidiary

Subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary is fully consolidated from the date on which control is transferred to the Group.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

### b Use of estimates

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the group believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/ materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### c Property, plant and equipment (including Capital Work-in-Progress)

The group had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. 01 April 2016 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

### d Depreciation methods and estimated useful lives

The group provides for depreciation on additions and disposals made during the year on pro-rata basis from the date of additions up to the date of disposal. Depreciation on property, plant and equipment is provided under the straight line method over the useful lives of assets, as prescribed under Part C of Schedule II of the Act.

Useful life considered for calculation of depreciation for various assets class are as follows:

Assets Class	Useful Life
Building	5 years & 30 years
Plant and Equipment	10 years & 15 years
Electric Installation	10 years
Furniture and Fixtures	10 years
Office Equipments'	3-6 years
Vehicles	8 years

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful

lives are reviewed and adjusted if appropriate, at the end of each reporting period.

Leasehold Improvements are amortized over the lower of the lease term or useful life of the respective asset prescribed as above.

Leasehold land, in the nature of finance lease, is amortised over the primary period of lease.

### e Intangible assets (including Intangible assets under development)

Intangible assets are stated at acquisition/development cost, net of tax credit on initial recognition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Expenditure incurred for obtaining regulatory approvals and registration of the products for overseas markets are considered as product marketing authorisations.

Intangible assets are amortised on a straight line basis over the estimated useful economic life, which is estimated to be five years for software and brands and three years for product marketing authorisations.

### f Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an intangible asset when the group can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

During the period of development, the asset is tested for impairment annually. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised on a straight line basis over the period of expected future benefit from the related project. Amortisation is recognised in the Statement of Profit and Loss.

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### g Measurement and recognition of leases

The Group considers whether contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.'

To apply this definition, the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group.
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

#### Group as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group and any lease payments made in advance of the lease commencement date.

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance, fixed), and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments

made and increased for interest expenses. It is remeasured to reflect any reassessment or modification.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or Statement of Profit and Loss, as the case may be.

The Group has elected to account for short-term leases and leases of low-value assets using the exemption given under Ind AS 116, Leases. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the Group's benefit.

#### Group as a lessor

Lease income from operating leases where the Group is a lessor is recognised as income on straight line basis over the lease term.

### h Borrowings and other financial liabilities

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred). Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

### i Borrowing costs

General and specific borrowing costs directly attributable to the acquisition / construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in Statement of Profit and Loss in the period in which they are incurred.

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### j Impairment of non-financial assets

Assessment is carried out at each Balance Sheet date as to whether there is any indication that an asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication of impairment exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to their recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed if there was no impairment.

### k Government grants

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to the Statement of Profit and Loss on a straight-line basis over the expected useful lives of the related assets and presented within other income.

### l Investments and financial assets

#### Classification

The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through the Statement of Profit and Loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

#### Measurement

At initial recognition, the Group measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

#### Measurement of debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the Statement of Profit and Loss, when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss. Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the Statement of Profit and Loss and presented net,

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

in the Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is included in other income.

#### Measurement of equity instruments

The group measures its equity investment (other than in subsidiaries) at fair value through profit and loss. However where the group's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income (Currently no such choice made), there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.

#### Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the group applies the simplified approach permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### De-recognition of financial assets

A financial asset is derecognised only when

- The group has transferred the rights to receive cash flows from the financial asset or they have expired or
- The group retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the group has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### Interest income from financial assets

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

### m Derivatives and embedded derivatives

The group uses derivative financial instruments i.e. foreign exchange forward contracts to manage its exposure to foreign exchange risks. Such contracts are accounted for at fair value through profit or loss. Derivatives are carried as financial assets/liabilities when the fair value is positive/negative, respectively.

Derivatives embedded in a host contracts that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

### n Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### o Inventories

Inventories are stated at lower of cost and net realisable value. Cost of raw materials, stores, spares and packing materials is determined at weighted average cost or net realisable value, whichever is lower. The cost of finished goods and work in progress comprises raw materials cost, packing materials cost, direct labour, other direct

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

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

### p Foreign Currency Transactions

The functional currency of the Company and its Indian subsidiaries is the Indian Rupee (₹) whereas the functional currency of foreign subsidiaries is the currency of their country of domicile.

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and exchange gains or losses arising on settlement and restatement are recognised in the Statement of Profit and Loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated at year end.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) Assets and liabilities are translated at the closing rate on the balance sheet date
- (b) Income and expenses are translated at the average exchange rate (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated based on rates prevailing at the date of transaction).
- (c) All resulting exchange differences are recognised in other comprehensive income

When a foreign operation is sold, the associated exchange differences are reclassified to statement of profit and loss, as part of the gain or loss on sale.

Fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

### q Revenue Recognition

The group derives revenues primarily from sale of manufactured goods and traded goods.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products to customers in an amount that reflects the consideration the group expects to receive in exchange for those products.

The group does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the group's performance as the group performs; or
2. The group's performance creates or enhances an asset that the customer controls, as the asset is created or enhanced; or
3. The group's performance does not create an asset with an alternative use to the group and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

#### Other operating revenue -

##### Product service income

##### Product development income

Income from product development is recognised in accordance with the terms of the contract with customers when the related performance obligation is completed, or when risks and rewards of ownership are transferred, as applicable, i.e., over time.

The Group enters into certain product development and supply arrangements that, in certain instances, include certain performance obligations. Based on an evaluation of whether or not these obligations are inconsequential or perfunctory, the Group recognises or defers the upfront payments received under these arrangements.

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### Out-licensing income

Revenues include amounts derived from outlicensing income. These income typically depends on achieving certain milestones in accordance with the terms prescribed in the agreement. Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones, if the milestones are considered substantive, or over the period the Group has continuing performance obligations, if the milestones are not considered substantive.

### Export incentives

Export Incentives under various schemes are accounted in the year of export.

### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

### Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects the entity's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The entity holds the trade receivables with the objective of collecting the contractual cash flows and, therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

### r Other Income

Interest income for all debt instruments is recognised using the effective interest rate method. Dividend Income is recognised when right to receive the payment is established by the balance sheet date.

### s Employee Benefits

#### Defined Contribution Plan

The group has Defined Contribution Plan for post employment benefit namely the Provident Fund and National Pension Fund which are recognised by the income tax authorities and administered through appropriate authorities. The group contributes to a Government administered Provident Fund and National

Pension Fund and has no further obligation beyond making its contribution.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations.

The group's contributions to the above funds are charged to the Statement of Profit and Loss every year, as and when due.

#### Defined Benefit Plan - Gratuity

The group has Defined Benefit Plan comprising of Gratuity. The Gratuity scheme is funded through Group Gratuity Cum Life Assurance Scheme from LIC. The adequacy of accumulated fund balance available with LIC has been established by comparing such balance based on actuarial valuation carried out by an independent actuary as at the Balance Sheet date and shortfall / excess, if any, has been provided for/ considered as prepaid.

The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by actuary applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

#### Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

from the end of the year are treated as short term employee benefits. All other absences are treated as long term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses / gains are recognised in the Statement of Profit and Loss in the year in which they arise.

### Termination Benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The group recognises termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the group recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

### Short-term benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

At present, short term benefits are the only employee benefits applicable to the subsidiaries, while all benefits are applicable to the Company.

### t Current and Deferred Tax

Tax expense recognised in the statement of profit and loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Income tax (current-tax) assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax assets (Including Minimum Alternate Tax (MAT)) are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the group and it is probable that reversal will not occur in the foreseeable future.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in the statement of profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

### u Provisions and Contingent Liabilities

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre - tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non - occurrence of one or more uncertain future events not wholly within the control of the group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

### v Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, share split and reverse share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### w Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgement are:

- Useful life and residual value of property, plant and equipment (PPE) and intangible assets (Refer note 3, 4, 5(A) & 5(B))

The Group reviews the useful lives of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may

result in change in depreciation and amortisation expense in future periods.

- Recognition and measurement of defined benefit obligations (Refer note 45)

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long term nature of these plans, such estimates are subject to significant uncertainty.

- Valuation of taxes on income (Refer note 36)

The Group reviews the carrying amount of tax expenses, deferred tax (including MAT credit) and tax payable at the end of each reporting period.

- Loss Allowance (Refer note 11)

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss (ECL) model. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Individual trade receivables are written off if the same are not collectible.

- Leases – Estimating the incremental borrowing rate (Refer Note 2(g))

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the fund necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

- Inventory (Refer note 10) - The Group reviews the allowance for defective and obsolete items inventory at the end of each reporting period.

### x New standards, interpretations, and amendments adopted by the Group

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31<sup>st</sup> March, 2025, MCA has notified amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, which is applicable to the Company w.e.f. April 1, 2024. The Group has reviewed the new pronouncements and based on its evaluation has determined that it's not likely to have any significant impact in its financial statements.

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 3 Property, plant and equipment

	Freehold Land	Buildings	Plant and Equipment	Electric Installation	Furniture and Fixtures	Office Equipments	Vehicles	Right to use Assets		Total
								Leasehold Land	Other Right to use Assets	
<b>Gross carrying amount</b>										
<b>Balance as at 1 April 2023</b>	961.57	5,032.14	8,155.86	235.95	1,139.34	480.05	172.19	645.51	991.39	17,814.00
Additions/Adjustments	-	2,868.15	2,314.53	91.33	562.61	151.48	108.15	-	542.10	6,638.35
Deletions	-	-	-	-	-	-	28.24	-	-	28.24
<b>Balance as at 31 March 2024</b>	<b>961.57</b>	<b>7,900.29</b>	<b>10,470.39</b>	<b>327.28</b>	<b>1,701.95</b>	<b>631.53</b>	<b>252.10</b>	<b>645.51</b>	<b>1,533.49</b>	<b>24,424.11</b>
Additions/Adjustments	-	337.62	560.95	-	77.20	91.44	41.22	466.45	445.16	2,020.04
Deletions	-	39.18	272.70	12.02	155.94	58.88	15.92	-	902.44	1,457.08
<b>Balance as at 31 March 2025</b>	<b>961.57</b>	<b>8,198.73</b>	<b>10,758.64</b>	<b>315.26</b>	<b>1,623.21</b>	<b>664.09</b>	<b>277.40</b>	<b>1,111.96</b>	<b>1,076.21</b>	<b>24,987.07</b>
<b>Accumulated Depreciation/ Amortisation</b>										
<b>Balance as at 1 April 2023</b>	-	1,115.74	4,347.80	145.27	621.81	338.69	134.50	21.82	716.30	7,441.93
Charge for the year	-	198.73	684.85	19.99	111.28	69.01	17.12	9.98	198.27	1,309.23
Deletions	-	-	-	-	-	-	20.40	-	-	20.40
<b>Balance as at 31 March 2024</b>	<b>-</b>	<b>1,314.47</b>	<b>5,032.65</b>	<b>165.26</b>	<b>733.09</b>	<b>407.70</b>	<b>131.22</b>	<b>31.80</b>	<b>914.57</b>	<b>8,730.76</b>
Charge for the year	-	301.41	783.67	21.09	157.07	91.73	16.61	12.88	441.13	1,825.59
Deletions	-	29.12	243.59	2.86	152.58	58.63	14.45	-	902.44	1,403.67
<b>Balance as at 31 March 2025</b>	<b>-</b>	<b>1,586.76</b>	<b>5,572.73</b>	<b>183.49</b>	<b>737.58</b>	<b>440.80</b>	<b>133.38</b>	<b>44.68</b>	<b>453.26</b>	<b>9,152.68</b>
<b>Net carrying amount</b>										
<b>Balance as at 31 March 2024</b>	<b>961.57</b>	<b>6,585.82</b>	<b>5,437.74</b>	<b>162.02</b>	<b>968.86</b>	<b>223.83</b>	<b>120.88</b>	<b>613.71</b>	<b>618.92</b>	<b>15,693.35</b>
<b>Balance as at 31 March 2025</b>	<b>961.57</b>	<b>6,611.97</b>	<b>5,185.91</b>	<b>131.77</b>	<b>885.63</b>	<b>223.29</b>	<b>144.02</b>	<b>1,067.28</b>	<b>622.95</b>	<b>15,834.39</b>

### Leases in which the Group is Lessee

- The Group has leasing arrangements for its land, office buildings and plant & equipments. The Group pays lease charges as fixed amount as per respective lease agreements. Right-of-use asset is measured, on a lease by lease basis, at carrying amount. Discounting to arrive the value of asset is done based on the incremental borrowing rate at the time of lease initiation. The lease agreements for immovable properties where the Group is the lessee are duly executed in favour of the Group.
- Vehicles includes vehicles in the personal name of directors & employees having Gross carrying amount ₹ Nil and net carrying value of ₹ Nil (31 March 2024 - Gross carrying amount ₹ 20.47 lakhs and net carrying value of ₹ 1.37 Lakhs).
- Refer note 44 (B) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- Refer note (18 and 21) for information on property, plant and equipment pledged as security by the Holding Company.

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 4 Capital work-in-progress (CWIP)

	(₹ in lakhs)
<b>Balance as at 1 April 2023</b>	1,783.85
Additions	7,206.10
Capitalisation	(6,638.35)
<b>Balance as at 31 March 2024</b>	<b>2,351.60</b>
Additions	4,073.88
Capitalisation	(2,020.04)
<b>Balance as at 31 March 2025</b>	<b>4,405.44</b>

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Balance as at 31 March 2025</b>					
Projects in progress	2,712.31	1,693.13	-	-	4,405.44
Projects temporarily suspended	-	-	-	-	-
	<b>2,712.31</b>	<b>1,693.13</b>	-	-	<b>4,405.44</b>
<b>Balance as at 31 March 2024</b>					
Projects in progress	2,266.66	84.94	-	-	2,351.60
Projects temporarily suspended	-	-	-	-	-
	<b>2,266.66</b>	<b>84.94</b>	-	-	<b>2,351.60</b>

#### Note:

Capital work-in-progress (CWIP) as at 31 March 2025 includes cost incurred towards construction of property, plant and equipment of the Company.

### 5(A) Intangible assets

	Softwares	Product Marketing Authorisation	Brands	Total	Goodwill on consolidation
<b>Gross carrying amount</b>					
<b>Balance as at 1 April 2023</b>	<b>381.37</b>	<b>1,050.38</b>	<b>603.76</b>	<b>2,035.51</b>	<b>16.94</b>
Additions - Internally developed	-	139.70	-	139.70	-
- Acquired	46.79	-	-	46.79	-
Deletions/Adjustments	-	6.90	-	6.90	-
Foreign exchange adjustment	-	0.12	0.69	0.81	-
<b>Balance as at 31 March 2024</b>	<b>428.16</b>	<b>1,183.30</b>	<b>604.45</b>	<b>2,215.91</b>	<b>16.94</b>
Additions - Internally developed	-	306.39	-	306.39	-
- Acquired	77.48	-	-	77.48	-
Deletions/Adjustments	-	121.24	-	121.24	-
Foreign exchange adjustment	-	5.87	-	5.87	-
<b>Balance as at 31 March 2025</b>	<b>505.64</b>	<b>1,374.32</b>	<b>604.45</b>	<b>2,484.41</b>	<b>16.94</b>
<b>Accumulated Amortisation</b>					
<b>Balance as at 1 April 2023</b>	<b>191.23</b>	<b>861.73</b>	<b>505.76</b>	<b>1,558.72</b>	-
Charge for the year	47.58	139.68	98.69	285.95	-
Deletions/Adjustments	-	1.10	-	1.10	-
<b>Balance as at 31 March 2024</b>	<b>238.81</b>	<b>1,000.31</b>	<b>604.45</b>	<b>1,843.57</b>	-
Charge for the year	59.04	126.71	-	185.75	-
Deletions/Adjustments	-	121.24	-	121.24	-
<b>Balance as at 31 March 2025</b>	<b>297.85</b>	<b>1,005.78</b>	<b>604.45</b>	<b>1,908.08</b>	-
<b>Net carrying amount</b>					
<b>Balance as at 31 March 2024</b>	<b>189.35</b>	<b>182.99</b>	-	<b>372.34</b>	<b>16.94</b>
<b>Balance as at 31 March 2025</b>	<b>207.79</b>	<b>368.54</b>	-	<b>576.33</b>	<b>16.94</b>

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 5(B) Intangible assets under development (IAUD)

	(₹ in lakhs)
<b>Balance as at 1 April 2023</b>	<b>915.27</b>
Additions - Internally developed	1,025.14
- Acquired	122.76
Capitalisation - Internally developed	(139.70)
- Acquired	(46.79)
<b>Balance as at 31 March 2024</b>	<b>1,876.68</b>
Additions - Internally developed	1,137.11
- Acquired	11.13
Capitalisation - Internally developed	(306.39)
- Acquired	(77.48)
<b>Balance as at 31 March 2025</b>	<b>2,641.05</b>

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Balance as at 31 March 2025</b>					
Projects in progress	1,014.74	976.12	650.19	-	2,641.05
Projects temporarily suspended	-	-	-	-	-
	<b>1,014.74</b>	<b>976.12</b>	<b>650.19</b>	<b>-</b>	<b>2,641.05</b>
<b>Balance as at 31 March 2024</b>					
Projects in progress	1,016.95	840.63	19.10	-	1,876.68
Projects temporarily suspended	-	-	-	-	-
	<b>1,016.95</b>	<b>840.63</b>	<b>19.10</b>	<b>-</b>	<b>1,876.68</b>

#### Note:

Represents expenditure incurred towards obtaining regulatory approvals and registration of the products for overseas markets.

#### Non-current:

### 6 Investments

	As at 31 March 2025	As at 31 March 2024
<b>Investment in body corporate:</b>		
<b>Unquoted equity investment carried at fair value through profit or loss</b>		
20,000 equity shares of ₹ 25 each fully paid-up in Shamrao Vithal co-operative Bank Limited	5.00	5.00
<b>Investments in government securities</b>		
<b>Unquoted at amortised cost</b>		
National Saving Certificate	-	0.15
	<b>5.00</b>	<b>5.15</b>

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 7 Other financial assets

	As at 31 March 2025	As at 31 March 2024
Earnest money and security deposit	77.44	70.29
Margin money deposits	25.83	8.26
Bank deposit includes fixed deposits with banks ₹ 25.83 lakhs (₹ 8.26 lakhs as at 31 March 2024) marked as lien for guarantees issued by banks on behalf of the Holding Company		
	<b>103.27</b>	<b>78.55</b>

### 8 Income tax assets (net)

	As at 31 March 2025	As at 31 March 2024
Advance income-tax (net of provision for tax)	103.82	386.78
	<b>103.82</b>	<b>386.78</b>

### 8(A) Current tax liabilities (net)

	As at 31 March 2025	As at 31 March 2024
Provision for tax (net of advance income-tax)	292.04	-
	<b>292.04</b>	<b>-</b>

### 9 Other non-current assets

	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good)		
Capital advances	201.33	964.75
Prepaid expenses	50.57	22.50
Security deposits	133.46	148.74
	<b>385.36</b>	<b>1,135.99</b>

#### Current:

### 10 Inventories

	As at 31 March 2025	As at 31 March 2024
Raw materials and packing materials	5,668.06	4,966.52
Work-in-progress	745.21	197.17
Finished goods		
Goods-in-transit	142.36	185.42
Others	1,879.96	2,511.59
Stores and spares	211.41	265.59
	<b>8,647.00</b>	<b>8,126.29</b>

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 11 Trade receivables (Unsecured, Refer note (a) below)

	As at 31 March 2025	As at 31 March 2024
Trade receivables - considered good	10,692.03	10,016.54
Trade receivables - credit impaired	46.48	81.25
Trade receivables which have significant increase in credit risk	33.50	70.70
	<b>10,772.01</b>	<b>10,168.49</b>
Less: Loss allowance	(79.98)	(151.95)
	<b>10,692.03</b>	<b>10,016.54</b>

#### (a) Ageing of Trade receivables

	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6-12 months	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2025</b>							
Undisputed Trade Receivables – considered good	8,201.44	2,336.47	117.17	31.88	5.07	-	10,692.03
Undisputed Trade Receivables – which have significant increase in credit risk	1.16	0.94	1.45	0.70	-	29.25	33.50
Undisputed Trade receivable – credit impaired	-	-	-	-	46.48	-	46.48
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
	<b>8,202.60</b>	<b>2,337.41</b>	<b>118.62</b>	<b>32.58</b>	<b>51.55</b>	<b>29.25</b>	<b>10,772.01</b>
Less: Loss allowance	(1.16)	(0.94)	(1.45)	(0.70)	(46.48)	(29.25)	(79.98)
	<b>8,201.44</b>	<b>2,336.47</b>	<b>117.17</b>	<b>31.88</b>	<b>5.07</b>	<b>-</b>	<b>10,692.03</b>
<b>As at 31 March 2024</b>							
Undisputed Trade Receivables – considered good	7,132.48	2,399.14	322.82	155.81	6.29	-	10,016.54
Undisputed Trade Receivables – which have significant increase in credit risk	2.45	3.23	4.30	10.04	14.83	35.85	70.70
Undisputed Trade receivable – credit impaired	-	-	20.27	60.98	-	-	81.25
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
	<b>7,134.93</b>	<b>2,402.37</b>	<b>347.39</b>	<b>226.83</b>	<b>21.12</b>	<b>35.85</b>	<b>10,168.49</b>
Less: Loss allowance	(2.45)	(3.23)	(24.57)	(71.02)	(14.83)	(35.85)	(151.95)
	<b>7,132.48</b>	<b>2,399.14</b>	<b>322.82</b>	<b>155.81</b>	<b>6.29</b>	<b>-</b>	<b>10,016.54</b>

No trade receivable are due from directors or other officers of the group either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member other than those disclosed in the (note 43)

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

Refer (note 38) for information about credit risk and market risk of trade receivables.

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### Current :

#### 12 Cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Cash on hand	4.42	11.76
Balances with banks in current accounts	190.24	948.26
	<b>194.66</b>	<b>960.02</b>

#### 13 Bank balances other than cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Unclaimed dividend accounts	9.23	14.92
Bank Deposits		
Margin money deposits	36.36	43.07
Bank deposits	9.00	28.39
Deposit includes fixed deposits with banks ₹ 36.36 lakhs (₹ 43.07 lakhs as at 31 March 2024 ) marked as lien against guarantees issued by banks on behalf of the Company		
	<b>54.59</b>	<b>86.38</b>

#### 14 Other financial assets

	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good)		
Earnest money and security deposits	16.50	24.44
<b>Interest receivable:</b>		
from Banks	0.58	0.06
from Others	7.01	3.32
Others	6.58	4.03
	<b>30.67</b>	<b>31.85</b>

#### 15 Other current assets

	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good unless otherwise specified)		
<b>Advances other than capital advances</b>		
Advance to suppliers	1,472.49	191.24
Advance against expenses to related party (Refer note 44)	0.34	-
Balances with government authorities	1,743.54	2,798.34
Contract assets	-	332.38
Prepaid expenses	240.05	182.97
Asset held for sale	-	5.80
Gratuity- plan assets (Refer note 45)	55.37	33.04
	<b>3,511.79</b>	<b>3,543.77</b>

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 16 Equity share capital

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>Authorised</b>		
75,000,000 (31 March 2024: 75,000,000) equity shares of ₹ 10 each	7,500.00	7,500.00
<b>Issued</b>		
48,725,814 (31 March 2024: 48,725,814) equity shares of ₹ 10 each fully paid up	4,872.58	4,872.58
<b>Subscribed and Paid-Up</b>		
48,725,814 (31 March 2024: 48,725,814) equity shares of ₹ 10 each fully paid up	4,872.58	4,872.58
	<b>4,872.58</b>	<b>4,872.58</b>

#### (a) Reconciliation of share capital

	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Balance as at the beginning of the year	48,725,814	4,872.58	48,725,814	4,872.58
Add: Bonus issue of shares to existing shareholders	-	-	-	-
Add: Shares issued during the year	-	-	-	-
Balance as at the end of the year	<b>48,725,814</b>	<b>4,872.58</b>	<b>48,725,814</b>	<b>4,872.58</b>

#### (b) Rights, preferences and restrictions

The Holding Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

#### (c) Bonus shares issued

On 12 December 2022, the Holding Company has issued 32,483,876 equity shares of face value ₹ 10 each as fully paid up bonus shares. The Holding Company has issued two bonus equity shares against one equity share held by its shareholders.

#### (d) Equity shares reserved for issue under employee stock options

For number of stock options against which equity shares to be issued by the Holding Company upon vesting and exercise of those stock options and rights by the employees under Employee Stock Option Scheme. (Refer note 47)

#### (e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	% of Holding	No. of Shares	% of Holding
<b>Equity Shares:</b>				
Anwar S. Daud*	13,336,320	27.37%	13,336,320	27.37%
Elizabeth Mathew	5,855,824	12.02%	-	-
Zakir Vali	5,047,420	10.36%	5,047,420	10.36%
Mathew Cyriac	-	-	7,101,800	14.58%

\* Including 1,500,000 shares jointly held with Tasneem A. Daud (wife of Anwar S. Daud).

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 16 Equity share capital (Contd.)

#### (f) Details of shares held by promoters

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
<b>As at 31 March 2025</b>					
Anwar S. Daud	13,336,320	-	13,336,320	27.37%	-
Zulfiquar Kamal	1,195,260	-	1,195,260	2.45%	-
Tasneem A. Daud	30,000	-	30,000	0.06%	-
Shabbar S. Daud	42,000	-	42,000	0.09%	-
Sabbah Z. Kamal	1,500,000	-	1,500,000	3.08%	-
Hasan Kamal	104,400	-	104,400	0.21%	-
<b>Total</b>	<b>16,207,980</b>	<b>-</b>	<b>16,207,980</b>	<b>33.26%</b>	<b>-</b>
<b>As at 31 March 2024</b>					
Anwar S. Daud	13,336,320	-	13,336,320	27.37%	-
Zulfiquar Kamal	1,194,060	1,200	1,195,260	2.45%	0.10%
Tasneem A. Daud	30,000	-	30,000	0.06%	-
Shabbar S. Daud	42,000	-	42,000	0.09%	-
Sabbah Z. Kamal	1,500,000	-	1,500,000	3.08%	-
Hasan Kamal	104,400	-	104,400	0.21%	-
Zahida Kamal	1,200	(1,200)	-	0.00%	-100.00%
<b>Total</b>	<b>16,207,980</b>	<b>-</b>	<b>16,207,980</b>	<b>33.26%</b>	<b>-</b>

### 17 Other equity

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Securities premium *	802.98	802.98
General reserve**	106.20	106.20
Retained earnings	16,905.83	15,743.15
Deemed equity contribution from shareholder***	2,140.24	2,140.24
Employee stock options ****	135.40	-
Foreign currency translation reserve *****	260.52	209.43
<b>Total</b>	<b>20,351.17</b>	<b>19,002.00</b>
<b>* Securities premium</b>		
<b>Balance as at the beginning of the year</b>	802.98	802.98
Additions during the year	-	-
Utilisation during the year	-	-
<b>Balance at the end of the year</b>	<b>802.98</b>	<b>802.98</b>

\*Nature and Purpose - Security premium is used to record the premium on issue of shares, the reserve is utilised in accordance with the provisions of the Companies Act, 2013

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 17 Other equity (Contd.)

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>** General reserve</b>		
Balance as at the beginning of the year	106.20	106.20
Additions during the year	-	-
Utilisation during the year	-	-
<b>Balance at the end of the year</b>	<b>106.20</b>	<b>106.20</b>
<small>**Nature and Purpose - General reserve represents transfer portion of the net profit pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.</small>		
<b>Retained earnings</b>		
Balance as at the beginning of the year	15,743.15	14,056.70
Net profit for the year	1,216.52	1,724.64
Transfer from other comprehensive income	(53.84)	(38.19)
<b>Net surplus in the Statement of Profit and Loss</b>	<b>16,905.83</b>	<b>15,743.15</b>
<b>***Deemed equity contribution from shareholder</b>		
Balance as at the beginning of the year	2,140.24	-
Transaction during the year	-	2,140.24
<b>Balance as at the end of the year</b>	<b>2,140.24</b>	<b>2,140.24</b>

\*\*\*Nature and Purpose - The difference between the fair value of trade receivable proceeds from shareholder and the transaction price is recognised as a deemed equity component of the shareholder.

The Holding Company had entered into an escrow agreement in 2017 (with subsequent renewals) with one of its shareholders, wherein the shareholder had provided his holdings to the extent of 30 Lakhs equity shares (including 25 Lakhs bonus shares) as a security towards realization of covered trade receivables. During the previous year, the equity shares have been liquidated at a gross consideration of ₹ 3,067.58 lakhs. Accordingly, the net amount realised (which is gross consideration as reduced by the applicable taxes and charges) has been recognised as a credit to the 'Deemed equity contribution from shareholder' under 'Other equity' in accordance with the guidance under Ind AS 1- Presentation of Financial Statements, which states that transactions with shareholders (being the owners of Company), shall be recognized under Equity.

<b>****Employee stock options</b>		
Balance at the beginning of the year	-	-
Add: Additions during the year	135.40	-
<b>Balance at the end of the year</b>	<b>135.40</b>	-
<small>****Nature and Purpose - Employee Stock Options represents the grant date fair value of options granted to employees under Employee Stock Option Scheme.</small>		
<b>*****Foreign currency translation reserve</b>		
Balance as at the beginning of the year	209.43	196.14
Movement during the year	51.09	13.29
<b>Balance as at the end of the year</b>	<b>260.52</b>	<b>209.43</b>

\*\*\*\*\*Nature and Purpose - Foreign currency translation reserve represents the exchange differences on translation of reporting currency for foreign subsidiaries into the Company's presentation currency.

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### Non-current :

#### 18 Borrowings

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>Secured</b>		
Term Loans from banks	5,565.04	4,431.83
From Non-Banking Financial Company (NBFC)	393.67	685.49
	<b>5,958.71</b>	<b>5,117.32</b>
Less: Current maturities of long term borrowings (Refer note 21)	(1,928.61)	(1,557.26)
	<b>4,030.10</b>	<b>3,560.06</b>

#### Nature of security and terms of repayment for secured borrowings

- (i) Loan from a bank and a NBFC are secured by way of first charge on all present and future property, plant and equipment including Land & Building, Plant & Machinery and second charge on all current assets on pari passu basis with lead banker & other members under consortium arrangement. The loans are also secured by personal guarantee of Managing Director.
- (ii)

	As at 31 March 2025			As at 31 March 2024		
	Principal o/s (₹ in lakhs)	Effective interest rate in %	Repayment terms	Principal o/s (₹ in lakhs)	Effective interest rate in %	Repayment terms
<b>Indian rupee loan from banks</b>						
Bank of India (Repayment start from: February 2022 and last installment in January 2026)	140.18	1 Year RBLR +1 % (9.25%)	Repayable in 48 equated monthly Installments of ₹ 13.52 lakhs	282.20	1 Year RBLR +1 % (9.25%)	Repayable in 48 equated monthly Installments of ₹ 13.52 lakhs
Bank of India (Repayment start from: May 2022 and last installment in April 2026)	126.98	1 Year RBLR +1 % (9.25%)	Repayable in 48 equated monthly Installments of ₹ 9.58 lakhs	225.30	1 Year RBLR +1 % (9.25%)	Repayable in 48 equated monthly Installments of ₹ 9.58 lakhs
Bank of India (Repayment start from: November 2023 and last installment in October 2027)	194.77	1 Year RBLR +1 % (9.25%)	Repayable in 48 equated monthly Installments of ₹ 6.79 lakhs	254.74	1 Year RBLR +1 % (9.25%)	Repayable in 48 equated monthly Installments of ₹ 6.79 lakhs
Bank of India (Repayment start from: January 2023 and last installment in June 2026)	405.85	1 Year RBLR +0.93 % (9.95%)	Repayable in 42 equated monthly Installments of ₹ 27.78 lakhs	683.32	1 Year RBLR +0.55 % (9.90%)	Repayable in 42 equated monthly Installments of ₹ 27.78 lakhs
Bank of India (Repayment start from: August 2024 and last installment in July 2029)	736.67	1 Year RBLR +0.93 % (9.95%)	Repayable in 60 equated monthly Installments of ₹ 14.17 lakhs	850.00	1 Year RBLR +0.55 % (9.80%)	Repayable in 60 equated monthly Installments of ₹ 14.17 lakhs
Bank of India (Repayment start from: September 2023 and last installment in August 2026)	141.67	1 Year RBLR +0.93 % (9.95%)	Repayable in 36 equated monthly Installments of ₹ 8.33 lakhs	241.67	1 Year RBLR +0.55 % (9.80%)	Repayable in 36 equated monthly Installments of ₹ 8.33 lakhs

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

	As at 31 March 2025			As at 31 March 2024		
	Principal o/s (₹ in lakhs)	Effective interest rate in %	Repayment terms	Principal o/s (₹ in lakhs)	Effective interest rate in %	Repayment terms
Bank of India (Repayment start from: December 2025 and last installment in November 2030)	379.60	1 Year RBLR +0.93 % (9.95%)	Repayable in 60 equated monthly Installments of ₹ 20.84 lakhs	-	-	-
SVC Co-Operative Bank Limited, (Repayment start from: February 2024 and last installment in January 2028)	389.57	PLR minus 11.20% (9.25%)	Repayable in 48 equated monthly Installments of ₹ 11.46 lakhs	527.08	PLR minus 11.20% (9.25%)	Repayable in 48 equated monthly Installments of ₹ 11.46 lakhs
SVC Co-Operative Bank Limited, (Repayment start from: May 2024 and last installment in April 2029)	1,083.32	PLR minus 10.70% (10.50%)	Repayable in 60 equated monthly Installments of ₹ 21.67 lakhs	1,300.00	PLR minus 10.45% (10.25%)	Repayable in 60 equated monthly Installments of ₹ 21.67 lakhs
SVC Co-Operative Bank Limited, (Repayment start from: June 2023 and last installment in November 2025)	53.33	PLR minus 10.70% (10.50%)	Repayable in 30 equated monthly Installments of ₹ 6.67 lakhs	140.00	PLR minus 10.45% (10.25%)	Repayable in 30 equated monthly Installments of ₹ 6.67 lakhs
SVC Co-Operative Bank Limited, (Repayment start from: January 2021 and last installment in December 2023)	1,365.75	PLR minus 10.70% (10.50%)	Repayable in 60 equated monthly Installments of ₹ 26.67 lakhs	-	-	-
Indusind Bank Limited, (Repayment start from: July 2024 and last installment in June 2029)	717.02	3 Month CD Rate (9.28%)	Repayable in 60 equated monthly Installments of ₹ 22.50 lakhs	-	-	-
<b>Indian rupee loan from Non-Banking Financial Company (NBFC)</b>						
Tata Capital Financial Services Limited (Repayment start from: April 2023 and last installment in March 2028)	300.00	LTLR minus 10.80% (10.95%)	Repayable in 60 equated monthly Installments of ₹ 8.33 lakhs	400.00	LTLR minus (11.00%)	Repayable in 60 equated monthly Installments of ₹ 8.33 lakhs
Tata Capital Financial Services Limited (Repayment start from: April 2023 and last installment in September 2025)	99.99	LTLR minus 10.80% (10.95%)	Repayable in 30 equated monthly Installments of ₹ 16.66 lakhs	300.00	LTLR minus (11.00%)	Repayable in 30 equated monthly Installments of ₹ 16.66 lakhs
Deferred expense towards processing fees is netted of against loan.	(175.99)			(86.99)		
	<b>5,958.71</b>			<b>5,117.32</b>		

### Assets Pledged as security

The gross carrying amounts of assets Pledged as security for current and non-current borrowings are:

	As at 31 March 2025	As at 31 March 2024
<b>Non-current assets</b>		
- Property, plant and equipment (including leasehold land but excluding other right to use assets)	23,899.64	22,885.32
<b>Current assets</b>	21,634.71	21,771.32
<b>Total assets Pledged as security</b>	<b>45,534.35</b>	<b>44,656.64</b>

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 19 Lease liabilities

	As at 31 March 2025	As at 31 March 2024
Lease liabilities (Refer note 42)	206.97	294.95
	<b>206.97</b>	<b>294.95</b>

### Non-current :

### 20 Deferred tax liabilities (net)

The movement in deferred tax assets and liabilities during the year ended 31 March 2025 and 31 March 2024:

Movement during the year ended 31 March 2025	As at 31 March 2024	(Credit)/charge in statement of profit and loss	(Credit)/ charge in other comprehensive income	As at 31 March 2025
<b>Deferred tax liabilities</b>				
Property, plant and equipment: Difference between carrying value as per Income Tax laws and carrying value as per books of account under Companies Act, 2013	1,131.48	92.49	-	1,223.97
	<b>1,131.48</b>	<b>92.49</b>	-	<b>1,223.97</b>
<b>Deferred tax assets</b>				
Expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	15.87	108.20	-	124.07
Loss allowance - trade receivables	44.24	(20.96)	-	23.28
Carry forward business losses/unabsorbed depreciation	-	0.13	-	0.13
Provision for employee benefits	13.58	4.39	22.11	40.08
Lease payments	47.70	(116.30)	-	(68.60)
	<b>121.39</b>	<b>(24.54)</b>	<b>22.11</b>	<b>118.96</b>
<b>Minimum alternative tax credit entitlement / (utilisation)</b>	-	-	-	-
<b>Net Deferred tax (assets) / liabilities</b>	<b>1,010.09</b>	<b>117.03</b>	<b>(22.11)</b>	<b>1,105.01</b>

Movement during the year ended 31 March 2024	As at 31 March 2023	(Credit)/charge in statement of profit and loss	(Credit)/ charge in other comprehensive income	As at 31 March 2024
<b>Deferred tax liabilities</b>				
Property, plant and equipment: Difference between carrying value as per Income Tax laws and carrying value as per books of account under Companies Act, 2013	900.64	230.84	-	1,131.48
Advance payment of employee benefits	2.10	0.01	(15.69)	(13.58)
	<b>902.74</b>	<b>230.85</b>	<b>(15.69)</b>	<b>1,117.90</b>
<b>Deferred tax assets</b>				
Expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	29.63	(13.76)	-	15.87
Loss allowance - trade receivables	49.33	(5.09)	-	44.24
Carry forward business losses/unabsorbed depreciation	-	-	-	-
Provision for employee benefits	-	-	-	-
Lease payments	13.40	34.30	-	47.70
	<b>92.36</b>	<b>15.45</b>	-	<b>107.81</b>
<b>Minimum alternative tax credit entitlement / (utilisation)</b>	330.06	(330.06)	-	-
<b>Net Deferred tax (assets) / liabilities</b>	<b>480.32</b>	<b>545.46</b>	<b>(15.69)</b>	<b>1,010.09</b>

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### Current :

#### 21 Borrowings

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>Secured</b>		
<b>From Banks, repayable on demand</b>		
- Cash credit / packing credit	5,246.07	5,503.96
Current maturities of long term borrowings	1,928.61	1,557.26
Interest accrued but not due on borrowings	11.77	13.98
	<b>7,186.45</b>	<b>7,075.20</b>

Cash credit/ packing credit from banks are secured by the first charge on all current assets both present and future and second charge on all the property, plant and equipment of the Company both present and future on pari passu basis with all members of consortium. The loans are secured by personal guarantee of Managing Director.

#### 22 Lease liabilities

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Lease liabilities (Refer note 42)	356.43	247.18
	<b>356.43</b>	<b>247.18</b>

#### 23 Trade payables

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Dues of micro enterprises and small enterprises (Refer note below)	668.46	466.37
Payables to related parties (Refer note 43)	20.73	18.40
Dues of creditors other than micro enterprises and small enterprises	6,261.39	5,753.32
	<b>6,950.58</b>	<b>6,238.09</b>

#### Disclosures required under Section 22 of the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	668.46	466.37
- Interest due on above	-	-
b. 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.	-	-

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

#### 23 Trade payables (Contd.)

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
c. 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.	-	-
d. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.	-	-

**Note:-** This information has been given in respect of such vendors to the extent they could be identified as Micro and Small enterprises on the basis of information available with the Group.

#### Ageing of Trade payables

	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at 31 March 2025</b>						
Total outstanding dues of micro enterprises and small enterprises	460.55	207.91	-	-	-	668.46
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,336.19	1,944.08	1.85	-	-	6,282.12
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<b>4,796.74</b>	<b>2,151.99</b>	<b>1.85</b>	<b>-</b>	<b>-</b>	<b>6,950.58</b>
<b>As at 31 March 2024</b>						
Total outstanding dues of micro enterprises and small enterprises	183.00	283.37	-	-	-	466.37
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,818.34	1,345.36	551.83	54.32	1.87	5,771.72
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<b>4,001.34</b>	<b>1,628.73</b>	<b>551.83</b>	<b>54.32</b>	<b>1.87</b>	<b>6,238.09</b>

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 24 Other financial liabilities

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Un-claimed dividends*	9.23	14.92
Employee related liabilities	688.75	484.83
Payable for capital expenditure	472.38	577.97
	<b>1,170.36</b>	<b>1,077.72</b>

\*During the year unpaid dividend amount of ₹ 5.55 lakhs (pertaining to FY 2016-17) have been transferred to the Investor Education and Protection Fund under section 125 of the Companies Act, 2013.

### 25 Other current liabilities

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Advance received from customers	257.83	945.05
Statutory dues	257.15	223.74
Deferred Government grants	38.52	48.76
Others	59.20	7.10
	<b>612.70</b>	<b>1,224.65</b>

### 26 Provisions

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>Provision for employee benefits</b>		
Provision for compensated absences	67.90	79.68
	<b>67.90</b>	<b>79.68</b>

### 27 Revenue from operations

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Sale of products		
Manufactured goods	34,766.35	34,444.15
Stock in trade	1,522.33	1,107.10
Other operating revenue		
Product service income	1,080.87	657.43
Export incentives	490.96	528.94
Others	42.59	4.82
	<b>37,903.10</b>	<b>36,742.44</b>

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### A Disclosure as per Ind AS 115

The operations of the Group are limited to only one segment viz. pharmaceuticals and related products. Revenue from contract with customers is from sale of manufactured goods and rendering of research services. Sale of goods are made at a point in time and revenue is recognised upon satisfaction of the performance obligations which is typically upon dispatch / delivery. The Group has a credit evaluation policy based on which the credit limits for the trade receivables are established. There is no significant financing component as the credit period provided by the Group is not significant.

There are no variable components such as discounts, chargebacks, rebates, sales returns, etc.

### B Disaggregation of revenue:

	(₹ in lakhs)	
Nature of segment	Year ended 31 March 2025	Year ended 31 March 2024
<b>A. Major Product/Service line:</b>		
- Sale of pharmaceutical goods	36,288.68	35,551.25
- Product service income	1,080.87	657.43
- Others ( Export incentives, others, etc.)	533.55	533.76
<b>Total revenue from contracts with customers</b>	<b>37,903.10</b>	<b>36,742.44</b>
<b>B. Primary geographical market:</b>		
- In India	6,656.94	8,046.36
- Outside India	31,246.16	28,696.08
<b>Total revenue from contracts with customers</b>	<b>37,903.10</b>	<b>36,742.44</b>
<b>C. Timing of the revenue recognition:</b>		
- Goods/services transferred at a point in time	37,903.10	36,742.44
- Goods/services transferred over time	-	-
<b>Total revenue from contracts with customers</b>	<b>37,903.10</b>	<b>36,742.44</b>

### C Contract Balances

Significant changes in contract asset balances are as follows:

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>Contract Assets</b>		
Opening Balance	332.38	346.28
Add: Revenue recognised during the year	-	-
Less: Invoiced/adjustment during the year	332.38	13.90
<b>Closing balance</b>	<b>-</b>	<b>332.38</b>
<b>Contract Liabilities</b>		
<b>Advance received from customers</b>		
Opening Balance	945.05	409.07
Add: Advance received during the year	5,806.24	5,968.67
Less: Revenue recognised/adjustment during the year	6,493.46	5,432.69
<b>Closing balance</b>	<b>257.83</b>	<b>945.05</b>

The contract liabilities primarily relate to the advance consideration received from customers for the sale of goods. This amount will be recognised as revenue within a period of one year.

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 28 Other income

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>Interest income on financial assets measured at amortised cost</b>		
- Fixed deposits	5.11	4.29
- Others	27.40	8.70
Dividend income on investments	0.75	0.60
Exchange rate difference (net)	414.44	380.63
Apportioned income from government grant	10.24	9.26
Reversal of Loss allowance - trade receivables (Refer note no 38 (B))	71.97	17.47
Other non-operating income	48.50	97.44
	<b>578.41</b>	<b>518.39</b>

### 29 Cost of materials consumed

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Opening inventory	4,966.52	3,619.78
Add: Purchases	17,359.76	19,896.18
Less: Closing inventory	5,668.06	4,966.52
	<b>16,658.22</b>	<b>18,549.44</b>
Less: Cost of material sold	1,157.82	779.61
	<b>15,500.40</b>	<b>17,769.83</b>

### 30 Purchase of stock in trade

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Details of purchases of traded goods		
Tablets	-	3.11
Capsules	-	14.33
Bulk Drugs	147.03	264.26
DC Granules	871.58	179.22
Others (including Gel, Kits, etc.)	139.21	318.69
	<b>1,157.82</b>	<b>779.61</b>

### 31 Changes in inventories of finished goods and work-in-progress

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>At the end of the year</b>		
Work-in-progress	745.21	197.17
Finished goods	2,022.32	2,697.01
	<b>2,767.53</b>	<b>2,894.18</b>
<b>At the beginning of the year</b>		
Work-in-progress	197.17	588.45
Finished goods	2,697.01	900.41
	<b>2,894.18</b>	<b>1,488.86</b>
	<b>126.65</b>	<b>(1,405.32)</b>

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 32 Employee benefits expense

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Salaries, wages and bonus	5,446.02	4,871.41
Contribution to provident and other funds (Refer note 44(A) and 45(a))	189.49	165.80
Share based payments to employees (Refer note 47)	135.40	-
Gratuity expense (Refer note 45)	69.60	56.53
Staff welfare expenses	235.47	240.53
	<b>6,075.98</b>	<b>5,334.27</b>

### 33 Finance costs

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Interest on borrowings	926.94	557.30
Interest on delayed payment of income tax	20.25	30.89
Other borrowing costs	191.63	104.25
	<b>1,138.82</b>	<b>692.44</b>

### 34 Depreciation and amortisation expense

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation and amortisation on property, plant and equipment	1,825.59	1,309.23
Amortisation of intangible assets	185.75	285.95
	<b>2,011.34</b>	<b>1,595.18</b>

### 35 Other expenses

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Consumption of stores and spares	89.10	93.14
Power and fuel	1,719.69	1,330.71
Water charges	19.37	15.93
Insurance	67.54	66.30
Repairs and maintenance		
Machines	416.80	525.26
Buildings	41.38	184.78
Others	336.94	299.97
Contract labour	2,329.68	2,093.80
Printing & stationery	41.38	50.87

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 35 Other expenses (Contd.)

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Communication costs	52.14	49.70
Legal and professional fees	1,206.24	948.39
Payment to auditors (Refer note below (a))	63.70	60.60
Advertisement & sales promotion	253.92	191.11
Travelling and conveyance	540.28	536.56
Commission on sales	1,261.00	1,416.15
Freight and forwarding charges	896.66	840.74
Bad debts written off	212.71	110.07
Rates and taxes	15.34	63.82
Property, plant and equipment written off	13.71	-
Loss on sale of property, plant and equipment (net)	-	1.56
Rent (Refer note 42)	34.38	21.27
Laboratories Expenses	623.48	737.08
Corporate social responsibility expenses (Refer note 49)	48.53	46.98
Miscellaneous expenses	385.59	445.79
	<b>10,669.56</b>	<b>10,130.58</b>

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>Note</b>		
<b>(a) Auditors' remuneration (of the Parent Company) (excluding taxes)</b>		
As Auditors	51.75	55.50
Other Services	10.00	3.75
Out of Pocket Expenses	1.95	1.35
	<b>63.70</b>	<b>60.60</b>

### 36 Tax (expense)

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Current tax for the year (net of Minimum alternative tax utilisation)	(419.55)	(88.59)
Tax adjustments pertaining to earlier years	(47.86)	(5.56)
<b>Deferred tax expenses</b>		
(Decrease) in deferred tax assets	(2.43)	(314.61)
(Increase) / Decrease in deferred tax liabilities	(92.49)	(215.16)
	<b>(94.92)</b>	<b>(529.77)</b>
	<b>(562.33)</b>	<b>(623.92)</b>

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Tax (expense) / credit recognised in Statement of profit and loss	(584.44)	(639.61)
Tax (expense) / credit recognised in other comprehensive income	22.11	15.69
	<b>(562.33)</b>	<b>(623.92)</b>
<b>Tax reconciliation</b>		
<b>Profit before tax</b>	<b>1,800.94</b>	<b>2,364.24</b>
Tax at the rate of 29.12% (31 March 2024 : 29.12%)	(524.43)	(688.47)
Tax adjustment pertaining to earlier years	(47.86)	(5.56)
<b>Tax effect of amounts which are mentioned below</b>		
Income/(expenses) exempted from income taxes	13.22	5.05
Difference in tax rates for certain entities of the Group	0.72	1.34
Permanent Disallowances	(5.82)	(9.00)
Allowances / Disallowances under specific provisions of Income tax act, 1961 (net)	50.97	15.40
Disallowance of Donation/Corporate social responsibility expenses	(22.11)	(16.32)
Other tax deductions	(49.13)	57.95
	<b>(584.44)</b>	<b>(639.61)</b>

### 37 Fair value measurements

#### Financial instruments by category:

All financial assets and financial liabilities, except derivative instruments of the Group are under the amortised cost measurement category at each of the reporting date.

#### Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received on selling of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique.

**Level 1:** quoted (unadjusted) prices in active markets for identical assets or liabilities.

**Level 2:** other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

**Level 3:** techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

#### Financial assets and liabilities measured at fair value at each reporting date

Investment in equity shares (other than subsidiaries) are measured at fair value through profit and loss at each reporting date.

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

Financial assets and financial liabilities measured at amortised cost, but for which fair values are disclosed as below:

Fair value for assets and liabilities measured at amortised cost	31 March 2025				31 March 2024			
	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3	Carrying amount
<b>Financial liabilities</b>								
Non-current borrowings (including current maturities)	-	5,958.71	-	5,958.71	-	5,117.32	-	5,117.32
Lease liabilities (other than current portion)	-	-	206.97	206.97	-	-	294.95	294.95
<b>Financial assets</b>								
Non-current investment	-	5.00	-	5.00	-	5.15	-	5.15
Other financial assets	-	-	103.27	103.27	-	-	78.55	78.55

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

The carrying amounts of security deposits, trade receivables, current loans, other financial assets, fixed deposits with banks, current borrowings, trade payables and other current financial liabilities are considered to be approximately equal to their fair value.

### Valuation processes

The Group evaluates the fair value of financial assets and financial liabilities on periodic basis using the best and most relevant data available.

## 38 Financial risk management

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the Risk Committee.

The Group is exposed to market risk, credit risk and liquidity risk.

### A Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including deposits, foreign currency receivables, payables and loans and borrowings.

The Group manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommend risk management objectives and policies, which are approved by Chief financial officer. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures like foreign exchange forward contracts, borrowing strategies and ensuring compliance with market risk limits and policies.

### Market risk - Interest rate risk

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

According to the Group, interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 38 Financial risk management (Contd.)

#### Exposure to interest rate risk

Particulars	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Total Borrowings	11,216.55	10,635.26
% of Borrowings out of above bearing variable rate of interest	100%	100%

#### Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax and Other Equity

Particulars	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
50 bp increase would decrease the profit before tax by	(56.08)	(53.18)
50 bp decrease would increase the profit before tax by	56.08	53.18

#### Market risk - Foreign currency risk management

The Group operates internationally wherein portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

#### (a) Particulars of unhedged foreign currency exposures as at the reporting date

As at 31 March 2025

Particulars	USD		EURO		AED		CAD		GBP	
	Foreign currency	INR	Foreign currency	INR	Foreign currency	INR	Foreign currency	INR	Foreign currency	INR
Trade receivable	80.49	6,881.05	4.91	452.56	-	-	0.32	19.31	0.66	73.48
Trade payables	13.16	1,124.82	0.37	33.73	-	-	0.01	0.36	-	-
Advance received from customers	2.72	235.07	-	-	-	-	-	-	-	-
Balance in EEFC Account	0.29	24.50	-	-	-	-	-	-	-	-
PCFC and PFCFC	8.54	730.16	-	-	-	-	-	-	-	-
Export commission	6.04	516.61	0.93	86.04	0.93	21.53	-	-	-	-

As at 31 March 2024

Particulars	USD		EURO		AED		CAD		GBP	
	Foreign currency	INR	Foreign currency	INR	Foreign currency	INR	Foreign currency	INR	Foreign currency	INR
Trade receivable	85.42	7,125.26	2.59	233.13	-	-	0.88	53.79	-	-
Trade payables	2.66	221.48	0.02	2.16	-	-	0.01	0.38	-	-
Advance received from customers	1.95	161.62	1.69	150.99	4.63	104.14	-	-	-	-
Balance in EEFC Account	-	-	-	-	-	-	-	-	-	-
PCFC and PFCFC	1.37	114.27	-	-	-	-	-	-	-	-
Export commission	9.11	759.41	1.44	129.30	-	-	-	-	-	-

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 38 Financial risk management (Contd.)

#### Sensitivity to foreign currency risk

(Amount in lakhs)

Particulars	Impact on profit before tax and Other Equity	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>USD sensitivity</b>		
INR / USD		
Increase by 5%	214.94	293.42
Decrease by 5%	(214.94)	(293.42)
<b>Euro sensitivity</b>		
INR / Euro		
Increase by 5%	16.64	(2.47)
Decrease by 5%	(16.64)	2.47
<b>AED sensitivity</b>		
INR / AED		
Increase by 5%	(1.08)	(5.21)
Decrease by 5%	1.08	5.21
<b>CAD sensitivity</b>		
INR / CAD		
Increase by 5%	0.95	2.67
Decrease by 5%	(0.95)	(2.67)
<b>GBP sensitivity</b>		
INR / GBP		
Increase by 5%	3.67	-
Decrease by 5%	(3.67)	-

### B Credit risk

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

The presumption under Ind AS 109 with reference to significant increase in credit risk since initial recognition (when financial assets are more than 30 days past due), has been rebutted and is not applicable to the Company, as the Company is able to collect a significant portion of its receivables that exceed the due date and the receivables past due by 90 days are considered as significant increase in credit risk.

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 38 Financial risk management (Contd.)

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

#### Credit risk management

To manage credit risk, the Group periodically assesses the financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. There is no significant concentration of credit risk.

Bank balances are held with only high rated banks and majority of security deposits are placed majorly with government agencies. Trade receivables are generally recovered within the credit period. The Group measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

#### Ageing of Trade receivables

(₹ in lakhs)

	Not due	0-12 months	1-2 years	2-3 years	more than 3 years	Total
<b>As at 31 March 2025</b>						
Gross Carrying amount of - trade receivables	8,202.60	2,456.03	32.58	51.55	29.25	10,772.01
Gross Carrying amount of - contract assets	-	-	-	-	-	-
Expected credit loss - trade receivables (%)	0.01%	0.10%	2.15%	0.00%	100.00%	-
Expected credit loss - trade receivables	1.16	2.39	0.70	-	29.25	33.50
Expected credit impaired - trade receivables	-	-	-	46.48	-	46.48
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>8,201.44</b>	<b>2,453.64</b>	<b>31.88</b>	<b>5.07</b>	<b>-</b>	<b>10,692.03</b>
<b>Carrying amount of contract assets (net of impairment)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at 31 March 2024</b>						
Gross Carrying amount of - trade receivables	7,134.93	2,749.76	226.83	21.12	35.85	10,168.49
Gross Carrying amount of - contract assets	332.38	-	-	-	-	332.38
Expected credit loss - trade receivables (%)	0.03%	0.27%	4.43%	70.22%	100.00%	-
Expected credit loss - trade receivables	2.45	7.53	10.04	14.83	35.85	70.70
Expected credit impaired - trade receivables	-	20.27	60.98	-	-	81.25
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>7,132.48</b>	<b>2,721.96</b>	<b>155.81</b>	<b>6.29</b>	<b>-</b>	<b>10,016.54</b>
<b>Carrying amount of contract assets (net of impairment)</b>	<b>332.38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>332.38</b>

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 38 Financial risk management (Contd.)

#### Reconciliation of expected credit loss of trade receivables

	As at 31 March 2025	As at 31 March 2024
<b>Balance at the beginning of the year</b>	151.95	169.42
Additions	37.18	81.25
Reversal against recoveries/bad debts	(109.15)	(98.72)
	(71.97)	(17.47)
<b>Balance at the end of the year</b>	<b>79.98</b>	<b>151.95</b>

### C Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. For the Group, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables, lease liabilities and other financial liabilities.

#### Liquidity risk management

The Group's corporate treasury department is responsible for liquidity and funding as well as settlement management. The processes and policies related to such risks are overseen by Chief Financial Officer. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

#### Maturities of non – derivative financial liabilities

As at 31 March 2025

Particulars	(₹ in lakhs)			
	0 month to 1 year	Between 1 and 5 years	Beyond years	Total
Non-current borrowings (including current maturities)	1,928.61	4,030.10	-	5,958.71
Current Borrowings	5,246.07	-	-	5,246.07
Interest accrued but not due on borrowings	11.77	-	-	11.77
Trade payables	6,950.58	-	-	6,950.58
Lease liabilities (non-discounted)	397.14	212.52	-	609.66
Other current financial liabilities	1,170.36	-	-	1,170.36
<b>Total</b>	<b>15,704.53</b>	<b>4,242.62</b>	<b>-</b>	<b>19,947.15</b>

As at 31 March 2024

Particulars	(₹ in lakhs)			
	0 month to 1 year	Between 1 and 5 years	Beyond 5 years	Total
Non-current borrowings (including current maturities)	1,557.26	3,560.06	-	5,117.32
Current Borrowings	5,503.96	-	-	5,503.96
Interest accrued but not due on borrowings	13.98	-	-	13.98
Trade payables	6,238.09	-	-	6,238.09
Lease liabilities (non-discounted)	290.84	319.27	-	610.11
Other current financial liabilities	1,077.72	-	-	1,077.72
<b>Total</b>	<b>14,681.85</b>	<b>3,879.33</b>	<b>-</b>	<b>18,561.18</b>

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 39 Capital management

#### Risk management

The Group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders. The Company has complied with financial covenants.

	As at 31 March 2025	As at 31 March 2024
The capital composition is as follows:		
Net debt#	11,021.89	9,675.24
Total equity	25,223.80	23,874.61
<b>Net debt to equity ratio</b>	<b>44%</b>	<b>41%</b>

# includes non-current borrowings, current borrowings, current maturities of non-current borrowings and interest accrued but not due on borrowings (net of cash and cash equivalents)

### 40 Changes in liabilities arising from financing activities

	As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents	194.66	960.02
Non- current borrowings	(5,958.71)	(5,117.32)
Current borrowings	(5,246.07)	(5,503.96)
Lease liabilities	(563.40)	(542.13)
Interest accrued but not due on borrowings	(11.77)	(13.98)
<b>Net Debt</b>	<b>(11,585.29)</b>	<b>(10,217.37)</b>

	(₹ in lakhs)					
	Cash and cash equivalents	Non-current borrowings	Current borrowings	Lease liabilities	Interest accrued but not due on borrowings	Total
<b>Net as at 01 April 2023</b>	642.05	(3,652.99)	(2,288.03)	(259.00)	(15.79)	(5,573.76)
Cash flows (net)	317.97	(1,521.44)	(3,215.47)	172.39	-	(4,246.55)
IND AS adjustments	-	57.11	-	(455.52)	-	(398.41)
Foreign exchange adjustments	-	-	(0.46)	-	-	(0.46)
Finance cost expense	-	-	-	-	(692.44)	(692.44)
Finance cost paid	-	-	-	-	694.25	694.25
<b>Net as at 31 March 2024</b>	<b>960.02</b>	<b>(5,117.32)</b>	<b>(5,503.96)</b>	<b>(542.13)</b>	<b>(13.98)</b>	<b>(10,217.37)</b>
Cash flows (net)	(765.36)	(930.38)	252.65	358.16	-	(1,084.93)
IND AS adjustments	-	88.99	-	(379.43)	-	(290.44)
Foreign exchange adjustments	-	-	5.24	-	-	5.24
Finance cost expense	-	-	-	-	(1,138.82)	(1,138.82)
Finance cost paid	-	-	-	-	1,141.03	1,141.03
<b>Net as at 31 March 2025</b>	<b>194.66</b>	<b>(5,958.71)</b>	<b>(5,246.07)</b>	<b>(563.40)</b>	<b>(11.77)</b>	<b>(11,585.29)</b>

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 41 Subsidiaries considered in the consolidated financial statement are as follows :

Sr. No	Name of the Subsidiaries	Principal place of business and country of incorporation	Proportion of ownership interest
1	ZIM Laboratories FZE	UAE	100.00%
2	ZIM Health Technologies Limited	INDIA	100.00%
3	SIA ZIM Laboratories Limited	LATVIA	100.00%
4	ZIM Thinorals Private Limited	INDIA	100.00%
5	ZIMTAS PTY Limited (w.e.f. 5 March 2024)	AUSTRALIA	99.93%
6	ZIM Laboratories Middle East DMCC (w.e.f. 28 September 2023)*	UAE	70.00%
7	ZIM Scientific Office L.L.C (w.e.f. 15 Novemeber 2024)**	UAE	100.00%

\* During the previous year ZIM Laboratories Middle East DMCC was incorporated as subsidiary of ZIM Laboratories FZE with Share Capital of AED 100,000 divided into 100 Shares, of value AED 1,000 each share.

ZIM Laboratories FZE holds 70 Equity shares (70%) and 30 Equity shares (30%) are held by VIDIMED DWC-LLC in ZIM Laboratories Middle East DMCC. However, the business operations of the Company are yet to commence.

\*\*This has been consolidated with ZIM Laboratories FZE since it's a wholly owned subsidiary of ZIM Laboratories FZE.

### Statement pursuant to details to be furnished for subsidiaries as prescribed by Companies Act, 2013

	2024-25							
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other Comprehensive Income		Share in total Comprehensive Income	
	As % of consolidated net assets	(₹ in lakhs)	As % of consolidated profit or loss	(₹ in lakhs)	As % of other Comprehensive Income	(₹ in lakhs)	As % of total Comprehensive Income	(₹ in lakhs)
Parent: ZIM Laboratories Limited	96.94%	24,451.38	96.54%	1,174.40	1957.82%	(53.84)	92.32%	1,120.56
<b>Foreign subsidiaries</b>								
ZIM Laboratories FZE	6.51%	1,642.90	9.65%	117.41	-1978.18%	54.40	14.16%	171.81
SIA ZIM Laboratories Limited	0.53%	134.78	-5.39%	(65.59)	54.18%	(1.49)	-5.53%	(67.08)
ZIMTAS PTY Limited	0.27%	67.27	-0.27%	(3.32)	66%	(1.82)	-0.42%	(5.14)
<b>Indian subsidiaries</b>								
ZIM Health Technologies Limited	0.79%	199.70	-0.55%	(6.73)	-	-	-0.55%	(6.73)
ZIM Thinorals Private Limited	0.04%	9.71	0.03%	0.31	-	-	0.03%	0.31
Total elimination/adjustment	-5.08%	(1,281.94)	0.00%	0.02	0.00%	0.00	0.00%	0.02
<b>TOTAL</b>	<b>100.00%</b>	<b>25,223.80</b>	<b>100.00%</b>	<b>1,216.50</b>	<b>100.00%</b>	<b>(2.75)</b>	<b>100.00%</b>	<b>1,213.75</b>
<b>Attributable to</b>								
Owners	100.00%	25,223.75	100.00%	1,216.52	100.00%	(2.75)	100.00%	1,213.77
Non-controlling interest	0.00%	0.05	0.00%	(0.02)	0.00%	-	0.00%	(0.02)

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 41 Subsidiaries considered in the consolidated financial statement are as follows : (Contd.)

	2023-24							
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other Comprehensive Income		Share in total Comprehensive Income	
	As % of consolidated net assets	(₹ in lakhs)	As % of consolidated profit or loss	(₹ in lakhs)	As % of other Comprehensive Income	(₹ in lakhs)	As % of total Comprehensive Income	(₹ in lakhs)
Parent: ZIM Laboratories Limited	97.16%	23,195.42	97.15%	1,675.55	153.37%	(38.19)	96.33%	1,637.36
<b>Foreign subsidiaries</b>								
ZIM Laboratories FZE	6.16%	1,471.09	1.04%	17.97	-55.62%	13.85	1.87%	31.82
SIA ZIM Laboratories Limited	-0.48%	(114.98)	0.04%	0.74	2.25%	(0.56)	0.01%	0.18
ZIMTAS PTY Limited	0.02%	4.15	-0.07%	(1.26)	0.00%	-	-0.07%	(1.26)
<b>Indian subsidiaries</b>								
ZIM Health Technologies Limited	0.46%	110.43	1.85%	31.86	0.00%	-	1.87%	31.86
ZIM Thinorals Private Limited	0.04%	9.40	-0.01%	(0.24)	0.00%	-	-0.01%	(0.24)
Total elimination/adjustment	-3.35%	(800.90)	-	0.01	0.00%	-	0.00%	0.01
<b>TOTAL</b>	<b>100.00%</b>	<b>23,874.61</b>	<b>100.00%</b>	<b>1,724.63</b>	<b>100.00%</b>	<b>(24.90)</b>	<b>100.00%</b>	<b>1,699.73</b>
<b>Attributable to</b>								
Owners	100.00%	23,874.58	100.00%	1,724.64	100.00%	(24.90)	100.00%	1,699.74
Non-controlling interest	0.00%	0.03	0.00%	(0.01)	0.00%	-	0.00%	(0.01)

### 42 Leases

	As at 31 March 2025	As at 31 March 2024
(₹ in lakhs)		
<b>The Balance sheet discloses the following amounts relating to leases:</b>		
Leasehold Land*	1,067.28	613.71
<b>Other Right to use Assets</b>		
Buildings	103.62	82.82
Plant and equipment	519.33	536.10
	<b>1,690.23</b>	<b>1,232.63</b>
<b>Lease liabilities</b>		
Current	356.43	247.18
Non-current	206.97	294.95
	<b>563.40</b>	<b>542.13</b>

\*There are no lease liabilities in respect of the leasehold land as the entire amount has been paid upfront on the date of the execution of the lease agreement with respective authorities.

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 42 Leases (Contd.)

Amounts recognised in statement of profit and loss	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>Depreciation charge on</b>		
Leasehold Land	12.88	9.98
Other Right to use Assets		
Buildings	71.06	48.60
Plant and equipment	370.07	149.67
	<b>454.01</b>	<b>208.25</b>
Interest expense included in finance cost	77.49	24.00
Expense relating to short-term leases	34.38	21.27
Expense relating to leases of low-value assets that are not shown above as short-term leases	-	-
Expense relating to variable lease payments not included in lease liability	-	-
Total cash outflow for leases during current financial year (excluding short term leases)	358.16	172.39
Additions to the right of use assets during the current financial year	911.61	542.10

### 43 Related Party Disclosures

As per Ind AS 24 "Related Party Disclosures", disclosure of transactions with the related parties as defined in the Indian Accounting Standard are given below:

#### A. List of related parties and relationship (to the extent where transactions have taken place and relationship of control) :

##### (i) Key Managerial Personnel

	Nature of relationship
Dr. Anwar S. Daud	Managing Director and shareholder with significant influence
Mr. Zulfiquar Kamal	Director (Finance)
Mr. Niraj Dhadiwal	Executive Director
Mr. Prakash Sapkal	Executive Director
Mr. Padmakar Joshi	Independent Director
Mrs. Kavita Loya	Independent Director
Dr. Kamlesh Shende	Independent Director
Dr. Kakasaheb Mahadik (upto 31 March 2025)	Independent Director
Mr. Ashok Bhatia (w.e.f. 01 April 2025)	Independent Director
Mr. Piyush Nikhade	Company Secretary & Compliance Officer
Mr. Shyam Mohan Patro	Chief Financial Officer

##### (ii) Key Managerial Personnel: Wholly owned subsidiary companies

Dr. Chandrashekhar Mainde	Executive Director and Chief Executive Officer (ZIM Health Technologies Limited, India)
Mrs. Rashida Daud	General Manager (ZIM Laboratories FZE, UAE)

##### (iii) Partnership LLP in which director of Wholly owned subsidiary company is a Partner

Pachira Financial Services LLP, India	Related Party of ZIM Health Technologies Limited, India
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##### (iv) Other Significant influences

Mathew Cyriac (upto 13 March 2025)	Shareholder exercising significant influence
Elizabeth Mathew (w.e.f. 21 March 2025)	Shareholder exercising significant influence
Zakir Vali	Shareholder exercising significant influence

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 43 Related Party Disclosures (Contd.)

#### B. Nature of transactions:

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>1) Remuneration*</b>		
Dr. Anwar S. Daud	146.74	177.79
Mr. Zulfiquar Kamal	119.60	110.20
Mr. Niraj Dhadiwal	100.23	93.20
Mr. Prakash Sapkal	109.64	93.67
Mr. Piyush Nikhade	43.14	36.20
Mr. Shyam Mohan Patro	81.05	77.50
Dr. Chandrashekhar Mainde	120.00	216.21
Mrs. Rashida Daud	16.59	16.24
<b>2) Director's fees</b>		
Mr. Padmakar Joshi	7.00	7.00
Mrs. Kavita Loya	9.00	9.00
Dr. Kamlesh Shende	7.00	7.00
Dr. Kakasaheb Mahadik	7.00	7.00
<b>3) Professional fees</b>		
Pachira Financial Services LLP, India	72.00	90.44
<b>4) Rent paid</b>		
Dr. Anwar S. Daud	28.45	27.01
Dr. Chandrashekhar Mainde	6.00	-
<b>5) Deemed equity contribution from shareholder (net of charges) (Refer note 17)</b>		
Mr. Zakir Vali	-	3,049.97

#### C. Balances outstanding at year end:

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>Advance for expenses to Key Managerial Personnel</b>		
Dr. Chandrashekhar Mainde	0.34	-
<b>Payable to Key Managerial Personnel</b>		
Dr. Anwar S. Daud	6.34	7.92
Mr. Zulfiquar Kamal	5.80	3.15
Mr. Niraj Dhadiwal	3.94	2.96
Mr. Prakash Sapkal	1.61	6.05
Mr. Piyush Nikhade	1.66	-
Mr. Shyam Mohan Patro	3.34	2.98
Dr. Chandrashekhar Mainde	-	6.38
Mrs. Rashida Daud	1.40	1.36
<b>Trade payable</b>		
Dr. Anwar S. Daud	6.40	6.23
Dr. Kamlesh Shende	1.58	1.58
Dr. Kakasaheb Mahadik	1.58	1.58
Mr. Padmakar Joshi	1.58	1.58
Mrs. Kavita Loya	2.03	2.03
Pachira Financial Services LLP, India	5.40	5.40
Dr. Chandrashekhar Mainde	2.16	-

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 43 Related Party Disclosures (Contd.)

#### Key Managerial Personnel' compensation

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
a) Short- term employee benefits	756.76	841.14
b) Post- employment benefits	10.23	9.87
<b>Total compensation</b>	<b>766.99</b>	<b>851.01</b>

\* The remuneration to Key management personnel does not include provision for employee benefits determined on actuarial basis.

All the transactions stated above with related parties are on arm's length basis.

All borrowings are guaranteed by the Managing Director of the Company (Refer notes 18 & 21).

### 44 Contingent liabilities and commitments

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>(A) Contingent liabilities</b>		
Income Tax Assessments for earlier years, pending in appeal	395.95	500.04
Gram Panchayat Tax	-	12.58
Duty saved considering export obligation to be fulfilled subsequent to the reporting date, within the period allowed under the Advance License scheme	57.89	72.14

#### Notes:

- The Group does not expect any reimbursement in respect of the above contingent liabilities.
- It is not practical to estimate the timing of cash outflows, if any, in respect of matters above, pending resolution/completion of the appellate proceedings/other proceedings, as applicable.

#### Other matter

The Honourable Supreme Court, had passed a judgement on 28 February 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The management, based on legal advice, is of the view that the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered due to interpretative challenges, and resultant impact on the past provident fund liability, cannot be reasonably ascertained.

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>(B) Commitments</b>		
Estimated value of contracts in capital account remaining to be executed (net of capital advance)	1,117.88	1,359.72

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 45 Employee benefits

As per Indian Accounting Standard-19, 'Employee Benefits', the disclosure of Employee benefits as defined in the Standard are given below:

#### (a) Defined Contribution Plan:

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Employer's Contribution to Provident fund	146.02	134.06
Employer's Contribution to ESIC	8.52	7.00
Employer's Contribution to Labour welfare fund	2.62	2.18
Employer's Contribution to Pension fund	32.33	22.56

#### (b) Defined Benefits Plan :

##### Gratuity

Under the gratuity plan, every employee is entitled to the benefit equivalent to fifteen days salary (as per last drawn salary) for each completed year of service or part thereof in excess of six months depending on the date of joining and eligibility terms, in terms of provisions of the Payment of Gratuity Act, 1972. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. Liabilities for such benefits are provided on the basis of valuation, as at the balance sheet date, carried out by an independent actuary. The actuarial valuation method used by an independent actuary for measuring the liability is the Projected Unit Credit method. The scheme is funded with an insurance company in the form of qualifying insurance policy.

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Mortality Table	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Discount rate	6.65%	7.19%
Salary growth rate	5.00%	5.00%
Withdrawal rate	12.00%	12.00%
Expected rate & return on Plan assets	6.65%	7.19%
<b>Changes in the Fair value of Plan Assets</b>		
Present Value of Plan Assets at the beginning of the year	931.68	858.75
Interest Income	66.99	63.46
Employer's Contribution	54.45	30.72
Benefits Paid	-	(13.70)
Actuarial adjustment: Return on plan assets, excluding amount recognised in net interest expense	1.95	(7.55)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>1,055.07</b>	<b>931.68</b>
<b>Changes in the Present Value of Obligation</b>		
Present Value of Obligation at the beginning of the year	898.64	792.06
Current Service Cost	71.97	61.46
Interest Expenses or Cost	64.61	58.53

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 45 Employee benefits (Contd.)

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in the demographic assumptions	-	-
- change in the financial assumptions	24.27	8.05
- experience variance (i.e. Actual experience v/s assumptions)	53.63	38.28
Past Service Cost	-	-
Benefits Paid	(113.42)	(59.74)
<b>Present Value of Obligation at the end of the year</b>	<b>999.70</b>	<b>898.64</b>

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>Amount recognised in the Balance Sheet</b>		
Present Value of Obligation at the end of the year	999.70	898.64
Fair Value of Plan Assets at the end of the year	(1,055.07)	(931.68)
<b>Net (Asset) recognised at the end of the year</b>	<b>(55.37)</b>	<b>(33.04)</b>
<b>Percentage of each category of plan assets to total fair value of plan assets as at year end:</b>		
Administered by Life Insurance Corporation of India	100.00%	100.00%

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>Expenses recognised in the Statement of Profit and Loss</b>		
Current service cost	71.97	61.46
Past service cost	-	-
Loss / (gain) on settlement	-	-
Net Interest cost / (income) on the Net Defined Benefit Liability / (Asset)	(2.37)	(4.93)
<b>Total expenses recognised in the Statement of Profit and Loss</b>	<b>69.60</b>	<b>56.53</b>
<b>Actuarial (gain) / loss</b>		
Actuarial (gain) / loss on Obligation for the period	77.90	46.33
Return on Plan Assets, excluding interest income	(1.95)	7.55
<b>Actuarial (gain) / loss recognised in Other Comprehensive Income</b>	<b>75.95</b>	<b>53.88</b>

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>Maturity Profile of Defined Benefit Obligation</b>		
Weighted average duration (based on discounted cash flows)	6 years	6 years

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 45 Employee benefits (Contd.)

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>Expected cash flows over the next (valued on undiscounted basis) as follows :</b>		
Year 1	181.45	155.81
Year 2	113.25	127.50
Year 3	116.39	101.06
Year 4	115.22	109.28
Year 5	115.52	94.27
Thereafter	813.10	760.16

#### Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, withdrawal rate and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of the sensitivity analysis is given below:

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Defined Benefit Obligation (Base)	999.70	898.64

	(₹ in lakhs)			
	Year ended 31 March 2025		Year ended 31 March 2024	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	48.63	(43.95)	42.83	(38.73)
(% change compared to base due to sensitivity)	4.9%	-4.4%	4.8%	-4.3%
Salary Growth Rate (-/+ 1%)	(41.11)	43.84	(36.58)	39.15
(% change compared to base due to sensitivity)	-4.1%	4.4%	-4.1%	4.4%
Attrition Rate (+/- 1%)	(4.62)	4.09	(5.92)	5.34
(% change compared to base due to sensitivity)	-0.5%	0.4%	-0.7%	0.6%

#### (c) Compensated absences

The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year and net charge to the Consolidated Statement of Profit and Loss for the year is ₹ 205.89 lakhs (Previous Year: ₹ 159.00 lakhs).

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 46 Segment information

The Group is primarily engaged in the business of pharmaceuticals. The Group has entrusted decision making authority to the Managing Director (highest authority) who is the Chief Operating Decision Maker (CODM) who has complete control over the operating decisions and is responsible for the information presented to the Board of Directors. Managing Director reviews the Group's performance based on the analysis of the Profit Before Tax (PBT) at an overall entity level and therefore there is no other separate reportable segment for the Group as defined by Ind AS 108 "Operating Segment".

Information about geographical areas are as under :

(₹ in lakhs)

Particulars	31 March 2025			31 March 2024		
	In India	Outside India	Total	In India	Outside India	Total
Revenue from operations *	6,656.94	31,246.16	37,903.10	8,046.36	28,696.08	36,742.44
Carrying amount of segment assets (non-current)**	20,853.28	3,006.23	23,859.51	19,461.75	1,985.15	21,446.90
Carrying amount of segment assets (current)***	13,969.52	8,904.38	22,873.90	14,101.14	7,613.93	21,715.07
Capital expenditure for the year	4,198.68	1,023.44	5,222.12	7,328.86	1,025.14	8,354.00
- Tangible	4,068.06	5.82	4,073.88	7,206.10	-	7,206.10
- Intangible	130.62	1,017.62	1,148.24	122.76	1,025.14	1,147.90

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 2.1.

\*As per Ind AS 108 - Operating Segments, the Company is required to disclose revenue from individual external customers when it is 10 per cent or more of entity's revenue. Details of individual external customers has revenue equal to or more than 10 per cent Group's revenue are as follows :

(₹ in lakhs)

Customer	31 March 2025			31 March 2024		
	In India	Outside India	Total	In India	Outside India	Total
Customer A	-	5,591.41	5,591.41	-	3,730.69	3,730.69

\*\*The carrying amount of non-current segment assets exclude financial assets, income tax assets (net).

\*\*\*The carrying amount of current segment assets exclude Cash and cash equivalents, Bank balances other than cash and cash equivalents & Interest receivable.

### 47 Share based payments

(₹ in lakhs)

	31 March 2025	31 March 2024
Share based payments to employees	135.40	-
Employee stock options	135.40	-

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 47 Share based payments (Contd.)

Resolution passed by Nomination & Remuneration committee and Board at its meeting dated 23 December 2023, and the shareholders through postal ballot on 28 January 2024, had approved the 'ZIM Laboratories Employee Stock Option Scheme 2023' ("ESOS 2023"/ "Scheme"), to create, offer, issue, grant and allot from time to time, in one or more tranches, not exceeding 994,404 (Nine Lakhs Ninety-four Thousand Four Hundred and Four) employee stock options ("Options") to the eligible employees of the Company and/or its subsidiary companies exercisable into not more than 994,404 (Nine Lakhs Ninety-four Thousand Four Hundred and Four) equity shares.

During the year, the Nomination and Remuneration Committee in its meeting held on 13 April 2024 granted 687,257 options to the eligible employees of the Group at an exercise price of ₹ 77.40. Remaining options of 307,147 are available in the ESOP Pool to be granted to the employees of the Group.

#### I. The position of the ESOS of the Company as at 31 March 2025 is as under:

S.No.	Particulars	ESOS
1	Total number of stock options approved	9,94,404
2	Maximum term of Options granted (years)	2 years from date of last vesting or 6 years from the date of grant
3	Source of shares (Primary, Secondary or combination)	Primary
4	Variation in terms of options	No variation
5	Exercise Price per option	at a discount of 20% on market price on grant date (i.e. Rs 77.40)
6	The exercise period	Exercise anytime within two year from date of vesting
7	Weighted average exercise price* (₹)	77.40
8	Weighted average remaining life (in years)	5.04

\*The Black Scholes valuation model has been used for computing weighted average fair value of option on grant date considering the following information:

Particulars	Particulars
1. Risk Free Interest Rate	7.01%
2. Expected Life (year)	4
3. Expected Volatility	55.79%
4. Dividend Yield	0.00%

#### II. Weighted average exercise price of Options granted during the year whose

Exercise price equals to market price of the stock	Nil
Exercise price exceeds market price of the stock	Nil
Exercise price is less than the market price of the stock	77.40

#### III. Weighted average fair value of Options granted during the year whose

Exercise price equals to market price of the stock	Nil
Exercise price exceeds market price of the stock	Nil
Exercise price is less than the market price of the stock	54.44

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 47 Share based payments (Contd.)

IV. The movement of stock options during the year ended 31 March 2025 are summarized below:

Particulars	Number of options
Options outstanding at the beginning of the year	Nil
Options Forfeited / lapsed during the year	Nil
Options granted during the year	6,87,257
Options vested during the year	Nil
Options exercised during the year	Nil
Money realised by exercise of options	Nil
Expired during the year	Nil
Options outstanding at the end of the year	6,87,257
Options exercisable at the end of the year	Nil

V. The exercise price and expected remaining contractual life (comprising the vesting period and exercise period) of options outstanding as at 31 March 2025 is as follows:

Grant Date	Number of options	Vesting Date	Exercise End Date	Exercise Price	Expected remaining contractual life
13 April 2024	68,726	14 April 2025	13 April 2027	77.40	2.04
13 April 2024	1,37,451	14 April 2026	13 April 2028	77.40	3.04
13 April 2024	2,06,177	14 April 2027	13 April 2029	77.40	4.04
13 April 2024	2,74,903	14 April 2028	13 April 2030	77.40	5.04

VI. Cash inflow on exercise of options and weighted average share price at the date of exercise: Not applicable, as options not due for exercise during the year.

VII. The estimates of future cash inflow that may be received upon exercise of options:

	Year ended 31 March 2025	Year ended 31 March 2024
Within one year	53.19	-
Between two years to five years	478.75	-

### 48 Earnings per share

	Year ended 31 March 2025	Year ended 31 March 2024
I. Profit Computation for both Basic and Diluted Earnings per share:		
<b>Net Profit attributable to equity share holders</b>	1,216.52	1,724.64
II. Computation of weighted average number of equity shares :		
Weighted average number of equity shares in calculating basic EPS	4,87,25,814	4,87,25,814
Weighted average number of equity shares in calculating diluted EPS	4,87,25,814	4,87,25,814
III. Earnings Per Share:		
Basic Earning Per Share (₹) (Face value of ₹ 10 per share)	2.50	3.54
Diluted Earning Per Share (₹) (Face value of ₹ 10 per share)	2.50	3.54

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 49 Contribution towards Corporate Social Responsibility (CSR)

Section 135 of the Companies Act, 2013 and Rules made thereunder prescribe that every company having a net worth of ₹ 500 crore or more, or turnover of ₹ 1,000 crore or more or a net profit of ₹ 5 crore or more during any financial year shall ensure that the company spends, in every financial year, at least 2% of the average net profits earned during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The provisions pertaining to corporate social responsibility as prescribed under the Companies Act, 2013 are applicable to the Company. The financial details as sought by the Companies Act, 2013 are as follows :

Particulars		Year ended 31 March 2025	Year ended 31 March 2024
Average net profit of the Company for last three financial years		2,627.84	2,145.71
Prescribed CSR expenditure (2% of the average net profit as computed above)		52.56	42.91
<b>Details of CSR expenditure during the financial year :</b>			
(a) Total amount required to be spent for the financial year		52.56	42.91
(b) Amount approved by the Board to be set-off for the financial year		4.06	-
(c) Amount approved by the Board to be spent for the financial year		48.53	46.98
(d) Amount spent for the financial year ending on 31 March 2025 :	<b>In cash</b>	<b>Yet to be paid in cash</b>	<b>Total</b>
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	48.53	-	48.53
(e) Amount spent for the financial year ending on 31 March 2024:			
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	46.98	-	46.98

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
(f) Details related to spent / unspent obligations :		
(i) Rural support programme and other activities mentioned in Schedule VII of the Companies Act, 2013	48.53	46.98
(ii) Unspent amount in relation to :		
- Ongoing project	-	-
- Other than ongoing project	-	-
	<b>48.53</b>	<b>46.98</b>

#### Details of other than ongoing project

In case of Section 135(5) (Other than ongoing Project)				
Opening Balance	Amount deposited in Specified Fund of Schedule VII within 6 months	Amount required to be spent for the year	Amount spent for the year	Closing Balance
4.06	-	52.56	48.53	0.03

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 49 Contribution towards Corporate Social Responsibility (CSR) (Contd.)

In case of Section 135(5) Excess amount spent			
Opening Balance	Amount required to be spent for the year	Amount spent for the year	Closing Balance
4.06	52.56	48.53	0.03

### 50 Ratio Analysis and its elements

Ratio	Basis		Year ended 31 March 2025	Year ended 31 March 2024	% change
Current Ratio	<u>Current Assets</u> Current Liabilities	Times	1.39	1.43	-3%
Debt- Equity Ratio	<u>Total Debt</u> Total Equity	%	44%	45%	0%
Debt Service Coverage Ratio*	<u>Earnings for debt service</u> Debt Service	Times	1.65	2.03	-19%
Return on Equity Ratio	<u>Profit After Tax</u> Average Equity	%	4.96%	7.86%	-37%
Inventory Turnover Ratio	<u>Cost of Goods Sold</u> Avg. Inventory	Times	2.00	2.54	-21%
Trade Receivable Turnover Ratio	<u>Revenue from Sale of Products</u> Average Trade Receivables	Times	3.50	3.64	-4%
Trade Payable Turnover Ratio	<u>Cost of Goods Sold</u> Average Trade Payables **	Times	4.27	5.00	-15%
Net Capital Turnover Ratio	<u>Revenue from Operations</u> Working Capital ***	Times	5.84	5.39	8%
Net Profit Ratio	<u>Net Profit After Tax</u> Revenue from operations	%	3.21%	4.69%	-32%
Return on Capital Employed	<u>Earnings before Interest and Tax ****</u> Capital Employed *****	%	8.29%	10.10%	-18%
<b>Return on Investment</b>			NA ##	NA ##	0%
Operating Profit Margin	<u>Earnings before Interest and Tax ****</u> Revenue from operations	%	7.76%	8.32%	-7%
Basic EPS	<u>Net Profit attributable to equity share holders</u> Weighted average number of equity shares	Times	2.50	3.54	-29%
Interest Coverage Ratio	<u>Earnings before Interest and Tax ****</u> Finance costs	Times	2.58	4.41	-42%

\* Earnings for Debt Service = Net Profit after tax + Depreciation and amortisation expense + Finance costs (recognised excluding lease),

Debt Service = Principal Repayments + Finance costs (recognised excluding lease)

\*\* Average Trade Payables = Average Trade payables for the materials purchase

\*\*\* Working Capital = Current Assets - Current Liabilities

\*\*\*\* Earnings before Interest and Tax = Profit before exceptional item and tax + Finance costs (recognised)

\*\*\*\*\* Capital Employed = Average of equity and total borrowings

## The Group has insignificant trade investment.

## Material accounting policy information and other explanatory information to the consolidated financial statements

For the year ended 31 March 2025

### 50 Ratio Analysis and its elements (Contd.)

- Return on Equity Ratio: Decreased by 37% in the current year due to decrease in profitability of the Group
- Net Profit Ratio: Decreased by 32% in the current year due to decrease in profitability of the Group
- Basic EPS: Decreased by 29% in the current year due to decrease in profitability of the Group
- Interest Coverage Ratio: Decreased by 42% in the current year is mainly due to increase in the finance costs on account of working capital utilisation

**51** The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The audit trail has been preserved by the Holding Company as per the statutory requirements for record retention at application level from 1 April 2023 and at the database level from 25 July 2024. The audit trail has been preserved by the subsidiaries as per the statutory requirements for record retention.

The Holding Company and its subsidiaries have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been enabled at application level. However, the audit trail (edit logs) is enabled at the database level from 25 July 2024 for the Holding Company.

**52** Figures of the previous year has been re-grouped/re-arranged wherever necessary. The impact of the same is not material to the users of financial statement.

#### For and on behalf of the Board of Directors

**For Walker Chandio & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Anwar S. Daud**  
Managing Director  
DIN: 00023529

**Zulfiqar M. Kamal**  
Director (Finance)  
DIN: 01786763

**Khushroo B. Panthaky**  
Partner  
Membership No.: 042423

**Shyam Mohan Patro**  
Chief Financial Officer

**Piyush Nikhade**  
Company Secretary

Place: Nagpur  
Date: 20 May 2025

Place: Nagpur  
Date: 20 May 2025

# Independent Auditor's Report

## To the Members of ZIM Laboratories Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

- We have audited the accompanying standalone financial statements of **ZIM Laboratories Limited** ('the Company'), which comprise the Standalone Balance Sheet as at **31 March 2025**, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.
- We have determined the matter described below to be the key audit matters to be communicated in our report.

#### Basis for Opinion

- We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matter

- Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Independent Auditor's Report on the Audit of the Standalone Financial Statements

Key audit matter	How our audit addressed the key audit matter
For marketing rights under process of approval, the primary risk relates to timely securing of requisite regulatory approvals. For capitalized marketing rights, the key risk is the ability to successfully commercialize the individual product concerned in the respective geography over the expected timelines.	<ul style="list-style-type: none"> <li>Verified sample of costs expensed to supporting documentation such as study reports, invoices and payment records to ensure the correctness of the amounts being expensed;</li> <li>Obtained an understanding from management as to the status of each marketing right under process and corroborating, on sample basis, such status assessments from the communications of the Company's management (as distinct from the financial management function) with respective authorities;</li> </ul>
The assumptions/judgement applied by management in determining the recoverable value of such rights include expected contributions from projected business generated in respective countries. Changes in these assumptions could lead to an impairment to the carrying value of such intangible assets and Intangible assets under development.	<ul style="list-style-type: none"> <li>In respect of marketing rights for products that have received regulatory approvals, we assessed the useful life and amortization period for the capitalized costs and challenged their total estimated profitability based on results achieved till date;</li> <li>In respect of marketing rights for products that are no longer considered viable, we determined whether the carrying amount had been appropriately written off; and</li> <li>Evaluated the appropriateness and adequacy of the related disclosures made in the standalone financial statements in accordance with applicable accounting standards.</li> </ul>
Considering the materiality of the amounts involved, inherent subjectivity and significant management judgement involved to estimate the recoverable value of the marketing rights, capitalization and realisability of 'Product Marketing Authorization' Rights has been identified as a key audit matter for the current year audit.	

### Information other than the Standalone Financial Statements and Auditor's Report thereon

- The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the 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.

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

- The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible

for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Key audit matter	How our audit addressed the key audit matter
<p><b>Capitalization and realisability of 'Product Marketing Authorization' Rights</b></p> <p>(Refer Note 2.1(d) to the accompanying standalone financial statements for material accounting policy information and Note 5(A) and 5(B) for related disclosures).</p> <p>The Company has applied for registration of its various formulated products in different countries. The applications have been made to secure marketing rights/ product authorisations in respective geographies, some of which are subject to regulatory approvals. The expenses towards registrations are capitalized as 'Product Marketing Authorizations'. The Product Marketing Authorizations are marketing rights and primarily include costs pertaining to bioequivalence studies, analytical method validation studies and product registration costs in respective geographies.</p> <p>Based on management's expectation of its commercial utilization of these products, these costs are amortized over a period of three years from date of capitalization.</p>	<p>Our audit procedures with respect to audit of capitalization and realisability of 'Product Marketing Authorization' Rights, included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the management process and controls for calculating the amount to be capitalized and its realisability, and assessed the consistency of the accounting policies with relevant accounting standards;</li> <li>Evaluated the design and tested the operating effectiveness of internal controls around capitalisation and realisability of 'Product Marketing Authorization' Rights;</li> <li>Tested the mathematical accuracy of the amounts capitalized as marketing rights and also evaluated key assumptions regarding market potential used by the Company on sample basis;</li> </ul>

## Independent Auditor's Report on the Audit of the Standalone Financial Statements

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

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the standalone 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 Standards on Auditing 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 standalone financial statements.

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone 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 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 with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' 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 standalone 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; and

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

12. 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.

13. 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.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

## Independent Auditor's Report on the Audit of the Standalone Financial Statements

17. Further to our comments in Annexure I, 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 purpose of our audit of the accompanying standalone financial statements;
- 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, except for the matters stated in paragraph 17(h) (vi) below on reporting in relation to audit trail as required under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- c) The standalone financial statements dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;
- f) The modification relating to the maintenance of accounts and other matters connected therewith in relation to audit trail are as stated in paragraph 18(b) above on reporting under Section 143(3) (b) of the Act and paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure II wherein we have expressed an unmodified opinion; and
- 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, as detailed in note 44 (A) to the standalone financial statements, has

disclosed the impact of pending litigations on its financial position as at 31 March 2025;

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025;
- iv.
  - a. The management has represented that, to the best of its knowledge and belief, on the date of this audit report, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b. The management has represented that, to the best of its knowledge and belief, on the date of this audit report, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether 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; and
  - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

### Independent Auditor's Report on the Audit of the Standalone Financial Statements

- v. The Company has not declared or paid any dividend during the year ended 31 March 2025.
- vi. As stated in Note 52 to the standalone financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2024, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature was enabled at database level from 25 July 2024. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than

the consequential impact of the exception given above. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention from the date the audit trail was enabled for the accounting software.

For **Walker Chandio & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Khushroo B. Panthaky**  
Partner  
Membership No.: 042423  
UDIN: **25042423BMNRBU5663**

Place: Nagpur  
Date: 20 May 2025

### Independent Auditor's Report on the Audit of the Standalone Financial Statements

#### **Annexure I** referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of ZIM Laboratories Limited on the standalone financial statements for the year ended 31 March 2025

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 report 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 Company has a regular programme of physical verification of its property, plant and equipment, capital work-in-progress, and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification.
- c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 3 to the standalone financial statements, are held in the name of the Company.
- d) The Company has not revalued its property, plant and equipment including right-of-use assets or intangible assets during the year.
- e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder. Accordingly, reporting under 3(i) (e) of the order is not applicable to the company.
- (ii) a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.
- b) As disclosed in Note 21 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of ₹ 5 crores by banks and/or financial institutions based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and/or financial institutions and such returns/statements are in agreement with the books of account of the Company for the respective periods, which were subject to audit.
- (iii) a) During the year, the Company has not provided any loans or provided any advances in the nature of loans, or guarantee, or security to any other entity during the year. Accordingly, reporting under clauses 3(iii)(a) of the Order is not applicable to the Company.
- b) The Company has not provided any guarantee or given any security or granted any loans or advances in the nature of loans during the year. However, the Company has made investment in two subsidiaries, amounting to INR 385.09 lakhs (year-end balance INR 421.33 lakhs) and in our opinion and according to the information and explanations given to us, the investments made are, prima facie, not prejudicial to the interest of the Company.
- c) The Company does not have any outstanding loans and advances in the nature of loans at the beginning of the current year nor has granted any loans or advances in the nature of loans during the year. Accordingly, reporting under clauses 3(iii) (c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of investments, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of loans granted, guarantees and security provided by it.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

**Independent Auditor's Report on the Audit of the Standalone Financial Statements  
Annexure I (Contd.)**

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, we report that there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Amount (₹ In lakhs)	Amount paid under Protest (₹ In lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	395.95	84.00	Assessment Year 2010-11	Commissioner of Income Tax (Appeal) and Income Tax Appellate Tribunal

(viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

e) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associate or Joint Venture.

f) In our opinion and according to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

(x) a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been

noticed or reported during the period covered by our audit.

b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3 (xvi) (a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) Does not have any CIC.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management 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) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Khushroo B. Panthaky**  
Partner  
Membership No.: 042423  
UDIN: **25042423BMNRBU5663**

Place: Nagpur  
Date: 20 May 2025

**Independent Auditor's Report on the Audit of the Standalone Financial Statements  
Annexure I (Contd.)**

## Annexure II to the Independent Auditor's Report of even date to the members of ZIM Laboratories Limited on the standalone financial statements for the year ended 31 March 2025

### Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of ZIM Laboratories Limited ('the Company') as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

### Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 (ICAI). 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 the Company's business, including adherence to the 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 Act.

### Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

### Meaning of Internal Financial Controls with Reference to Financial Statements

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

### Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial

## Independent Auditor's Report on the Audit of the Standalone Financial Statements Annexure II (Contd.)

controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements 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 ICAI.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Khushroo B. Panthaky**

Partner

Membership No.: 042423

UDIN: **25042423BMNRBU5663**

Place: Nagpur

Date: 20 May 2025

# Standalone Balance Sheet

As at 31 March 2025

	Note	As at 31 March 2025	As at 31 March 2024
(₹ in Lakhs)			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	15,828.14	15,691.89
Capital work-in-progress	4	4,405.44	2,351.60
Intangible assets	5(A)	531.39	357.43
Intangible assets under development	5(B)	2,161.15	1,673.11
<b>Financial Assets</b>			
Investment in subsidiaries	6	1,298.90	817.81
Other investments	6(A)	5.00	5.15
Other financial assets	7	102.18	78.30
Income tax assets (net)	8	86.25	367.43
Other non-current assets	9	385.36	1,135.99
		<b>24,803.81</b>	<b>22,478.71</b>
<b>Current assets</b>			
Inventories	10	8,647.00	8,126.29
<b>Financial Assets</b>			
Trade receivables	11	9,368.06	10,009.25
Cash and cash equivalents	12	36.36	17.35
Bank balances other than cash and cash equivalents	13	45.59	57.99
Other financial assets	14	30.67	31.85
Other current assets	15	3,507.03	3,528.59
		<b>21,634.71</b>	<b>21,771.32</b>
<b>TOTAL ASSETS</b>		<b>46,438.52</b>	<b>44,250.03</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	16	4,872.58	4,872.58
Other equity	17	19,578.80	18,322.84
		<b>24,451.38</b>	<b>23,195.42</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	18	4,030.10	3,560.06
Lease liabilities	19	206.97	294.95
Deferred tax liabilities (net)	20	1,130.10	1,010.09
		<b>5,367.17</b>	<b>4,865.10</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	21	7,186.45	7,075.20
Lease liabilities	22	356.43	247.18
Trade payables	23		
- total outstanding due of micro enterprises and small enterprises		668.46	466.37
- total outstanding due of creditors other than micro enterprises and small enterprises		6,518.14	5,800.09
Other financial liabilities	24	1,011.97	1,063.51
Other current liabilities	25	518.58	1,457.48
Provisions	26	67.90	79.68
Current tax liabilities (net)	8(A)	292.04	-
		<b>16,619.97</b>	<b>16,189.51</b>
<b>TOTAL LIABILITIES</b>		<b>21,987.14</b>	<b>21,054.61</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>46,438.52</b>	<b>44,250.03</b>
Material accounting policy information and other explanatory information	1 - 53		-

This is the Standalone Balance Sheet referred to in our report of even date

For and on behalf of the Board of Directors

**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Anwar S. Daud**  
Managing Director  
DIN: 00023529

**Zulfiqar M. Kamal**  
Director (Finance)  
DIN: 01786763

**Khushroo B. Panthaky**  
Partner  
Membership No.: 042423

**Shyam Mohan Patro**  
Chief Financial Officer

**Piyush Nikhade**  
Company Secretary

Place: Nagpur  
Date: 20 May 2025

Place: Nagpur  
Date: 20 May 2025

# Standalone Statement of Profit and Loss

For the year ended 31 March 2025

	Note	Year ended 31 March 2025	Year ended 31 March 2024
(₹ in Lakhs)			
<b>I. Income</b>			
Revenue from operations	27	37,563.55	36,547.32
Other income	28	562.09	469.10
<b>Total Income</b>		<b>38,125.64</b>	<b>37,016.42</b>
<b>II. Expenses</b>			
Cost of materials consumed	29	15,500.40	17,769.83
Purchase of stock in trade	30	1,157.82	779.61
Changes in inventories of finished goods and work-in-progress	31	126.65	(1,405.32)
Employee benefits expense	32	5,640.62	5,081.03
Finance costs	33	1,138.58	692.44
Depreciation and amortisation expense	34	1,989.14	1,482.93
Other expenses	35	10,811.22	10,311.93
<b>Total Expenses</b>		<b>36,364.43</b>	<b>34,712.45</b>
<b>III. Profit before tax</b>		<b>1,761.21</b>	<b>2,303.97</b>
<b>IV. Tax (expense):</b>	36		
(i) Current Tax		(396.83)	(77.43)
(ii) Tax adjustment pertaining to earlier years		(47.86)	(5.53)
(iii) Deferred Tax		(142.12)	(545.46)
		<b>(586.81)</b>	<b>(628.42)</b>
<b>V. Net Profit after tax</b>		<b>1,174.40</b>	<b>1,675.55</b>
<b>VI. Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
- Measurements of defined employee benefit plans		(75.95)	(53.88)
- Income tax relating to items that will not be reclassified to profit or loss		22.11	15.69
		<b>(53.84)</b>	<b>(38.19)</b>
<b>VII. Total Comprehensive Income</b>		<b>1,120.56</b>	<b>1,637.36</b>
<b>VIII. Earnings per equity share: Nominal value of ₹ 10 each</b>	49		
Basic ( In ₹)		2.41	3.44
Diluted ( In ₹)		2.41	3.44
Material accounting policy information and other explanatory information	1 - 53		

This is the Standalone Statement of Profit and Loss referred to in our report of even date

For and on behalf of the Board of Directors

**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Anwar S. Daud**  
Managing Director  
DIN: 00023529

**Zulfiqar M. Kamal**  
Director (Finance)  
DIN: 01786763

**Khushroo B. Panthaky**  
Partner  
Membership No.: 042423

**Shyam Mohan Patro**  
Chief Financial Officer

**Piyush Nikhade**  
Company Secretary

Place: Nagpur  
Date: 20 May 2025

Place: Nagpur  
Date: 20 May 2025

## Standalone Statement of Cash Flow

For the year ended 31 March 2025

	(₹ in Lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>1,761.21</b>	<b>2,303.97</b>
Depreciation and amortisation expenses	1,989.14	1,482.93
Government Incentive	(10.24)	(9.26)
Interest on lease deposits	(7.14)	(4.55)
(Gain) on sale of property, plant and equipment (net)	(12.12)	(0.19)
Property, plant and equipment written off	13.71	-
Unrealized foreign exchange (gain)	(30.03)	(113.98)
Provision for employee benefits	(110.05)	(0.04)
Dividend income on investments	(0.75)	(0.60)
Interest income	(4.55)	(3.18)
Share based payments to employees (Refer note 47)	39.40	-
Bad debts written off	212.71	110.07
Loss allowance - trade receivables	(71.97)	(17.47)
Finance costs	1,138.58	692.44
<b>Operating profit before working capital changes</b>	<b>4,907.90</b>	<b>4,440.14</b>
Movement in working capital :		
Increase in trade and other payables and provisions	81.11	1,117.00
(Increase) in inventories	(520.71)	(2,755.67)
(Increase) / Decrease in trade and other receivables	463.37	(1,397.44)
<b>Net Cash generated from operations</b>	<b>4,931.67</b>	<b>1,404.03</b>
Direct taxes paid (net of refunds)	128.53	(256.83)
<b>Net cash generated from operating activities (A)</b>	<b>5,060.20</b>	<b>1,147.20</b>
<b>Cash flow from investing activities</b>		
Purchases of property, plant and equipment and intangibles (Refer note i)	(3,791.66)	(7,259.31)
Sale proceeds of property, plant and equipment and intangible assets	51.81	6.92
Investment in subsidiary (Refer note 6)	(385.09)	(5.37)
Deposits placed with bank (having original maturity of more than three months)	(26.50)	-
Maturity of bank deposits (having original maturity of more than three months)	15.64	59.71
Interest received	4.03	3.22
Dividend received	0.75	0.60
<b>Net cash (used in) investing activities (B)</b>	<b>(4,131.02)</b>	<b>(7,194.23)</b>
<b>Cash flow from financing activities</b>		
Deemed equity contribution from shareholder(net) (Refer note 17)	-	2,140.24
Proceeds from long term borrowings	2,462.40	2,814.69
(Repayment) of long term borrowings	(1,532.02)	(1,293.25)
Proceeds/(Repayment) of short term borrowings (net)	(252.65)	3,215.47
(Repayment) of principal portion of lease obligations	(358.16)	(172.39)
Finance costs paid	(1,229.78)	(751.36)
Changes in unclaimed dividend bank balances	5.69	4.93
Dividends paid on equity shares (unclaimed)	(5.69)	(4.93)
<b>Net cash generated from financing activities (C)</b>	<b>(910.21)</b>	<b>5,953.40</b>

## Standalone Statement of Cash Flow

For the year ended 31 March 2025

	(₹ in Lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>Effects of exchange rate changes on cash and cash equivalents (D)</b>	<b>0.04</b>	<b>-</b>
Net (decrease)/increase in cash and cash equivalents (A+B+C+D)	19.01	(93.63)
Opening cash and cash equivalents	17.35	110.98
<b>Closing cash and cash equivalents</b>	<b>36.36</b>	<b>17.35</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	4.42	11.75
Balances with banks in:		
- Current accounts	31.94	5.60
<b>Total cash and cash equivalents (Refer note 12)</b>	<b>36.36</b>	<b>17.35</b>

**Notes:**

- Includes capital work-in-progress, capital advance, payables for property, plant and equipment, intangible assets and intangible assets under development.
- The standalone statement of cash flow has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.

Material accounting policy information and other explanatory information

1 - 53

This is the Standalone Statement of Cash Flow referred to in our report of even date.

**For and on behalf of the Board of Directors****For Walker Chandiook & Co LLP**Chartered Accountants  
Firm's Registration No.: 001076N/N500013**Khushroo B. Panthaky**Partner  
Membership No.: 042423

Place: Nagpur

Date: 20 May 2025

**Anwar S. Daud**Managing Director  
DIN: 00023529**Shyam Mohan Patro**

Chief Financial Officer

Place: Nagpur

Date: 20 May 2025

**Zulfiqar M. Kamal**Director (Finance)  
DIN: 01786763**Piyush Nikhade**

Company Secretary

# Standalone Statement of Changes in Equity

For the year ended 31 March 2025

## Equity share capital (Refer note 16)

	Number of shares	₹ in lakhs
<b>As at 01 April 2023</b>	4,87,25,814	4,872.58
Changes during the year	-	-
<b>As at 31 March 2024</b>	<b>4,87,25,814</b>	<b>4,872.58</b>
Changes during the year	-	-
<b>As at 31 March 2025</b>	<b>4,87,25,814</b>	<b>4,872.58</b>

## Other equity (Refer note 17)

	Reserves & Surplus					Total other equity
	Securities premium	General reserve	Retained earnings	Deemed equity contribution from shareholder	Employee stock options	
<b>Opening balance as at 1 April 2023</b>	802.98	106.20	13,636.06	-	-	14,545.24
<b>Transactions during the year</b>						
<b>Total comprehensive income for the year</b>						
Net Profit after tax	-	-	1,675.55	-	-	1,675.55
Other comprehensive income	-	-	(38.19)	-	-	(38.19)
Deemed equity contribution from shareholder (net)	-	-	-	2,140.24	-	2,140.24
<b>Closing balance as at 31 March 2024</b>	<b>802.98</b>	<b>106.20</b>	<b>15,273.42</b>	<b>2,140.24</b>	<b>-</b>	<b>18,322.84</b>
<b>Transactions during the year</b>						
<b>Total comprehensive income for the year</b>						
Net Profit after tax	-	-	1,174.40	-	-	1,174.40
Other comprehensive income	-	-	(53.84)	-	-	(53.84)
Deemed investment in subsidiary (Refer note 6)	-	-	-	-	96.00	96.00
Share based payments to employees (Refer note 47)	-	-	-	-	39.40	39.40
<b>Closing balance as at 31 March 2025</b>	<b>802.98</b>	<b>106.20</b>	<b>16,393.98</b>	<b>2,140.24</b>	<b>135.40</b>	<b>19,578.80</b>

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

### For and on behalf of the Board of Directors

**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Anwar S. Daud**  
Managing Director  
DIN: 00023529

**Zulfiquar M. Kamal**  
Director (Finance)  
DIN: 01786763

**Khushroo B. Panthaky**  
Partner  
Membership No.: 042423

**Shyam Mohan Patro**  
Chief Financial Officer

**Piyush Nikhade**  
Company Secretary

Place: Nagpur  
Date: 20 May 2025

Place: Nagpur  
Date: 20 May 2025

# Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

## 1. Background of the Company

ZIM Laboratories Limited ("the Company") is a public limited company domiciled in India with its registered office at Sadoday Gyan (Ground Floor), Opposite N.A.D.T., Nelson square, Nagpur-440013. The Company has primarily listed on BSE/NSE. The Company is engaged in the manufacturing of formulation drugs and pre formulation ingredients in India and marketing and selling these within and outside India.

The standalone financial statements ("the financial statements") of the Company for the year ended 31 March 2025 were authorised for issue in accordance with resolution of the Board of Directors on 20 May 2025.

## 2. Basis for preparation of financial Statements

### (i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India.

The accounting policies are applied consistently to all the periods presented in the financial statements.

### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
- 3) defined benefit plans - plan assets measured at fair value;

### (iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act.

### (iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

## 2.1 Material accounting policy information

### a Use of estimates

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

### b Property, plant and equipment (including Capital Work-in-Progress)

The Company had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. 1 April 2016 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

### c Depreciation methods and estimated useful lives

The Company provides for depreciation on additions and disposals made during the year on pro-rata basis from the date of additions upto the date of disposal. Depreciation on property, plant and equipment is provided under the straight line method over the useful lives of assets, as prescribed under Part C of Schedule II of the Act.

Useful life considered for calculation of depreciation for various assets class are as follows:

Assets Class	Useful Life
Building	5 years & 30 years
Plant and Equipment	10 years & 15 years
Electric Installation	10 years
Furniture and Fixtures	10 years
Office Equipment's	3-6 years
Vehicles	8 years

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

Leasehold Improvements are amortized over the lower of the lease term or useful life of the respective asset prescribed as above

Leasehold land, in the nature of finance lease, is amortised over the primary period of lease.

### d Intangible assets (including Intangible assets under development)

Intangible assets are stated at acquisition/development cost, net of tax credit on initial recognition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Expenditure incurred for obtaining regulatory approvals and registration of the products for overseas markets are considered as product marketing authorisations.

Intangible assets are amortised on a straight line basis over the estimated useful economic life, which is estimated to be five years for software and three years for product marketing authorisations.

### e Research and development costs

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an intangible asset when the Company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset
- The ability to measure reliably the expenditure attributable to the intangible asset during development.

During the period of development, the asset is tested for impairment annually. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised on a straight line basis over the period of expected future benefit from the related project. Amortisation is recognised in the Statement of Profit and Loss.

### f Measurement and recognition of leases

The Company considers whether contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that convey the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition, the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company.
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- the Company has the right to direct the use of the identified asset throughout the period of use. The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### Company as a lessee

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company and any lease payments made in advance of the lease commencement date.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance, fixed), and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses. It is remeasured to reflect any reassessment or modification.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or Statement of profit and loss, as the case may be.

The Company has elected to account for short-term leases and leases of low-value assets using the exemption given under Ind AS 116, Leases. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the Company's benefit.

### Company as a lessor

Lease income from operating leases where the Company is a lessor is recognised as income on straight line basis over the lease term.

### g Borrowings and other financial liabilities

Borrowings and other financial liabilities are initially recognised at fair value (net of transaction costs incurred).

Difference between the fair value and the transaction proceeds on initial recognition is recognised as an asset / liability based on the underlying reason for the difference.

Subsequently all financial liabilities are measured at amortised cost using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit and Loss. The gain / loss is recognised in other equity in case of transaction with shareholders.

### h Borrowing costs

General and specific borrowing costs directly attributable to the acquisition / construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in Statement of Profit and Loss in the period in which they are incurred.

### i Impairment of non-financial assets

Assessment is carried out at each Balance Sheet date as to whether there is any indication that an asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication of impairment exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to their recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed if there was no impairment.

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### j Government grants

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and are credited to statement of profit and loss on a straight-line basis over the expected useful lives of the related assets and presented within other income."

### k Investments in subsidiaries

Investments in subsidiaries are recognised at cost as per Ind AS 27 except when they are classified as held for sale, they shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations.

### l Investments and financial assets

#### Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through statement of profit and loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

#### Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

#### Measurement of debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the

asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in Statement of Profit and Loss, when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss. Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in statement of profit and loss and presented net in the Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is included in other income.

#### Measurement of equity instruments

The Company measures its equity investment (other than in subsidiaries) at fair value through profit and loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income (Currently no such choice made), there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### De-recognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or they have expired or
- The Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### Interest income from financial assets

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

### m Derivatives and embedded derivatives

The Company uses derivative financial instruments i.e. foreign exchange forward contracts to manage its exposure to foreign exchange risks. Such contracts are accounted for at fair value through profit or loss. Derivatives are carried as financial assets/liabilities when the fair value is positive/negative, respectively.

Derivatives embedded in a host contracts that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

### n Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### o Inventories

Inventories are stated at lower of cost and net realisable value. Cost of raw materials, stores, spares and packing materials is determined at weighted average cost or net realisable value, whichever is lower. The cost of finished goods and work in progress comprises raw materials cost, packing materials cost, direct labour, other direct costs and related production overheads, as applicable. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

### p Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

monetary assets and liabilities are recognised in the Statement of Profit and Loss, unless they are considered as an adjustment to borrowing costs, in which case they are classified along with the borrowing cost. Non-monetary foreign currency items are carried at cost.

### q Revenue Recognition

The Company derives revenues primarily from sale of manufactured goods and traded goods.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products.

The Company does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

### Other operating revenue -

#### Product service income

#### Product development income

Income from product development is recognised in accordance with the terms of the contract with customers when the related performance obligation is

completed, or when risks and rewards of ownership are transferred, as applicable.

The Company enters into certain product development and supply arrangements that, in certain instances, include certain performance obligations. Based on an evaluation of whether or not these obligations are inconsequential or perfunctory, the Company recognises or defers the upfront payments received under these arrangements.

### Out-licensing income

Revenues include amounts derived from out-licensing income. These income typically depends on achieving certain milestones in accordance with the terms prescribed in the agreement. Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones, if the milestones are considered substantive, or over the period the Company has continuing performance obligations, if the milestones are not considered substantive.

### Export incentives

Export Incentives under various schemes are accounted in the year of export.

### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

### Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects entity's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The entity holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### r Other Income

Interest income for all debt instruments is recognised using the effective interest rate method. Dividend Income is recognised when right to receive the payment is established by the balance sheet date.

### s Employee Benefits

#### Defined Contribution Plan

The Company has Defined Contribution Plan for post employment benefit namely Provident Fund and National Pension Fund which are recognised by the income tax authorities and administered through appropriate authorities. The Company contributes to a Government administered Provident Fund and National Pension Fund and has no further obligation beyond making its contribution. Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations.

The Company's contributions to the above funds are charged to Statement of Profit and Loss every year as and when due.

#### Defined Benefit Plan - Gratuity

The Company has Defined Benefit Plan comprising of Gratuity. The Gratuity scheme is funded through Group Gratuity Cum Life Assurance Scheme from LIC. The adequacy of accumulated fund balance available with LIC has been established by comparing such balance based on actuarial valuation carried out by an independent actuary as at the Balance Sheet date and shortfall / excess, if any, has been provided for/ considered as prepaid.

The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by actuary applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

### Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. All other absences are treated as long term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

### Termination Benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

### Short-term benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

### t Current and Deferred Tax

Tax expense recognised in the statement of profit and loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Income tax (current-tax) assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax assets (Including Minimum Alternate Tax (MAT)) are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in the statement of profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

### u Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

### v Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, share split and reverse share splits

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

(consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### w Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgement are:

- Useful life and residual value of property, plant and equipment (PPE) and intangible assets (Refer note 3, 4, 5(A) & 5(B))

The Company reviews the useful lives of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

- Recognition and measurement of defined benefit obligations (Refer note 45)

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long term nature of these plans, such estimates are subject to significant uncertainty.

### • Valuation of taxes on income (Refer note 36)

The Company reviews the carrying amount of tax expenses, deferred tax (including MAT credit) and tax payable at the end of each reporting period.

### • Loss Allowance (Refer note 11)

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss (ECL) model. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Individual trade receivables are written off if the same are not collectible.

### • Leases

Estimating the incremental borrowing rate (Refer Note 2(f))

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the fund necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

### • Inventory (Refer note 10)

The Company reviews the allowance for defective and obsolete items inventory at the end of each reporting period.

### x. New standards, interpretations, and amendments adopted by the Company

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31<sup>st</sup> March, 2025, MCA has notified amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, which is applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it's not likely to have any significant impact in its financial statements.

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 3 Property, plant and equipment

	(₹ in lakhs)									
	Freehold Land	Buildings	Plant and Equipment	Electric Installation	Furniture and Fixtures	Office Equipments	Vehicles	Right to use Assets Leasehold Land	Other Right to use Assets	Total
<b>Gross carrying amount</b>										
<b>Balance as at 1 April 2023</b>	961.57	5,032.14	8,155.86	235.95	1,138.96	475.13	172.19	645.51	991.39	17,808.70
Additions	-	2,868.15	2,314.53	91.33	562.61	151.48	108.15	-	542.10	6,638.35
Deletions	-	-	-	-	-	-	28.24	-	-	28.24
<b>Balance as at 31 March 2024</b>	<b>961.57</b>	<b>7,900.29</b>	<b>10,470.39</b>	<b>327.28</b>	<b>1,701.57</b>	<b>626.61</b>	<b>252.10</b>	<b>645.51</b>	<b>1,533.49</b>	<b>24,418.81</b>
Additions	-	337.62	560.95	-	77.20	91.44	35.30	466.45	445.16	2,014.12
Deletions	-	39.18	272.70	12.02	155.94	58.88	15.92	-	902.44	1,457.08
<b>Balance as at 31 March 2025</b>	<b>961.57</b>	<b>8,198.73</b>	<b>10,758.64</b>	<b>315.26</b>	<b>1,622.83</b>	<b>659.17</b>	<b>271.48</b>	<b>1,111.96</b>	<b>1,076.21</b>	<b>24,975.85</b>
<b>Accumulated Depreciation/ Amortisation</b>										
<b>Balance as at 1 April 2023</b>	-	1,115.74	4,347.80	145.27	621.72	336.52	134.50	21.82	716.30	7,439.67
Charge for the year	-	198.73	684.85	19.99	111.25	67.46	17.12	9.98	198.27	1,307.65
Deletions	-	-	-	-	-	-	20.40	-	-	20.40
<b>Balance as at 31 March 2024</b>	<b>-</b>	<b>1,314.47</b>	<b>5,032.65</b>	<b>165.26</b>	<b>732.97</b>	<b>403.98</b>	<b>131.22</b>	<b>31.80</b>	<b>914.57</b>	<b>8,726.92</b>
Charge for the year	-	301.41	783.67	21.09	157.05	90.70	16.53	12.88	441.13	1,824.46
Deletions	-	29.12	243.59	2.86	152.58	58.63	14.45	-	902.44	1,403.67
<b>Balance as at 31 March 2025</b>	<b>-</b>	<b>1,586.76</b>	<b>5,572.73</b>	<b>183.49</b>	<b>737.44</b>	<b>436.05</b>	<b>133.30</b>	<b>44.68</b>	<b>453.26</b>	<b>9,147.71</b>
<b>Net carrying amount</b>										
<b>Balance as at 31 March 2024</b>	<b>961.57</b>	<b>6,585.82</b>	<b>5,437.74</b>	<b>162.02</b>	<b>968.60</b>	<b>222.63</b>	<b>120.88</b>	<b>613.71</b>	<b>618.92</b>	<b>15,691.89</b>
<b>Balance as at 31 March 2025</b>	<b>961.57</b>	<b>6,611.97</b>	<b>5,185.91</b>	<b>131.77</b>	<b>885.39</b>	<b>223.12</b>	<b>138.18</b>	<b>1,067.28</b>	<b>622.95</b>	<b>15,828.14</b>

#### i Leases in which the Company is Lessee

The Company has leasing arrangements for its land, office buildings and plant & equipments. The Company pays lease charges as fixed amount as per respective lease agreements. Right-of-use asset is measured, on a lease by lease basis, at carrying amount. Discounting to arrive the value of asset is done based on the incremental borrowing rate at the time of lease initiation. The lease agreements for immovable properties where the Company is the lessee are duly executed in favour of the Company.

- ii Vehicles includes vehicles in the personal name of directors & employees having Gross carrying amount ₹ Nil and net carrying value of ₹ Nil (31 March 2024 - Gross carrying amount ₹ 20.47 lakhs and net carrying value of ₹ 1.37 lakhs).
- iii Refer note 44 (B) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- iv Refer note (18 and 21) for information on property, plant and equipment pledged as security by the Company.

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 4 Capital work-in-progress (CWIP)

	(₹ in lakhs)
<b>Balance as at 1 April 2023</b>	<b>1,783.85</b>
Additions	7,206.10
Capitalisation	(6,638.35)
<b>Balance as at 31 March 2024</b>	<b>2,351.60</b>
Additions	4,067.96
Capitalisation	(2,014.12)
<b>Balance as at 31 March 2025</b>	<b>4,405.44</b>

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Balance as at 31 March 2025</b>					
Projects in progress	2,712.31	1,693.13	-	-	4,405.44
Projects temporarily suspended	-	-	-	-	-
	<b>2,712.31</b>	<b>1,693.13</b>	-	-	<b>4,405.44</b>
<b>Balance as at 31 March 2024</b>					
Projects in progress	2,266.66	84.94	-	-	2,351.60
Projects temporarily suspended	-	-	-	-	-
	<b>2,266.66</b>	<b>84.94</b>	-	-	<b>2,351.60</b>

#### Note:

Capital work-in-progress (CWIP) as at 31 March 2025 includes cost incurred towards construction of property, plant and equipment of the Company.

### 5(A) Intangible assets

	Softwares	Product Marketing Authorisation	Total
<b>Gross carrying amount</b>			
<b>Balance as at 1 April 2023</b>	<b>381.37</b>	<b>1,013.87</b>	<b>1,395.24</b>
Additions -Internally developed	-	139.70	139.70
-Acquired	46.79	-	46.79
Deletions	-	-	-
<b>Balance as at 31 March 2024</b>	<b>428.16</b>	<b>1,153.57</b>	<b>1,581.73</b>
Additions -Internally developed	-	261.16	261.16
-Acquired	77.48	-	77.48
Deletions	-	121.24	121.24
<b>Balance as at 31 March 2025</b>	<b>505.64</b>	<b>1,293.49</b>	<b>1,799.13</b>
<b>Accumulated Amortisation</b>			
<b>Balance as at 1 April 2023</b>	<b>191.23</b>	<b>857.79</b>	<b>1,049.02</b>
Charge for the year	47.58	127.70	175.28
Deletions	-	-	-
<b>Balance as at 31 March 2024</b>	<b>238.81</b>	<b>985.49</b>	<b>1,224.30</b>
Charge for the year	59.04	105.64	164.68
Deletions	-	121.24	121.24
<b>Balance as at 31 March 2025</b>	<b>297.85</b>	<b>969.89</b>	<b>1,267.74</b>
<b>Net carrying amount</b>			
<b>Balance as at 31 March 2024</b>	<b>189.35</b>	<b>168.08</b>	<b>357.43</b>
<b>Balance as at 31 March 2025</b>	<b>207.79</b>	<b>323.60</b>	<b>531.39</b>

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 5(B) Intangible assets under development (IAUD)

	(₹ in lakhs)
<b>Balance as at 1 April 2023</b>	<b>842.05</b>
Additions - Internally developed	894.79
- Acquired	122.76
Capitalisation - Internally developed	(139.70)
- Acquired	(46.79)
<b>Balance as at 31 March 2024</b>	<b>1,673.11</b>
Additions - Internally developed	815.55
- Acquired	11.13
Capitalisation - Internally developed	(261.16)
- Acquired	(77.48)
<b>Balance as at 31 March 2025</b>	<b>2,161.15</b>

### Intangible assets under development (IAUD) Ageing Schedule

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Balance as at 31 March 2025</b>					
Projects in progress	738.41	772.56	650.18	-	2,161.15
Projects temporarily suspended	-	-	-	-	-
	<b>738.41</b>	<b>772.56</b>	<b>650.18</b>	<b>-</b>	<b>2,161.15</b>
<b>Balance as at 31 March 2024</b>					
Projects in progress	886.60	767.41	19.10	-	1,673.11
Projects temporarily suspended	-	-	-	-	-
	<b>886.60</b>	<b>767.41</b>	<b>19.10</b>	<b>-</b>	<b>1,673.11</b>

Note:

Represents expenditure incurred towards obtaining regulatory approvals and registration of the products for overseas markets.

### Non-current:

#### 6 Investment in subsidiaries

	As at 31 March 2025	As at 31 March 2024
<b>Investment in equity instruments:</b>		
<b>Unquoted equity investment carried at cost</b>		
3,766 (31 March 2024: 3,766) equity shares of AED 1,000 each fully paid-up in ZIM Laboratories FZE, UAE	731.57	731.57
400,000 (31 March 2024: 400,000) equity shares of ₹10 each fully paid-up in ZIM Health Technologies Limited, India	40.00	40.00
775 (31 March 2024: 80) equity shares of EURO 500 each fully paid-up in SIA ZIM Laboratories Limited, Latvia	347.71	30.87

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 6 Investment in subsidiaries (Contd.)

	As at 31 March 2025	As at 31 March 2024
100,000 (31 March 2024: 100,000) equity shares of ₹10 each fully paid-up in ZIM Thinorals Private Limited, India	10.00	10.00
133,425 (31 March 2024: 9,900) equity shares of AUD 1 each fully paid-up in ZIMTAS PTY Limited, Australia	73.62	5.37
Deemed investment in ZIM Health Technologies Limited, India*	96.00	-
	<b>1,298.90</b>	<b>817.81</b>

\*Represents the increase in investment value on account of stock options of the Company granted to employee of the subsidiary company. The cost has been considered as Deemed Investment in subsidiary in accordance with Ind AS 102, Shared-based Payment.

### 6(A) Other investments

	As at 31 March 2025	As at 31 March 2024
<b>Investment in body corporate:</b>		
<b>Unquoted equity investment carried at fair value through profit or loss</b>	5.00	5.00
20,000 equity shares of ₹ 25 each fully paid-up in Shamrao Vithal co-operative Bank Limited		
<b>Investments in government securities</b>		
<b>Unquoted at amortised cost</b>		
National Saving Certificate	-	0.15
	<b>5.00</b>	<b>5.15</b>

### 7 Other financial assets

	As at 31 March 2025	As at 31 March 2024
<b>Earnest money and security deposit</b>	76.35	70.04
Margin money deposits	25.83	8.26
Deposits includes fixed deposits with banks ₹ 25.83 lakhs (₹ 8.26 lakhs as at 31 March 2024) marked as lien for guarantees issued by banks on behalf of the Company.		
	<b>102.18</b>	<b>78.30</b>

### 8 Income tax assets (net)

	As at 31 March 2025	As at 31 March 2024
Advance income-tax (net of provision for tax)	86.25	367.43
	<b>86.25</b>	<b>367.43</b>

### 8(A) Current tax liabilities (net)

	As at 31 March 2025	As at 31 March 2024
Provision for tax (net of advance income-tax)	292.04	-
	<b>292.04</b>	<b>-</b>

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 9 Other non-current assets

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good)		
Capital advances	201.33	964.75
Prepaid expenses	50.57	22.50
Security deposits	133.46	148.74
	<b>385.36</b>	<b>1,135.99</b>

#### Current :

### 10 Inventories

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Raw materials and packing materials	5,668.06	4,966.52
Work-in-progress	745.21	197.17
Finished goods		
Goods-in-transit	142.36	185.42
Others	1,879.96	2,511.59
Stores and spares	211.41	265.59
	<b>8,647.00</b>	<b>8,126.29</b>

### 11 Trade receivables (Unsecured, Refer note (a) below)

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Receivables from related parties (Refer note 43)	196.11	-
Trade receivables - considered good	9,171.95	10,009.25
Trade receivables - credit impaired	46.48	81.25
Trade receivables which have significant increase in credit risk	33.50	70.70
	<b>9,448.04</b>	<b>10,161.20</b>
Less: Loss allowance	(79.98)	(151.95)
	<b>9,368.06</b>	<b>10,009.25</b>

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 11 Trade receivables (Unsecured, Refer note (a) below) (Contd.)

#### (a) Ageing of Trade receivables

	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6-12 months	1-2 years	2-3 years	More than 3 years	
(₹ in lakhs)							
<b>As at 31 March 2025</b>							
Undisputed Trade Receivables – considered good	7,863.49	1,350.45	117.17	31.88	5.07	-	9,368.06
Undisputed Trade Receivables – which have significant increase in credit risk	1.16	0.94	1.45	0.70	-	29.25	33.50
Undisputed Trade receivable – credit impaired	-	-	-	-	46.48	-	46.48
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
	<b>7,864.65</b>	<b>1,351.39</b>	<b>118.62</b>	<b>32.58</b>	<b>51.55</b>	<b>29.25</b>	<b>9,448.04</b>
Less: Loss allowance	(1.16)	(0.94)	(1.45)	(0.70)	(46.48)	(29.25)	(79.98)
	<b>7,863.49</b>	<b>1,350.45</b>	<b>117.17</b>	<b>31.88</b>	<b>5.07</b>	<b>-</b>	<b>9,368.06</b>
<b>As at 31 March 2024</b>							
Undisputed Trade Receivables – considered good	7,125.19	2,399.14	322.82	155.81	6.29	-	10,009.25
Undisputed Trade Receivables – which have significant increase in credit risk	2.45	3.23	4.30	10.04	14.83	35.85	70.70
Undisputed Trade receivable – credit impaired	-	-	20.27	60.98	-	-	81.25
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
	<b>7,127.64</b>	<b>2,402.37</b>	<b>347.39</b>	<b>226.83</b>	<b>21.12</b>	<b>35.85</b>	<b>10,161.20</b>
Less: Loss allowance	(2.45)	(3.23)	(24.57)	(71.02)	(14.83)	(35.85)	(151.95)
	<b>7,125.19</b>	<b>2,399.14</b>	<b>322.82</b>	<b>155.81</b>	<b>6.29</b>	<b>-</b>	<b>10,009.25</b>

No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member other than those disclose in the (note 43).

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

Refer (note 38) for information about credit risk and market risk of trade receivables.

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### Current :

#### 12 Cash and cash equivalents

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Cash on hand	4.42	11.75
Balances with banks in current accounts	31.94	5.60
	<b>36.36</b>	<b>17.35</b>

#### 13 Bank balances other than cash and cash equivalents

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Unclaimed dividend accounts	9.23	14.92
Margin money deposits	36.36	43.07
Deposit includes fixed deposits with banks ₹ 36.36 lakhs (₹ 43.07 lakhs as at 31 March 2024) marked as lien against guarantees issued by banks on behalf of the Company		
	<b>45.59</b>	<b>57.99</b>

#### 14 Other financial assets

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good)		
Earnest money and security deposits	16.50	24.44
<b>Interest receivable:</b>		
from Banks	0.58	0.06
from Others	7.01	3.32
Others	6.58	4.03
	<b>30.67</b>	<b>31.85</b>

#### 15 Other current assets

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good unless otherwise specified)		
<b>Advances other than capital advances</b>		
Advance to suppliers	1,472.50	182.83
Balances with government authorities	1,742.48	2,797.40
Contract assets	-	332.38
Prepaid expenses	236.68	182.94
Gratuity- plan assets (Refer note 45)	55.37	33.04
	<b>3,507.03</b>	<b>3,528.59</b>

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 16 Equity share capital

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>Authorised</b>		
75,000,000 (31 March 2024: 75,000,000) equity shares of ₹ 10 each	7,500.00	7,500.00
<b>Issued</b>		
48,725,814 (31 March 2024: 48,725,814) equity shares of ₹ 10 each fully paid up	4,872.58	4,872.58
<b>Subscribed and Paid-Up</b>		
48,725,814 (31 March 2024: 48,725,814) equity shares of ₹ 10 each fully paid up	4,872.58	4,872.58
	<b>4,872.58</b>	<b>4,872.58</b>

#### (a) Reconciliation of share capital

	(₹ in lakhs)		(₹ in lakhs)	
	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Balance as at the beginning of the year	48,725,814	4,872.58	48,725,814	4,872.58
Add: Shares issued during the year	-	-	-	-
Balance as at the end of the year	<b>48,725,814</b>	<b>4,872.58</b>	<b>48,725,814</b>	<b>4,872.58</b>

#### (b) Rights, preferences and restrictions

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### (c) Bonus shares issued

On 12 December 2022, the Company has issued 32,483,876 equity shares of face value ₹ 10 each as fully paid up bonus shares. The Company has issued two bonus equity shares against one equity share held by its shareholders.

#### (d) Equity shares reserved for issue under employee stock options

For number of stock options against which equity shares to be issued by the Company upon vesting and exercise of those stock options and rights by the employees under Employee Stock Option Scheme (Refer note 47).

#### (e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	% of Holding	No. of Shares	% of Holding
<b>Equity Shares:</b>				
Anwar S. Daud*	13,336,320	27.37%	13,336,320	27.37%
Elizabeth Mathew	5,855,824	12.02%	-	-
Zakir Vali	5,047,420	10.36%	5,047,420	10.36%
Mathew Cyriac	-	-	7,101,800	14.58%

\* Including 1,500,000 shares jointly held with Tasneem A. Daud (wife of Anwar S. Daud).

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 16 Equity share capital (Contd.)

#### (f) Details of shares held by promoters

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
<b>As at 31 March 2025</b>					
Anwar S. Daud	13,336,320	-	13,336,320	27.37%	-
Zulfiqar Kamal	1,195,260	-	1,195,260	2.45%	-
Tasneem A. Daud	30,000	-	30,000	0.06%	-
Shabbar S. Daud	42,000	-	42,000	0.09%	-
Sabbah Z. Kamal	1,500,000	-	1,500,000	3.08%	-
Hasan Kamal	104,400	-	104,400	0.21%	-
<b>Total</b>	<b>16,207,980</b>	<b>-</b>	<b>16,207,980</b>	<b>33.26%</b>	<b>-</b>
<b>As at 31 March 2024</b>					
Anwar S. Daud	13,336,320	-	13,336,320	27.37%	-
Zulfiqar Kamal	1,194,060	1,200	1,195,260	2.45%	0.10%
Tasneem A. Daud	30,000	-	30,000	0.06%	-
Shabbar S. Daud	42,000	-	42,000	0.09%	-
Sabbah Z. Kamal	1,500,000	-	1,500,000	3.08%	-
Hasan Kamal	104,400	-	104,400	0.21%	-
Zahida Kamal	1,200	(1,200)	-	0.00%	-100.00%
<b>Total</b>	<b>16,207,980</b>	<b>-</b>	<b>16,207,980</b>	<b>33.26%</b>	<b>-</b>

### 17 Other equity

	As at 31 March 2025	As at 31 March 2024
(₹ in lakhs)		
Securities premium *	802.98	802.98
General reserve**	106.20	106.20
Retained earnings	16,393.98	15,273.42
Deemed equity contribution from shareholder***	2,140.24	2,140.24
Employee stock options ****	135.40	-
<b>Total</b>	<b>19,578.80</b>	<b>18,322.84</b>
<b>* Securities premium</b>		
<b>Balance as at the beginning of the year</b>	<b>802.98</b>	<b>802.98</b>
Additions during the year	-	-
Utilisation during the year	-	-
<b>Balance at the end of the year</b>	<b>802.98</b>	<b>802.98</b>

\*Nature and Purpose - Security premium is used to record the premium on issue of shares, the reserve is utilised in accordance with the provisions of the Companies Act, 2013.

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 17 Other equity (Contd.)

	As at 31 March 2025	As at 31 March 2024
(₹ in lakhs)		
<b>** General reserve</b>		
<b>Balance as at the beginning of the year</b>	<b>106.20</b>	<b>106.20</b>
Additions during the year	-	-
Utilisation during the year	-	-
<b>Balance at the end of the year</b>	<b>106.20</b>	<b>106.20</b>
**Nature and Purpose - General reserve represents transfer portion of the net profit pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.		
<b>Retained earnings</b>		
<b>Balance as at the beginning of the year</b>	<b>15,273.42</b>	<b>13,636.06</b>
Net profit for the year	1,174.40	1,675.55
Transfer from other comprehensive income	(53.84)	(38.19)
<b>Net surplus in the Statement of Profit and Loss</b>	<b>16,393.98</b>	<b>15,273.42</b>
<b>***Deemed equity contribution from shareholder</b>		
<b>Balance as at the beginning of the year</b>	<b>2,140.24</b>	<b>-</b>
Transaction during the year	-	2,140.24
<b>Balance as at the end of the year</b>	<b>2,140.24</b>	<b>2,140.24</b>

\*\*\*Nature and Purpose - The difference between the fair value of trade receivable proceeds from shareholder and the transaction price is recognised as a deemed equity component of the shareholder.

The Company had entered into an escrow agreement in 2017 (with subsequent renewals) with one of its shareholders, wherein the shareholder had provided his holdings to the extent of 30 Lakhs equity shares (including 25 Lakhs bonus shares) as a security towards realization of covered trade receivables. During the previous year, the equity shares have been liquidated at a gross consideration of ₹ 3,067.58 lakhs. Accordingly, the net amount realised (which is gross consideration as reduced by the applicable taxes and charges) has been recognised as a credit to the 'Deemed equity contribution from shareholder' under 'Other equity' in accordance with the guidance under Ind AS 1- Presentation of Financial Statements, which states that transactions with shareholders (being the owners of Company), shall be recognized under Equity.

	As at 31 March 2025	As at 31 March 2024
<b>****Employee stock options</b>		
<b>Balance at the beginning of the year</b>	<b>-</b>	<b>-</b>
Add: Additions during the year	135.40	-
<b>Balance at the end of the year</b>	<b>135.40</b>	<b>-</b>

\*\*\*\*Nature and Purpose - Employee Stock Options represents the grant date fair value of options granted to employees under Employee Stock Option Scheme.

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### Non-current :

#### 18 Borrowings

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>Secured</b>		
Term Loans from banks	5,565.04	4,431.83
From Non-Banking Financial Company (NBFC)	393.67	685.49
	5,958.71	5,117.32
Less: Current maturities of long term borrowings (Refer note 21)	(1,928.61)	(1,557.26)
	<b>4,030.10</b>	<b>3,560.06</b>

#### Nature of security and terms of repayment for secured borrowings

(i) Loan from a bank and a NBFC are secured by way of first charge on all present and future property, plant and equipment including Land & Building, Plant & Machinery and second charge on all current assets on pari passu basis with lead banker & other members under consortium arrangement. The loans are also secured by personal guarantee of Managing Director.

(ii)

	As at 31 March 2025			As at 31 March 2024		
	Principal o/s (₹ in lakhs)	Effective interest rate in %	Repayment terms	Principal o/s (₹ in lakhs)	Effective interest rate in %	Repayment terms
<b>Indian rupee loan from banks</b>						
Bank of India (Repayment start from: February 2022 and last installment in January 2026)	140.18	1 Year RBLR +1 % (9.25%)	Repayable in 48 equated monthly Installments of ₹ 13.52 lakhs	282.20	1 Year RBLR +1 % (9.25%)	Repayable in 48 equated monthly Installments of ₹ 13.52 lakhs
Bank of India (Repayment start from: May 2022 and last installment in April 2026)	126.98	1 Year RBLR +1 % (9.25%)	Repayable in 48 equated monthly Installments of ₹ 9.58 lakhs	225.30	1 Year RBLR +1 % (9.25%)	Repayable in 48 equated monthly Installments of ₹ 9.58 lakhs
Bank of India (Repayment start from: November 2023 and last installment in October 2027)	194.77	1 Year RBLR +1 % (9.25%)	Repayable in 48 equated monthly Installments of ₹ 6.79 lakhs	254.74	1 Year RBLR +1 % (9.25%)	Repayable in 48 equated monthly Installments of ₹ 6.79 lakhs
Bank of India (Repayment start from: January 2023 and last installment in June 2026)	405.85	1 Year RBLR +0.93 % (9.95%)	Repayable in 42 equated monthly Installments of ₹ 27.78 lakhs	683.32	1 Year RBLR +0.55 % (9.90%)	Repayable in 42 equated monthly Installments of ₹ 27.78 lakhs
Bank of India (Repayment start from: August 2024 and last installment in July 2029)	736.67	1 Year RBLR +0.93 % (9.95%)	Repayable in 60 equated monthly Installments of ₹ 14.17 lakhs	850.00	1 Year RBLR +0.55 % (9.80%)	Repayable in 60 equated monthly Installments of ₹ 14.17 lakhs
Bank of India (Repayment start from: September 2023 and last installment in August 2026)	141.67	1 Year RBLR +0.93 % (9.95%)	Repayable in 36 equated monthly Installments of ₹ 8.33 lakhs	241.67	1 Year RBLR +0.55 % (9.80%)	Repayable in 36 equated monthly Installments of ₹ 8.33 lakhs
Bank of India (Repayment start from: December 2025 and last installment in November 2030)	379.60	1 Year RBLR +0.93 % (9.95%)	Repayable in 60 equated monthly Installments of ₹ 20.84 lakhs	-	-	-

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

#### 18 Borrowings (Contd.)

	As at 31 March 2025			As at 31 March 2024		
	Principal o/s (₹ in lakhs)	Effective interest rate in %	Repayment terms	Principal o/s (₹ in lakhs)	Effective interest rate in %	Repayment terms
SVC Co-Operative Bank Limited, (Repayment start from: February 2024 and last installment in January 2028)	389.57	PLR minus 11.20% (9.25%)	Repayable in 48 equated monthly Installments of ₹ 11.46 lakhs	527.08	PLR minus 11.20% (9.25%)	Repayable in 48 equated monthly Installments of ₹ 11.46 lakhs
SVC Co-Operative Bank Limited, (Repayment start from: May 2024 and last installment in April 2029)	1,083.32	PLR minus 10.70% (10.50%)	Repayable in 60 equated monthly Installments of ₹ 21.67 lakhs	1,300.00	PLR minus 10.45% (10.25%)	Repayable in 60 equated monthly Installments of ₹ 21.67 lakhs
SVC Co-Operative Bank Limited, (Repayment start from: June 2023 and last installment in November 2025)	53.33	PLR minus 10.70% (10.50%)	Repayable in 30 equated monthly Installments of ₹ 6.67 lakhs	140.00	PLR minus 10.45% (10.25%)	Repayable in 30 equated monthly Installments of ₹ 6.67 lakhs
SVC Co-Operative Bank Limited, (Repayment start from: May 2025 and last installment in April 3030)	1,365.75	PLR minus 10.70% (10.50%)	Repayable in 60 equated monthly Installments of ₹ 26.67 lakhs	-	-	-
Indusind Bank Limited, (Repayment start from: July 2024 and last installment in June 2029)	717.02	3 Month CD Rate (9.28%)	Repayable in 60 equated monthly Installments of ₹ 22.50 lakhs	-	-	-
<b>Indian rupee loan from Non-Banking Financial Company (NBFC)</b>						
Tata Capital Financial Services Limited (Repayment start from: April 2023 and last installment in March 2028)	300.00	LTLR minus 10.80% (10.95%)	Repayable in 60 equated monthly Installments of ₹ 8.33 lakhs	400.00	LTLR minus 10.80% (11.00%)	Repayable in 60 equated monthly Installments of ₹ 8.33 lakhs
Tata Capital Financial Services Limited (Repayment start from: April 2023 and last installment in September 2025)	99.99	LTLR minus 10.80% (10.95%)	Repayable in 30 equated monthly Installments of ₹ 16.66 lakhs	300.00	LTLR minus 10.80% (11.00%)	Repayable in 30 equated monthly Installments of ₹ 16.66 lakhs
Deferred expense towards processing fees is netted of against loan.	(175.99)			(86.99)		
	<b>5,958.71</b>			<b>5,117.32</b>		

#### Assets Pledged as security

The gross carrying amounts of assets Pledged as security for current and non-current borrowings are:

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>Non-current assets</b>		
- Property, plant and equipment (including leasehold land but excluding other right to use assets)	23,899.64	22,885.32
<b>Current assets</b>	21,634.71	21,771.32
<b>Total assets Pledged as security</b>	<b>45,534.35</b>	<b>44,656.64</b>

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### Non-current :

#### 19 Lease liabilities

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Lease liabilities (Refer note 41)	206.97	294.95
	<b>206.97</b>	294.95

#### 20 Deferred tax liabilities (net)

The movement in deferred tax assets and liabilities during the year ended 31 March 2025 and 31 March 2024:

	(₹ in lakhs)			
	As at 31 March 2024	(Credit)/charge in statement of profit and loss	(Credit)/ charge in other comprehensive income	As at 31 March 2025
<b>Deferred tax liabilities</b>				
Property, plant and equipment: Difference between carrying value as per Income Tax laws and carrying value as per books of account under Companies Act, 2013	1,131.48	92.49	-	1,223.97
	<b>1,131.48</b>	<b>92.49</b>	-	<b>1,223.97</b>
<b>Deferred tax assets</b>				
Expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	15.87	108.20	-	124.07
Loss allowance - trade receivables	44.24	(20.96)	-	23.28
Provision for employee benefits	13.58	(20.57)	22.11	15.12
Lease payments	47.70	(116.30)	-	(68.60)
	<b>121.39</b>	<b>(49.63)</b>	<b>22.11</b>	<b>93.87</b>
<b>Minimum alternative tax credit entitlement / (utilisation)</b>	-	-	-	-
<b>Net Deferred tax (assets) / liabilities</b>	<b>1,010.09</b>	<b>142.12</b>	<b>(22.11)</b>	<b>1,130.10</b>

	(₹ in lakhs)			
	As at 31 March 2023	(Credit)/charge in statement of profit and loss	(Credit)/ charge in other comprehensive income	As at 31 March 2024
<b>Deferred tax liabilities</b>				
Property, plant and equipment: Difference between carrying value as per Income Tax laws and carrying value as per books of account under Companies Act, 2013	900.64	230.84	-	1,131.48
Advance payment of employee benefits	2.10	0.01	(15.69)	(13.58)
	<b>902.74</b>	<b>230.85</b>	<b>(15.69)</b>	<b>1,117.90</b>
<b>Deferred tax assets</b>				
Expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	29.63	(13.76)	-	15.87
Loss allowance - trade receivables	49.33	(5.09)	-	44.24
Carry forward business losses/unabsorbed depreciation	-	-	-	-
Provision for employee benefits	-	-	-	-
Lease payments	13.4	34.30	-	47.70
	<b>92.36</b>	<b>15.45</b>	-	<b>107.81</b>
<b>Minimum alternative tax credit entitlement / (utilisation)</b>	330.06	(330.06)	-	-
<b>Net Deferred tax (assets) / liabilities</b>	<b>480.32</b>	<b>545.46</b>	<b>(15.69)</b>	<b>1,010.09</b>

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### Current :

#### 21 Borrowings

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>Secured</b>		
<b>From Banks, repayable on demand</b>		
- Cash credit / packing credit	5,246.07	5,503.96
Current maturities of long term borrowings	1,928.61	1,557.26
Interest accrued but not due on borrowings	11.77	13.98
	<b>7,186.45</b>	<b>7,075.20</b>

Cash credit/ packing credit from banks are secured by the first charge on all current assets both present and future and second charge on all the property, plant and equipment of the Company both present and future on pari passu basis with all members of consortium. The loans are secured by personal guarantee of Managing Director.

#### 22 Lease liabilities

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Lease liabilities (Refer note 41)	356.43	247.18
	<b>356.43</b>	<b>247.18</b>

#### 23 Trade payables

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Dues of micro enterprises and small enterprises (Refer note below)	668.46	466.37
Payables to related parties (Refer note 43)	316.75	105.12
Dues of creditors other than micro enterprises and small enterprises	6,201.39	5,694.97
	<b>7,186.60</b>	<b>6,266.46</b>

### Disclosures required under Section 22 of the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	668.46	466.37
- Interest due on above	-	-
b. 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.	-	-

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 23 Trade payables (Contd.)

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
c. 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.	-	-
d. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.	-	-

**Note:-** This information has been given in respect of such vendors to the extent they could be identified as Micro and Small enterprises on the basis of information available with the Company.

### Ageing of Trade payables

	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(₹ in lakhs)						
<b>As at 31 March 2025</b>						
Total outstanding dues of micro enterprises and small enterprises	460.55	207.91	-	-	-	668.46
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,336.19	2,180.10	1.85	-	-	6,518.14
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<b>4,796.74</b>	<b>2,388.01</b>	<b>1.85</b>	<b>-</b>	<b>-</b>	<b>7,186.60</b>
<b>As at 31 March 2024</b>						
Total outstanding dues of micro enterprises and small enterprises	183.00	283.37	-	-	-	466.37
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,818.34	1,852.45	123.44	5.86	-	5,800.09
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<b>4,001.34</b>	<b>2,135.82</b>	<b>123.44</b>	<b>5.86</b>	<b>-</b>	<b>6,266.46</b>

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 24 Other financial liabilities

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Un-claimed dividends*	9.23	14.92
Employee related liabilities	530.36	470.62
Payable for capital expenditure	472.38	577.97
	<b>1,011.97</b>	<b>1,063.51</b>

\*During the year unpaid dividend amount of ₹ 5.55 lakhs (pertaining to FY 2016-17) have been transferred to the Investor Education and Protection Fund under section 125 of the Companies Act, 2013.

### 25 Other current liabilities

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Advance received from customers (Refer note 43)	249.22	1,197.90
Statutory dues	230.84	210.82
Deferred Government grants	38.52	48.76
	<b>518.58</b>	<b>1,457.48</b>

### 26 Provisions

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>Provision for employee benefits</b>		
Provision for compensated absences	67.90	79.68
	<b>67.90</b>	<b>79.68</b>

### 27 Revenue from operations

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Sale of products		
Manufactured goods	34,427.66	34,249.03
Stock in trade	1,522.33	1,107.10
Other operating revenue		
Product service income	1,080.01	657.43
Export incentives	490.96	528.94
Others	42.59	4.82
	<b>37,563.55</b>	<b>36,547.32</b>

### A Disclosure as per Ind AS 115

The operations of the Company are limited to only one segment viz. pharmaceuticals and related products. Revenue from contract with customers is from sale of manufactured goods and rendering of research services. Sale of goods are

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 27 Revenue from operations (Contd.)

made at a point in time and revenue is recognised upon satisfaction of the performance obligations which is typically upon dispatch / delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established. There is no significant financing component as the credit period provided by the Company is not significant.

There are no variable components such as discounts, chargebacks, rebates, sales returns, etc.

### B Disaggregation of revenue:

Nature of segment	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>A. Major Product/Service line:</b>		
- Sale of pharmaceutical goods	35,949.99	35,356.13
- Product service income	1,080.01	657.43
- Others (Export incentives, others, etc.)	533.55	533.76
<b>Total revenue from contracts with customers</b>	<b>37,563.55</b>	<b>36,547.32</b>
<b>B. Primary geographical market:</b>		
- In India	6,656.94	8,046.36
- Outside India	30,906.61	28,500.96
<b>Total revenue from contracts with customers</b>	<b>37,563.55</b>	<b>36,547.32</b>
<b>C. Timing of the revenue recognition:</b>		
- Goods/services transferred at a point in time	37,563.55	36,547.32
<b>Total revenue from contracts with customers</b>	<b>37,563.55</b>	<b>36,547.32</b>

### C Contract Balances

Significant changes in contract asset balances are as follows:

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>Contract Assets</b>		
Opening Balance	332.38	346.28
Add: Revenue recognised during the year	-	-
Less: Invoiced/adjustment during the year	332.38	13.90
<b>Closing balance</b>	<b>-</b>	<b>332.38</b>
<b>Contract Liabilities</b>		
<b>Advance received from customers</b>		
Opening Balance	1,197.90	409.07
Add: Advance received during the year	5,797.63	5,474.31
Less: Revenue recognised/adjustment during the year	6,746.31	4,685.48
<b>Closing balance</b>	<b>249.22</b>	<b>1,197.90</b>

The contract liabilities primarily relate to the advance consideration received from customers for the sale of goods. This amount will be recognised as revenue within a period of one year.

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 28 Other income

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>Interest income on financial assets measured at amortised cost</b>		
- Fixed deposits	4.55	3.18
- Others	26.88	8.70
Dividend income on investments	0.75	0.60
Exchange rate difference (net)	420.59	379.23
Apportioned income from government grant	10.24	9.26
Reversal of Loss allowance - trade receivables (Refer note 38 (B))	71.97	17.47
Other non-operating income	27.11	50.66
	<b>562.09</b>	<b>469.10</b>

### 29 Cost of materials consumed

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Opening inventory	4,966.52	3,619.78
Add: Purchases	17,359.76	19,896.18
Less: Closing inventory	5,668.06	4,966.52
	<b>16,658.22</b>	<b>18,549.44</b>
Less: Cost of material sold	1,157.82	779.61
	<b>15,500.40</b>	<b>17,769.83</b>

### 30 Purchase of stock in trade

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>Details of purchases of traded goods</b>		
Tablets	-	3.11
Capsules	-	14.33
Bulk Drugs	147.03	264.26
DC Granules	871.58	179.22
Others (including Gel, Kits, etc.)	139.21	318.69
	<b>1,157.82</b>	<b>779.61</b>

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 31 Changes in inventories of finished goods and work-in-progress

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>At the end of the year</b>		
Work-in-progress	745.21	197.17
Finished goods	2,022.32	2,697.01
	<b>2,767.53</b>	<b>2,894.18</b>
<b>At the beginning of the year</b>		
Work-in-progress	197.17	588.45
Finished goods	2,697.01	900.41
	<b>2,894.18</b>	<b>1,488.86</b>
	<b>126.65</b>	<b>(1,405.32)</b>

### 32 Employee benefits expenses

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Salaries, wages and bonus	5,108.49	4,619.80
Contribution to provident and other funds (Refer note 44(A) and 45(a))	187.66	164.17
Share based payments to employees (Refer note 47)	39.40	-
Gratuity expense (Refer note 45)	69.60	56.53
Staff welfare expenses	235.47	240.53
	<b>5,640.62</b>	<b>5,081.03</b>

### 33 Finance costs

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Interest on borrowings	926.94	557.30
Interest on delayed payments of income tax	20.01	30.89
Other borrowing costs	191.63	104.25
	<b>1,138.58</b>	<b>692.44</b>

### 34 Depreciation and amortisation expenses

	(₹ in Lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation and amortisation on property, plant and equipment	1,824.46	1,307.65
Amortisation of intangible assets	164.68	175.28
	<b>1,989.14</b>	<b>1,482.93</b>

### 35 Other expenses

	(₹ in Lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Consumption of stores and spares	89.10	93.14
Power and fuel	1,719.34	1,330.71
Water charges	19.37	15.93
Insurance	67.54	66.30

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 35 Other expenses (Contd.)

	(₹ in Lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Repairs and maintenance		
Machines	416.80	525.26
Buildings	41.38	184.78
Others	336.94	299.85
Contractual services	2,329.68	2,093.80
Printing & stationery	41.38	50.87
Communication costs	51.75	49.67
Legal and professional fees	1,394.88	1,172.76
Payment to auditors (Refer note below (a))	63.70	60.60
Advertisement & sales promotion	247.98	185.65
Travelling and conveyance	538.15	528.89
Commission on sales	1,258.88	1,400.36
Freight and forwarding charges	888.68	840.74
Bad debts written off	212.71	110.07
Rates and taxes	15.29	63.82
Property, plant and equipment written off	13.71	-
Loss on sale of property, plant and equipment (net)	-	1.56
Rent (Refer note 41)	12.61	8.91
Laboratories Expenses	623.48	737.08
Corporate social responsibility expenses (Refer note 50)	48.53	46.98
Miscellaneous expenses	379.34	444.20
	<b>10,811.22</b>	<b>10,311.93</b>

	(₹ in Lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>Note</b>		
<b>(a) Auditors' Remuneration (excluding taxes)</b>		
As Auditors	51.75	55.50
Other Services	10.00	3.75
Out of Pocket Expenses	1.95	1.35
	<b>63.70</b>	<b>60.60</b>

### 36 Tax (expense)

	(₹ in Lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Current tax for the year (net of Minimum alternative tax utilisation)	(396.83)	(77.43)
Tax adjustments pertaining to earlier years	(47.86)	(5.53)
<b>Deferred tax expenses</b>		
(Decrease) in deferred tax assets	(27.52)	(314.61)
(Increase) in deferred tax liabilities	(92.49)	(215.16)
	<b>(120.01)</b>	<b>(529.77)</b>
	<b>(564.70)</b>	<b>(612.73)</b>
Tax (expense) / credit recognised in Statement of profit and loss	(586.81)	(628.42)
Tax (expense) / credit recognised in other comprehensive income	22.11	15.69
	<b>(564.70)</b>	<b>(612.73)</b>
<b>Tax reconciliation</b>		
<b>Profit before tax</b>	<b>1,761.21</b>	<b>2,303.97</b>
Tax at the rate of 29.12% (31 March 2024: 29.12%)	(512.86)	(670.92)
Tax adjustment pertaining to earlier years	(47.86)	(5.53)
<b>Tax effect of amounts which are mentioned below</b>		
Permanent Disallowances	(5.82)	(9.00)
Allowances / Disallowances under specific provisions of Income tax act, 1961 (net)	50.97	15.40
Disallowance of Donation/Corporate social responsibility expenses	(22.11)	(16.32)
Other tax deductions	(49.13)	57.95
	<b>(586.81)</b>	<b>(628.42)</b>

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 37 Fair value measurements

#### Financial instruments by category:

All financial assets and financial liabilities, except investment in equity shares (not made in subsidiaries) of the Company are under the amortised cost measurement category at each of the reporting date.

#### Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received on selling of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique.

**Level 1:** quoted (unadjusted) prices in active markets for identical assets or liabilities.

**Level 2:** other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

**Level 3:** techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

#### Financial assets and liabilities measured at fair value at each reporting date

Investment in equity shares (other than subsidiaries) are measured at fair value through profit and loss at each reporting date.

#### Financial assets and financial liabilities measured at amortised cost, but for which fair values are disclosed as below

(₹ in Lakhs)

Fair value for assets and liabilities measured at amortised cost	31 March 2025				31 March 2024			
	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3	Carrying amount
<b>Financial liabilities</b>								
Non-current borrowings (including current maturities)	-	5,958.71	-	5,958.71	-	5,117.32	-	5,117.32
Lease liabilities (other than current portion)	-	-	206.97	206.97	-	-	294.95	294.95
<b>Financial assets</b>								
Non-current investment (excluding Investment in subsidiaries)	-	5.00	-	5.00	-	5.15	-	5.15
Other financial assets	-	-	102.18	102.18	-	-	78.30	78.30

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

The carrying amounts of security deposits, trade receivables, current loans, other financial assets, fixed deposits with banks, current borrowings, trade payables, lease liabilities and other current financial liabilities are considered to be approximately equal to their fair value.

#### Valuation processes

The Company evaluates the fair value of financial assets and financial liabilities on periodic basis using the best and most relevant data available.

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 38 Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Risk Committee.

#### The Company is exposed to market risk, credit risk and liquidity risk.

#### A Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommend risk management objectives and policies, which are approved by Chief financial officer. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures like foreign exchange forward contracts, borrowing strategies and ensuring compliance with market risk limits and policies.

#### Market risk - Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes 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 rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company, interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

#### Exposure to interest rate risk

Particulars	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Total Borrowings	11,216.55	10,635.26
% of Borrowings out of above bearing variable rate of interest	100%	100%

#### Interest rate sensitivity

#### A change of 50 bps in interest rates would have following Impact on profit before tax and Other Equity

Particulars	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
50 bp increase would decrease the profit before tax by	(56.08)	(53.18)
50 bp decrease would increase the profit before tax by	56.08	53.18

#### Market risk - Foreign currency risk management

The Company operates internationally wherein portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 38 Financial risk management (Contd.)

#### Unhedged foreign currency exposure

##### (a) Particulars of unhedged foreign currency exposures as at the reporting date

As at 31 March 2025

(Amount in lakhs)

Particulars	USD		EURO		AED		CAD		GBP	
	Foreign currency	INR	Foreign currency	INR	Foreign currency	INR	Foreign currency	INR	Foreign currency	INR
Trade receivable	81.14	6,936.51	4.91	452.56	6.04	140.60	0.32	19.31	0.66	73.48
Trade payables	13.16	1,124.82	0.37	33.73	-	-	0.01	0.36	-	-
Advance received from customers	2.72	235.07	-	-	-	-	-	-	-	-
Balance in EEFC Account	0.29	24.50	-	-	-	-	-	-	-	-
PCFC and PFCFC	8.54	730.16	-	-	-	-	-	-	-	-
Export commission	6.04	516.61	0.93	86.04	0.93	21.53	-	-	-	-

As at 31 March 2024

(Amount in lakhs)

Particulars	USD		EURO		AED		CAD		GBP	
	Foreign currency	INR	Foreign currency	INR	Foreign currency	INR	Foreign currency	INR	Foreign currency	INR
Trade receivable	85.42	7,125.26	2.59	233.13	-	-	0.88	53.79	-	-
Trade payables	2.66	221.48	0.02	2.16	-	-	0.01	0.38	-	-
Advance received from customers	2.17	180.30	1.69	150.99	36.90	832.66	-	-	-	-
Balance in EEFC Account	-	-	-	-	-	-	-	-	-	-
PCFC and PFCFC	1.37	114.27	-	-	-	-	-	-	-	-
Export commission	9.11	759.41	1.44	129.30	-	-	-	-	-	-

#### Sensitivity to foreign currency risk

(Amount in lakhs)

Particulars	Impact on profit before tax and Other Equity	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>USD sensitivity</b>		
INR / USD		
Increase by 5%	217.72	292.49
Decrease by 5%	(217.72)	(292.49)
<b>Euro sensitivity</b>		
INR / Euro		
Increase by 5%	16.64	(2.47)
Decrease by 5%	(16.64)	2.47

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 38 Financial risk management (Contd.)

(Amount in lakhs)

Particulars	Impact on profit before tax and Other Equity	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>AED sensitivity</b>		
INR / AED		
Increase by 5%	5.95	(41.63)
Decrease by 5%	(5.95)	41.63
<b>CAD sensitivity</b>		
INR / CAD		
Increase by 5%	0.95	2.67
Decrease by 5%	(0.95)	(2.67)
<b>GBP sensitivity</b>		
INR / GBP		
Increase by 5%	3.67	-
Decrease by 5%	(3.67)	-

#### B Credit risk

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The presumption under Ind AS 109 with reference to significant increase in credit risk since initial recognition (when financial assets are more than 30 days past due), has been rebutted and is not applicable to the Company, as the Company is able to collect a significant portion of its receivables that exceed the due date and the receivables past due by 90 days are considered as significant increase in credit risk.

#### Credit risk management

To manage credit risk, the Company periodically assesses the financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. There is no significant concentration of credit risk.

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 38 Financial risk management (Contd.)

Bank balances are held with only high rated banks and majority of security deposits are placed majorly with government agencies. Trade receivables are generally recovered within the credit period. The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

#### Ageing of Trade receivables

	(₹ in lakhs)					
	Not due	0-12 months	1-2 years	2-3 years	more than 3 years	Total
<b>As at 31 March 2025</b>						
Gross Carrying amount of - trade receivables	7,864.65	1,470.01	32.58	51.55	29.25	9,448.04
Gross Carrying amount of - contract assets	-	-	-	-	-	-
Expected credit loss - trade receivables (%)	0.01%	0.16%	2.15%	0.00%	100.00%	
Expected credit loss - trade receivables	1.16	2.39	0.70	-	29.25	33.50
Expected credit impaired - trade receivables	-	-	-	46.48	-	46.48
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>7,863.49</b>	<b>1,467.62</b>	<b>31.88</b>	<b>5.07</b>	<b>-</b>	<b>9,368.06</b>
<b>Carrying amount of contract assets (net of impairment)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at 31 March 2024</b>						
Gross Carrying amount of - trade receivables	7,127.64	2,749.76	226.83	21.12	35.85	10,161.20
Gross Carrying amount of - contract assets	332.38	-	-	-	-	332.38
Expected credit loss - trade receivables (%)	0.03%	0.27%	4.43%	70.22%	100.00%	
Expected credit loss - trade receivables	2.45	7.53	10.04	14.83	35.85	70.70
Expected credit impaired - trade receivables	-	20.27	60.98	-	-	81.25
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>7,125.19</b>	<b>2,721.96</b>	<b>155.81</b>	<b>6.29</b>	<b>-</b>	<b>10,009.25</b>
<b>Carrying amount of contract assets (net of impairment)</b>	<b>332.38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>332.38</b>

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

#### Reconciliation of loss allowance of trade receivables

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	151.95	169.42
Additions	37.18	81.25
Reversal against recoveries/bad debts	(109.15)	(98.72)
	(71.97)	(17.47)
<b>Balance at the end of the year</b>	<b>79.98</b>	<b>151.95</b>

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 38 Financial risk management (Contd.)

#### C Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities - borrowings, trade payables, lease liabilities and other financial liabilities.

#### Liquidity risk management

The Company's corporate treasury department is responsible for liquidity and funding as well as settlement management. The processes and policies related to such risks are overseen by Chief Financial Officer. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

#### Maturities of non – derivative financial liabilities

As at 31 March 2025

	(₹ in lakhs)			
Particulars	0 month to 1 year	Between 1 and 5 years	Beyond 5 years	Total
Non-current borrowings (including current maturities)	1,928.61	4,030.10	-	5,958.71
Current borrowings	5,246.07	-	-	5,246.07
Interest accrued but not due on borrowings	11.77	-	-	11.77
Trade payables	7,186.60	-	-	7,186.60
Lease liabilities (non-discounted)	397.14	212.52	-	609.66
Other current financial liabilities	1,011.97	-	-	1,011.97
<b>Total</b>	<b>15,782.16</b>	<b>4,242.62</b>	<b>-</b>	<b>20,024.78</b>

As at 31 March 2024

	(₹ in lakhs)			
Particulars	0 month to 1 year	Between 1 and 5 years	Beyond 5 years	Total
Non-current borrowings (including current maturities)	1,557.26	3,560.06	-	5,117.32
Current borrowings	5,503.96	-	-	5,503.96
Interest accrued but not due on borrowings	13.98	-	-	13.98
Trade payables	6,266.46	-	-	6,266.46
Lease liabilities (non-discounted)	290.84	319.27	-	610.11
Other current financial liabilities	1,063.51	-	-	1,063.51
<b>Total</b>	<b>14,696.01</b>	<b>3,879.33</b>	<b>-</b>	<b>18,575.34</b>

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 39 Capital management

#### Risk management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders. The Company has complied with financial covenants.

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
The capital composition is as follows:		
Net debt#	11,180.19	10,617.91
Total equity	24,451.38	23,195.42
<b>Net debt to equity ratio</b>	<b>46%</b>	<b>46%</b>

# includes non-current borrowings, current borrowings, current maturities of non-current borrowings and interest accrued but not due on borrowings (net of cash and cash equivalents)

### 40 Changes in liabilities arising from financing activities

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents	36.36	17.35
Non-current borrowings	(5,958.71)	(5,117.32)
Current borrowings	(5,246.07)	(5,503.96)
Lease liabilities	(563.40)	(542.13)
Interest accrued but not due on borrowings	(11.77)	(13.98)
<b>Net Debt</b>	<b>(11,743.59)</b>	<b>(11,160.04)</b>

	(₹ in lakhs)					
	Cash and cash equivalents	Non-current borrowings	Current borrowings	Lease liabilities	Interest accrued but not due on borrowings	Total
<b>Net as at 01 April 2023</b>	110.98	(3,652.99)	(2,288.03)	(259.00)	(15.79)	(6,104.83)
Cash flows (net)	(93.63)	(1,521.44)	(3,215.47)	172.39	-	(4,658.15)
IND AS adjustments	-	57.11	-	(455.52)	-	(398.41)
Foreign exchange adjustments	-	-	(0.46)	-	-	(0.46)
Finance cost expense	-	-	-	-	(692.44)	(692.44)
Finance cost paid	-	-	-	-	694.25	694.25
<b>Net as at 31 March 2024</b>	<b>17.35</b>	<b>(5,117.32)</b>	<b>(5,503.96)</b>	<b>(542.13)</b>	<b>(13.98)</b>	<b>(11,160.04)</b>
Cash flows (net)	19.01	(930.38)	252.65	358.16	-	(300.56)
IND AS adjustments	-	88.99	-	(379.43)	-	(290.44)
Foreign exchange adjustments	-	-	5.24	-	-	5.24
Finance cost expense	-	-	-	-	(1,138.58)	(1,138.58)
Finance cost paid	-	-	-	-	1,140.79	1,140.79
<b>Net as at 31 March 2025</b>	<b>36.36</b>	<b>(5,958.71)</b>	<b>(5,246.07)</b>	<b>(563.40)</b>	<b>(11.77)</b>	<b>(11,743.59)</b>

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 41 Leases

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>The Balance sheet discloses the following amounts relating to leases:</b>		
Leasehold Land*	1067.28	613.71
<b>Other Right to use Assets</b>		
Buildings	103.62	82.82
Plant and equipment	519.33	536.10
	<b>1,690.23</b>	<b>1,232.63</b>
<b>Lease liabilities</b>		
Current	356.43	247.18
Non-current	206.97	294.95
	<b>563.40</b>	<b>542.13</b>

\* There are no lease liabilities in respect of the leasehold land as the entire amount has been paid upfront on the date of the execution of the lease agreement with respective authorities.

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>Amounts recognised in statement of profit and loss</b>		
<b>Depreciation charge on</b>		
Leasehold Land	12.88	9.98
Other Right to use Assets		
Buildings	71.06	48.60
Plant and equipment	370.07	149.67
	<b>454.01</b>	<b>208.25</b>
Interest expense included in finance cost	77.49	24.00
Expense relating to short-term leases	12.61	8.91
Expense relating to leases of low-value assets that are not shown above as short-term leases	-	-
Expense relating to variable lease payments not included in lease liability	-	-
Total cash outflow for leases during current financial year (excluding short term leases)	358.16	172.39
Additions to the right of use assets during the current financial year	911.61	542.10

### 42 Research and development expenditure

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Revenue expenditure charged to Statement of Profit and Loss (under notes 32, 34 and 35)	2,171.63	1,959.72
Capital Expenditure (under notes 3 and 4)	132.00	584.71
	<b>2,303.63</b>	<b>2,544.43</b>

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 43 Related Party Disclosures

As per Ind AS 24 "Related Party Disclosures", disclosure of transactions with the related parties as defined in the Indian Accounting Standard are given below:

#### A. List of related parties and relationship (to the extent where transactions have taken place and relationship of control) :

##### (i) Subsidiaries

	Nature of relationship
ZIM Health Technologies Limited, India	Wholly Owned Subsidiary Company
SIA ZIM Laboratories Limited, Latvia	Wholly Owned Subsidiary Company
ZIM Laboratories FZE, UAE	Wholly Owned Subsidiary Company
ZIM Thinorals Private Limited, India	Wholly Owned Subsidiary Company
ZIMTAS PTY Limited, Australia (w.e.f. 5 March 2024)	Subsidiary Company
ZIM Laboratories Middle East DMCC, UAE (w.e.f. 28 September 2023)**	Step-down Subsidiary Company
ZIM Scientific Office L.L.C, UAE (w.e.f. 15 November 2024)	Step-down Subsidiary Company

##### (ii) Key Managerial Personnel

	Nature of relationship
Dr. Anwar S. Daud	Managing Director and shareholder with significant influence
Mr. Zulfiqar Kamal	Director (Finance)
Mr. Niraj Dhadiwal	Executive Director
Mr. Prakash Sapkal	Executive Director
Mr. Padmakar Joshi	Independent Director
Mrs. Kavita Loya	Independent Director
Dr. Kamlesh Shende	Independent Director
Dr. Kakasaheb Mahadik (upto 31 March 2025)	Independent Director
Mr. Ashok Bhatia (w.e.f. 01 April 2025)	Independent Director
Mr. Piyush Nikhade	Company Secretary
Mr. Shyam Mohan Patro	Chief Financial Officer

##### (iii) Other significant influences

	Nature of relationship
Mathew Cyriac (upto 13 March 2025)	Shareholder exercising significant influence
Elizabeth Mathew (w.e.f. 21 March 2025)	Shareholder exercising significant influence
Zakir Vali	Shareholder exercising significant influence

#### B. Nature of transactions:

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>1) Remuneration*</b>		
Dr. Anwar S. Daud	146.74	177.79
Mr. Zulfiqar Kamal	91.88	110.20
Mr. Niraj Dhadiwal	100.23	93.20
Mr. Prakash Sapkal	101.91	86.77
Mr. Piyush Nikhade	43.14	36.20
Mr. Shyam Mohan Patro	81.05	77.50
<b>2) Director's fees</b>		
Mr. Padmakar Joshi	7.00	7.00

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 43 Related Party Disclosures (Contd.)

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Mrs. Kavita Loya	9.00	9.00
Dr. Kamlesh Shende	7.00	7.00
Dr. Kakasaheb Mahadik	7.00	7.00
<b>3) Professional fees</b>		
ZIM Health Technologies Limited, India	357.79	260.58
<b>4) Rent paid</b>		
Dr. Anwar S. Daud	28.45	27.01
<b>5) Sales</b>		
ZIM Laboratories FZE, UAE	3,219.28	1,981.26
<b>6) Investment (in equity shares)</b>		
SIA ZIM Laboratories Limited, Latvia	316.84	-
ZIMTAS PTY Limited, Australia	68.25	5.37
<b>7) Deemed Investment (Refer note 6)</b>		
ZIM Health Technologies Limited, India	96.00	-
<b>8) Deemed equity contribution from shareholder (net of charges) (Refer note 17)</b>		
Mr. Zakir Vali	-	3,049.97

#### C. Balances outstanding at year end (#)

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>Payable to Key Managerial Personnel</b>		
Dr. Anwar S. Daud	6.34	7.92
Mr. Zulfiqar Kamal	3.47	3.15
Mr. Niraj Dhadiwal	3.94	2.96
Mr. Prakash Sapkal	1.61	1.31
Mr. Piyush Nikhade	1.66	-
Mr. Shyam Mohan Patro	3.34	2.98
<b>Trade payable</b>		
Dr. Anwar S. Daud	6.40	6.23
Dr. Kamlesh Shende	1.58	1.58
Dr. Kakasaheb Mahadik	1.58	1.58
Mr. Padmakar Joshi	1.58	1.58
Mrs. Kavita Loya	2.03	2.03
ZIM Health Technologies Limited, India	303.58	92.12
<b>Advance received from customers</b>		
ZIM Laboratories FZE, UAE	-	747.29
<b>Trade receivables</b>		
ZIM Laboratories FZE, UAE	196.11	-

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 43 Related Party Disclosures (Contd.)

#### Key Managerial Personnel' compensation

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
a) Short- term employee benefits	584.72	601.79
b) Post- employment benefits	10.23	9.87
<b>Total compensation</b>	<b>594.95</b>	<b>611.66</b>

\* The remuneration to key management personnel does not include provision for employee benefits determined on actuarial basis.

# Equity investments by the Company and equity infusion into the Company are not considered for disclosure as these are not considered "outstanding exposures". (Refer notes 6 and 16) for the same.

## During the previous year ZIM Laboratories Middle East DMCC was incorporated as subsidiary of ZIM Laboratories FZE with Share Capital of AED 100,000 divided into 100 Shares, of value AED 1,000 each share. ZIM Laboratories FZE holds 70 Equity shares (70%) and 30 equity shares (30%) are held by VIDIMED DWC-LLC in ZIM Laboratories Middle East DMCC. However, the business operations of the Company are yet to commence.

All the transactions stated above with related parties are on arm's length basis.

All borrowings are guaranteed by the Managing Director of the Company (Refer notes 18 and 21).

### 44 Contingent liabilities and commitments

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>(A) Contingent liabilities</b>		
Income Tax Assessments for earlier years, pending in appeal	395.95	500.04
Gram Panchayat Tax	-	12.58
Duty saved considering export obligation to be fulfilled subsequent to the reporting date, within the period allowed under the Advance License scheme	57.89	72.14

#### Notes:

- The Company does not expect any reimbursement in respect of the above contingent liabilities.
- It is not practical to estimate the timing of cash outflows, if any, in respect of matters above, pending resolution/completion of the appellate proceedings/other proceedings, as applicable.

#### Other matter

The Honourable Supreme Court, had passed a judgement on 28 February 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The management, based on legal advice, is of the view that the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered due to interpretative challenges, and resultant impact on the past provident fund liability, cannot be reasonably ascertained.

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>(B) Commitments</b>		
Estimated value of contracts in capital account remaining to be executed (net of capital advance)	1,117.88	1,359.72

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 45 Employee benefits

As per Indian Accounting Standard-19, 'Employee Benefits', the disclosure of Employee benefits as defined in the Standard are given below:

#### (a) Defined Contribution Plan:

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Employer's Contribution to Provident fund	146.02	134.06
Employer's Contribution to ESIC	8.52	7.00
Employer's Contribution to Labour welfare fund	0.79	0.55
Employer's Contribution to Pension fund	32.33	22.56

#### (b) Defined Benefits Plan :

##### Gratuity

Under the gratuity plan, every employee is entitled to the benefit equivalent to fifteen days salary (as per last drawn salary) for each completed year of service or part thereof in excess of six months depending on the date of joining and eligibility terms, in terms of provisions of the Payment of Gratuity Act, 1972. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. Liabilities for such benefits are provided on the basis of valuation, as at the balance sheet date, carried out by an independent actuary. The actuarial valuation method used by an independent actuary for measuring the liability is the Projected Unit Credit method. The scheme is funded with an insurance company in the form of qualifying insurance policy.

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Mortality Table	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Discount rate	6.65%	7.19%
Salary growth rate	5.00%	5.00%
Withdrawal rate	12.00%	12.00%
Expected rate & return on Plan assets	6.65%	7.19%
<b>Changes in the Fair value of Plan Assets</b>		
Present Value of Plan Assets at the beginning of the year	931.68	858.75
Interest Income	66.99	63.46
Employer's Contribution	54.45	30.72
Benefits Paid	-	(13.70)
Actuarial adjustment: Return on plan assets, excluding amount recognised in net interest expense	1.95	(7.55)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>1,055.07</b>	<b>931.68</b>
<b>Changes in the Present Value of Obligation</b>		
Present Value of Obligation at the beginning of the year	898.64	792.06
Current Service Cost	71.97	61.46
Interest Expenses or Cost	64.61	58.53

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 45 Employee benefits (Contd.)

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in the demographic assumptions	-	-
- change in the financial assumptions	24.27	8.05
- experience variance (i.e. Actual experience v/s assumptions)	53.63	38.28
Past Service Cost	-	-
Benefits Paid	(113.42)	(59.74)
<b>Present Value of Obligation at the end of the year</b>	<b>999.70</b>	<b>898.64</b>

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>Amount recognised in the Balance Sheet</b>		
Present Value of Obligation at the end of the year	999.70	898.64
Fair Value of Plan Assets at the end of the year	(1,055.07)	(931.68)
<b>Net (Asset) recognised at the end of the year</b>	<b>(55.37)</b>	<b>(33.04)</b>
<b>Percentage of each category of plan assets to total fair value of plan assets as at year end:</b>		
Administered by Life Insurance Corporation of India	100.00%	100.00%

	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
<b>Expenses recognised in the Statement of Profit and Loss</b>		
Current service cost	71.97	61.46
Past service cost	-	-
Loss / (Gain) on settlement	-	-
Net Interest cost / (income) on the Net Defined Benefit Liability / (Asset)	(2.37)	(4.93)
<b>Total expenses recognised in the Statement of Profit and Loss</b>	<b>69.60</b>	<b>56.53</b>
<b>Actuarial (gain) / loss</b>		
Actuarial (gain) / loss on Obligation for the period	77.90	46.33
Return on Plan Assets, excluding interest income	(1.95)	7.55
<b>Actuarial (gain) / loss recognised in Other Comprehensive Income</b>	<b>75.95</b>	<b>53.88</b>

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>Maturity Profile of Defined Benefit Obligation</b>		
Weighted average duration (based on discounted cash flows)	6 years	6 years

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 45 Employee benefits (Contd.)

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
<b>Expected cash flows over the next (valued on undiscounted basis) as follows :</b>		
Year 1	181.45	155.81
Year 2	113.25	127.50
Year 3	116.39	101.06
Year 4	115.22	109.28
Year 5	115.52	94.27
Thereafter	813.10	760.16

#### Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, withdrawal rate and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of the sensitivity analysis is given below:

	(₹ in lakhs)	
	As at 31 March 2025	As at 31 March 2024
Defined Benefit Obligation (Base)	999.70	898.64

	(₹ in lakhs)			
	Year ended 31 March 2025		Year ended 31 March 2024	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	48.63	(43.95)	42.83	(38.73)
(% change compared to base due to sensitivity)	4.9%	-4.4%	4.8%	-4.3%
Salary Growth Rate (-/+ 1%)	(41.11)	43.84	(36.58)	39.15
(% change compared to base due to sensitivity)	-4.1%	4.4%	-4.1%	4.4%
Attrition Rate (+/- 1%)	(4.62)	4.09	(5.92)	5.34
(% change compared to base due to sensitivity)	-0.5%	0.4%	-0.7%	0.6%

#### (c) Compensated absences

The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year and net charge to the Standalone Statement of Profit and Loss for the year is ₹ 205.89 lakhs (Previous Year: ₹ 159.00 lakhs).

### 46 Segment information

The Company is primarily engaged in the business of pharmaceuticals. The Company has entrusted decision making authority to the Managing Director (highest authority) who is the Chief Operating Decision Maker (CODM) who has complete control over the operating decisions and is responsible for the information presented to the Board of Directors. Managing Director reviews the Company's performance based on the analysis of the Profit Before Tax (PBT) at an overall entity level and therefore there is no other separate reportable segment for the Company as defined by Ind AS 108 "Operating Segment".

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 46 Segment information (Contd.)

Information about geographical areas are as under :

Particulars	(₹ in lakhs)					
	31 March 2025			31 March 2024		
	In India	Outside India	Total	In India	Outside India	Total
Revenue from operations*	6,656.94	30,906.61	37,563.55	8,046.36	28,500.96	36,547.32
Carrying amount of segment assets (non-current)**	20,836.34	2,475.14	23,311.48	19,444.80	1,765.22	21,210.02
Carrying amount of segment assets (current)***	13,969.19	7,575.98	21,545.17	14,095.29	7,597.31	21,692.60
Capital expenditure for the year	4,079.09	815.55	4,894.64	7,328.86	894.79	8,223.65
- Tangible	4,067.96	-	4,067.96	7,206.10	-	7,206.10
- Intangible	11.13	815.55	826.68	122.76	894.79	1,017.55

The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 2.1.

\*As per Ind AS 108 - Operating Segments, the Company is required to disclose revenue from individual external customers when it is 10 per cent or more of entity's revenue. Details of individual external customers having revenue equal to or more than 10 percent of the Company's revenue are as follows:

Particulars	(₹ in lakhs)					
	31 March 2025			31 March 2024		
	In India	Outside India	Total	In India	Outside India	Total
Revenue from operations*	-	5,591.41	5,591.41	-	3,730.69	3,730.69

\*\*The carrying amount of non-current segment assets exclude financial assets, income tax assets (net).

\*\*\*The carrying amount of current segment assets exclude Cash and cash equivalents, Bank balances other than cash and cash equivalents & Interest receivable.

### 47 Share based payments

Particulars	(₹ in lakhs)	
	31 March 2025	31 March 2024
Share based payments to employees	39.40	-
Employee stock options	135.40	-

Resolution passed by Nomination & Remuneration committee and Board at its meeting dated 23 December 2023 and the shareholders through postal ballot on 28 January 2024 had approved the 'ZIM Laboratories Employee Stock Option Scheme 2023' ("ESOS 2023"/ "Scheme"), to create, offer, issue, grant and allot from time to time, in one or more tranches, not exceeding 994,404 (Nine Lakhs Ninety-four Thousand Four Hundred and Four) employee stock options ("Options") to the eligible employees of the Company and/or its subsidiary companies exercisable into not more than 994,404 (Nine Lakhs Ninety-four Thousand Four Hundred and Four) equity shares.

During the year, the Nomination and Remuneration Committee in its meeting held on 13 April 2024 granted 687,257 options to the eligible employees of the Company and the subsidiary at an exercise price of ₹ 77.40. Remaining options of 307,147 are available in the ESOP Pool to be granted to the employees of the Company and its subsidiaries.

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 47 Share based payments (Contd.)

I. The position of the ESOS of the Company as at 31 March 2025 is as under:

S.No.	Particulars	ESOS
1	Total number of stock options approved	994,404
2	Maximum term of Options granted (years)	2 years from date of last vesting or 6 years from the date of grant
3	Source of shares (Primary, Secondary or combination)	Primary
4	Variation in terms of options	No variation
5	Exercise Price per option	at a discount of 20% on market price on grant date (i.e. ₹ 77.40)
6	The exercise period	Exercise anytime within two year from date of vesting
7	Weighted average exercise price* (₹)	77.40
8	Weighted average remaining life (in years)	5.04

\*The Black Scholes valuation model has been used for computing weighted average fair value of option on grant date considering the following information:

Particulars	Particulars
1. Risk Free Interest Rate	7.01%
2. Expected Life (year)	4
3. Expected Volatility	55.79%
4. Dividend Yield	0.00%

II. Weighted average exercise price of options granted during the year whose

Exercise price equals to market price of the stock	Nil
Exercise price exceeds market price of the stock	Nil
Exercise price is less than the market price of the stock	77.40

III. Weighted average fair value of options granted during the year whose

Exercise price equals to market price of the stock	Nil
Exercise price exceeds market price of the stock	Nil
Exercise price is less than the market price of the stock	54.44

IV. The movement of stock options during the year ended 31 March 2025 are summarized below:

Particulars	Number of option
Options outstanding at the beginning of the year	Nil
Options Forfeited / lapsed during the year	Nil
Options granted during the year	687,257
Options vested during the year	Nil
Options exercised during the year	Nil
Money realised by exercise of options	Nil
Expired during the year	Nil
Options outstanding at the end of the year	687,257
Options exercisable at the end of the year	Nil

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 47 Share based payments (Contd.)

V. The exercise price and expected remaining contractual life (comprising the vesting period and exercise period) of options outstanding as at 31 March 2025 is as follows:

Grant Date	Number of options	Vesting Date	Exercise End Date	Exercise Price	Expected remaining contractual life
13 April 2024	68,726	14 April 2025	13 April 2027	77.40	2.04
13 April 2024	137,451	14 April 2026	13 April 2028	77.40	3.04
13 April 2024	206,177	14 April 2027	13 April 2029	77.40	4.04
13 April 2024	274,903	14 April 2028	13 April 2030	77.40	5.04

VI. Cash inflow on exercise of options and weighted average share price at the date of exercise: Not applicable, as options not due for exercise during the year.

VII. The estimates of future cash inflow that may be received upon exercise of options:

Particulars	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Within one year	53.19	-
Between two years to five years	478.75	-

### 48 Earnings in foreign currency (accrual basis)

Particulars	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
Exports at F.O.B. value	29,167.42	27,135.13
Product service income	1,079.94	603.49
	<b>30,247.36</b>	<b>27,738.62</b>

### 49 Earnings per share

Particulars	(₹ in lakhs)	
	Year ended 31 March 2025	Year ended 31 March 2024
I. Profit Computation for both Basic and Diluted Earnings per share:		
Net Profit attributable to equity share holders	1,174.40	1,675.55
II. Computation of weighted average number of equity shares :		
Weighted average number of equity shares in calculating basic EPS	4,87,25,814	4,87,25,814
Weighted average number of equity shares in calculating diluted EPS	4,87,25,814	4,87,25,814
III. Earnings Per Share:		
Basic Earning Per Share (₹) (Face value of ₹ 10 per share)	2.41	3.44
Diluted Earning Per Share (₹) (Face value of ₹ 10 per share)	2.41	3.44

### 50 Contribution towards Corporate Social Responsibility (CSR)

Section 135 of the Companies Act, 2013 and Rules made thereunder prescribe that every company having a net worth of ₹ 500 crore or more, or turnover of ₹ 1,000 crore or more or a net profit of ₹ 5 crore or more during any financial year shall ensure that the company spends, in every financial year, at least 2% of the average net profits earned during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The provisions pertaining to corporate social responsibility as prescribed under the Companies Act, 2013 are applicable to the Company. The financial details as sought by the Companies Act, 2013 are as follows :

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 50 Contribution towards Corporate Social Responsibility (CSR) (Contd.)

Particulars		(₹ in lakhs)	
		Year ended 31 March 2025	Year ended 31 March 2024
Average net profit of the Company for last three financial years		2,627.84	2,145.71
Prescribed CSR expenditure (2% of the average net profit as computed above)		52.56	42.91
<b>Details of CSR expenditure during the financial year :</b>			
(a) Total amount required to be spent for the financial year		52.56	42.91
(b) Amount approved by the Board to be set-off for the financial year		4.06	-
(c) Amount approved by the Board to be spent for the financial year		48.53	46.98
(d) Amount spent for the financial year ending on 31March 2025 :	<b>In cash</b>	<b>Yet to be paid in cash</b>	<b>Total</b>
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	48.53	-	48.53
(e) Amount spent for the financial year ending on 31March 2024:			
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	46.98	-	46.98

Particulars		(₹ in lakhs)	
		Year ended 31 March 2025	Year ended 31 March 2024
(f) Details related to spent/ unspent obligations :			
(i) Rural support programme and other activities mentioned in Schedule VII of the Companies Act, 2013		48.53	46.98
(ii) Unspent amount in relation to :			
- Ongoing project		-	-
- Other than ongoing project		-	-
		<b>48.53</b>	<b>46.98</b>

In case of Section 135(5) (Other than ongoing Project)				
Opening Balance	Amount deposited in Specified Fund of Schedule VII within 6 months	Amount required to be spent for the year	Amount spent for the year	Closing Balance
4.06	-	52.56	48.53	0.03

In case of Section 135(5) Excess amount spent			
Opening Balance	Amount required to be spent for the year	Amount spent for the year	Closing Balance
4.06	52.56	48.53	0.03

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

### 51 Ratio Analysis and its elements

Ratio	Basis		Year ended 31 March 2025	Year ended 31 March 2024	% change
Current Ratio	Current Assets Current Liabilities	Times	1.30	1.34	-3%
Debt-Equity Ratio	Total Debt Total Equity	%	46%	46%	0%
Debt Service Coverage Ratio *	Earnings for debt service Debt Service	Times	1.63	1.95	-16%
Return on Equity Ratio	Profit After Tax Average Equity	%	4.93%	7.86%	-37%
Inventory Turnover Ratio	Cost of Goods Sold Avg. Inventory	Times	2.00	2.54	-21%
Trade Receivable Turnover Ratio	Revenue from Sale of Products Average Trade Receivables	Times	3.71	3.75	-1%
Trade Payable Turnover Ratio	Cost of Goods Sold Average Trade Payables **	Times	4.27	5.00	-15%
Net Capital Turnover Ratio	Revenue from Operations Working Capital ***	Times	7.49	6.55	14%
Net Profit Ratio	Net Profit After Tax Revenue from operations	%	3.13%	4.58%	-32%
Return on Capital Employed	Earnings before Interest and Tax **** Capital Employed *****	%	8.34%	10.12%	-18%
Return on Investment			NA ##	NA ##	
Operating Profit Margin	Earnings before Interest and Tax **** Revenue from operations	%	7.72%	8.20%	-6%
Basic EPS	Net Profit attributable to equity share holders Weighted average number of equity shares	Times	2.41	3.44	-30%
Interest Coverage Ratio	Earnings before Interest and Tax **** Finance costs	Times	2.55	4.33	-41%

\* Earnings for Debt Service = Net Profit after tax + Depreciation and amortisation expense + Finance costs (recognised excluding lease), Debt Service = Principal Repayments + Finance costs (recognised excluding lease)

\*\* Average Trade Payables = Average Trade payables for the materials purchase

\*\*\* Working Capital = Current Assets - Current Liabilities

\*\*\*\* Earnings before Interest and Tax = Profit before tax + Finance costs (recognised excluding lease)

\*\*\*\*\* Capital Employed = Average of equity and total borrowings

## The Company has investments in subsidiaries and other insignificant trade investment.

- (i) Return on Equity Ratio: Decreased by 37% in the current year due to decrease in profitability of the Company.
- (ii) Net Profit Ratio: Decreased by 32% in the current year due to decrease in profitability of the Company.
- (iii) Basic EPS: Decreased by 30% in the current year due to decrease in profitability of the Company.
- (iv) Interest Coverage Ratio: Decreased by 41% in the current year is mainly due increase in the finance costs on account of working capital utilisation.

## Material accounting policy information and other explanatory information to the standalone financial statements

For the year ended 31 March 2025

52 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The audit trail has been preserved by the Company as per the statutory requirements for record retention at application level from 1 April 2023 and at the database level from 25 July 2024.

The Company has used an accounting software (Infonic) for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been enabled at application level. However, the audit trail (edit logs) is enabled at the database level from 25 July 2024.

53 Figures of the previous year has been re-grouped/re-arranged wherever necessary. The impact of the same is not material to the users of financial statement.

#### For and on behalf of the Board of Directors

**For Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Anwar S. Daud**  
Managing Director  
DIN: 00023529

**Zulfiqar M. Kamal**  
Director (Finance)  
DIN: 01786763

**Khushroo B. Panthaky**  
Partner  
Membership No.: 042423

**Shyam Mohan Patro**  
Chief Financial Officer

**Piyush Nikhade**  
Company Secretary

Place: Nagpur  
Date: 20 May 2025

Place: Nagpur  
Date: 20 May 2025



## ZIM Laboratories Limited

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