LM MANUFACTURING INDIA PRIVATE LIMITED [CIN : U93000GJ2017FTC097548]
Balance Sheet as at March 31, 2024

Particulars	Note No.	INR-Thousand		
		As at		
		March 31, 2024	March 31, 2023	April 1, 2022
ASSETS:				
Non-Current Assets:				
Property, Plant and Equipment	3 [A]	1,137	955	778
Other Intangible Assets	3 [B]	2	4	9
Financial Assets:				
Other Financial Assets	4	328	328	316
Deferred Tax Assets [Net]	5	1,606	7	26
		3,073	1,294	1,128
Current Assets:				
Financial Assets:				
Trade Receivables	6	17,232	12,649	-
Cash and Cash Equivalents	7	901	173	12
Other Current Financial Assets	8	145	-	-
Other Current Assets	9	8,267	5,035	3,595
		26,545	17,857	3,608
Total		29,618	19,150	4,736
EQUITY AND LIABILITIES:				
Equity:				
Equity Share Capital	10	500	500	500
Other Equity	11	8,637	3,256	(4,319)
		9,137	3,756	(3,819)
Non-Current Liabilities:				
Financial Liabilities:				
Borrowings	12	4,354	-	-
Provisions	13	6,394	-	-
		10,748	-	-
Current Liabilities:				
Financial Liabilities:				
Borrowings	14	-	4,354	5,217
Trade Payables:				
Dues to Micro and Small Enterprises	15	-	-	-
Dues to other than Micro and Small Enterprises	15	4,849	6,884	2,734
Other Financial Liabilities	16	123	-	-
Other Current Liabilities	17	460	2,591	605
Current Tax Liabilities [Net]	18	4,300	1,565	-
		9,733	15,394	8,555
Total		29,618	19,150	4,736
Material Accounting Policies	2			
Notes to the Financial Statements	3 to 32			

For and on behalf of the Board

sd/-
Director

sd/-
Director
Place: Ahmedabad
Date: May 15, 2024

LM MANUFACTURING INDIA PRIVATE LIMITED [CIN : U93000GJ2017FTC097548]
Statement of Profit and Loss for the year ended March 31, 2024

Particulars	Note No.	INR-Thousand	
		Year ended March 31	
		2024	2023
INCOME:			
Revenue from Operations	19	67,303	42,730
Other Income	20	-	34
Total Income		67,303	42,764
EXPENSES:			
Cost of Materials Consumed	21	16,339	6,048
Employee Benefits Expense	22	33,633	22,420
Finance Costs	23	142	2
Depreciation and Amortisation Expense	3 [C]	303	195
Other Expenses	24	9,242	4,939
Net [Gain] on foreign currency transactions		(441)	-
Total Expenses		59,217	33,605
Profit before Tax		8,086	9,159
Less: Tax Expense:			
Current Tax	25	4,304	1,565
Deferred Tax	25	(1,599)	19
		2,705	1,584
Profit for the year		5,381	7,576
Other Comprehensive Profit/Loss for the year [Net of Tax]		-	-
Total Comprehensive Income for the year [Net of Tax]		5,381	7,576
Basic & Diluted Earnings per Equity Share [EPS] [in Rupees]	26	107.62	151.51
Material Accounting Policies	2		
Notes to the Financial Statements	3 to 32		

For and on behalf of the Board

sd/-
Director

sd/-
Director
Place: Ahmedabad
Date: May 15, 2024

LM MANUFACTURING INDIA PRIVATE LIMITED [CIN : U93000GJ2017FTC097548]
Statement of changes in the Equity the year ended March 31, 2024

a Equity Share Capital:

	No. of Shares	INR-Thousand
Equity Shares of INR 10/- each, Issued, Subscribed and Fully Paid-up:		
As at April 1, 2022	50,000	500
As at March 31, 2023	50,000	500
As at March 31, 2024	50,000	500

b Other Equity:

	INR-Thousand	
	Reserves and Surplus	Total
	Retained Earnings	
As at April 1, 2022	**(4,319)**	**(4,319)**
Add: Profit for the year	7,576	7,576
Add: Other Comprehensive Income	-	-
Total Comprehensive Income	**7,576**	**7,576**
As at March 31, 2023	**3,256**	**3,256**
Add: Profit for the year	5,381	5,381
Add: Other Comprehensive Income	-	-
Total Comprehensive Income	**5,381**	**5,381**
As at March 31, 2024	**8,637**	**8,637**

For and on behalf of the Board

sd/-
Director

sd/-
Director

Place: Ahmedabad
Date: May 15, 2024

Note: 1-Company overview:

LM MANUFACTURING INDIA PRIVATE LIMITED ["the Company"] [CIN : U93000GJ2017FTC097548], a Company limited by shares, incorporated and domiciled in India,The Company is engaged in to support and serve technical, scientific, regulatory and techno-commercial activities. The registered office of the Company is located at Unit No.22-A, 2nd Floor, Titanium Corporate Road, Prahalad Nagar, Satellite, Ahmedabad, Gujarat, 380015.

Note: 2-Material Accounting Policies:

A The following note provides list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

1 Basis of preparation:

A The financial statements are in compliance with the Indian Accounting Standards [Ind AS] notified under the Companies [Indian Accounting Standards] Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013.

B For all periods up to and including the year ended March 31, 2023, the company has prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies [Accounts] Rules, 2014 [Indian GAAP].

The company has adopted Ind AS as per Companies [Indian Accounting Standards [Ind AS]] Rules, 2015 as notified under Section 133 of the Companies Act, 2013 for these Financial statements beginning April 1, 2023. As per the principles of Ind AS 101, the transition date to Ind AS is April 1, 2022 and hence the comparatives for the previous year ended March 31, 2023 and balances as on April 1, 2022 have been restated as per the principles of Ind AS, wherever deemed necessary. Descriptions of the effect of the transition have been summarized in note 31.

B The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair values at the end of the reporting periods:

i Certain financial assets and liabilities measured at fair value [refer accounting policy regarding financial instruments]

ii Defined benefit plans

2 Use of Estimates:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of income and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments are provided below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Critical accounting judgments and estimates:

A Property, Plant and Equipment:

Property, Plant and Equipment represent a large proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Management reviews the residual values, useful lives and methods of depreciation of Property, Plant and Equipment at each reporting period end and any revision to these is recognised prospectively in current and future periods. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their lives, such as changes in technology. Refer Note-2 [6].

B Impairment of property, plant and equipment :

Significant judgments are involved in determining the estimated future cash flows from the Property, Plant and Equipment to determine their value in use to assess whether there is any impairment in their carrying amounts as reflected in the financials.

C Employee benefits:

Actuarial valuation involves key assumptions of life expectancy, discounting rate, salary increase, etc. which significantly affect the working of the present value of future liabilities on account of employee benefits by way of defined benefit plans.

D Taxes on Income:

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions. Refer Note-25.

E Contingent liabilities:

Significant judgments are involved in determining whether there is a possible obligation, that may, but probably will not require an outflow of resources.

3 Foreign Currency Transactions:

The Company's financial statements are presented in Indian Rupees [INR], which is the functional and presentation currency.

A The transactions in foreign currencies are translated into functional currency at the rates of exchange prevailing on the dates of transactions.

B Foreign Exchange gains and losses resulting from settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year end exchange rates are recognised in the Statement of Profit and Loss. However, foreign currency differences arising from the translation of certain equity instruments where the Company had made an irrevocable election to present in OCI subsequent changes in the fair value are recognised in OCI.

C Foreign exchange differences regarded as adjustments to borrowing costs are presented in the Statement of Profit and Loss within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis.

Note: 2-Material Accounting Policies-Continued:

4 Revenue Recognition:

A The following are the accounting policies related to revenue recognition under Ind AS 115:

a License Fees:

License fees primarily consist of income from the outlicensing of intellectual property and other licensing and supply arrangements with various parties. Revenue from license fees is recognised when control transfers to the third party and the Company's performance obligations are satisfied. Some of these arrangements include certain performance obligations by the Company. Revenue from such arrangements is recognised in the period in which the Company completes all its performance obligations.

b Royalty income:

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement [provided that it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably]. Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

c Service Income:

Service income is recognised as per the terms of contracts with the customers when the related services are performed as per the stage of completion or on the achievement of agreed milestones and are net of indirect taxes, wherever applicable.

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

a Interest Income:

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate [EIR]. EIR is the rate that discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

b Dividend:

Dividend income is recognised when the Company's right to receive the payment is established.

c Other Income:

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

5 Taxes on Income:

Tax expenses comprise of current and deferred tax.

A Current Tax:

a Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

b Current tax items are recognised in co-relation to the underlying transaction either in profit or loss, OCI or directly in equity.

B Deferred Tax:

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

b Deferred tax liabilities are recognised for all taxable temporary differences.

c Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized.

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

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

f Deferred tax items are recognised in co-relation to the underlying transaction either in profit or loss, OCI or directly in equity.

g Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

6 Property, Plant and Equipment:

A Freehold land is carried at historical cost, less impairment, if any. All other items of Property, Plant and Equipment are stated at historical cost of acquisition/ construction less accumulated depreciation and impairment loss. Historical cost [Net of Input tax credit received/ receivable] includes related expenditure and pre-operative & project expenses for the period up to completion of construction/ assets are ready for its intended use, if the recognition criteria are met and the present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset, if the recognition criteria for a provision are met.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance costs are charged to the statement of profit and loss during the reporting period in which they are incurred, unless they meet the recognition criteria for capitalisation under Property, Plant and Equipment.

On transition to Ind AS, the Company has elected to continue with the carrying value of all its Property, Plant and Equipment recognised as at April 1, 2022 measured as per the previous GAAP and use that carrying value as the deemed cost of the Property, Plant and Equipment.

B Where components of an asset are significant in value in relation to the total value of the asset as a whole, and they have substantially different economic lives as compared to principal item of the asset, they are recognised separately as independent items and are depreciated over their estimated economic useful lives.

Note: 2-Material Accounting Policies-Continued:

C Depreciation on tangible assets is provided on "straight line method" based on the useful lives as prescribed under Schedule II of the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. However, management reviews the residual values, useful lives and methods of depreciation of Property, Plant and Equipment at each reporting period end and any revision to these is recognised prospectively in current and future periods.

The estimated useful lives are as follows:

Asset Class	No. of years
Furniture, Fixtures and Office Equipments	5 to 10 Years
Vehicles	8 Years

D Depreciation on impaired assets is calculated on the reduced values, if any, on a systematic basis over their remaining useful lives.

E Depreciation on additions/ disposals of the property, plant and equipment during the year is provided on pro-rata basis according to the period during which assets are used.

F Where the actual cost of purchase of an asset is below INR 10,000/-, the depreciation is provided @ 100%.

G Capital work in progress is stated at cost less accumulated impairment loss, if any.

H An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the Statement of profit and loss when the asset is derecognised.

7 Intangible Assets:

A Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

B Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of profit and loss in the period in which the expenditure is incurred.

C Trade Marks, Technical Know-how Fees and other similar rights are amortised over their estimated useful lives of ten years.

D Capitalised cost incurred towards purchase/ development of software is amortised using straight line method over its useful life of four years as estimated by the management at the time of capitalisation.

E Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of infinite life is reviewed annually to determine whether the infinite life continues to be supportable. If not, the change in useful life from infinite to finite is made on a prospective basis.

F An item of intangible asset initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset [calculated as the difference between the net disposal proceeds and the carrying amount of the asset] is included in the Statement of profit and loss when the asset is derecognised.

G Intangible assets under development is stated at cost less accumulated impairment loss, if any.

8 Research and Development Cost:

A Expenditure on research and development is charged to the Statement of Profit and Loss of the year in which it is incurred.

B Capital expenditure on research and development is given the same treatment as Property, Plant and Equipment.

9 Borrowing Costs:

A Borrowing costs consist of interest and other borrowing costs that are incurred in connection with the borrowing of funds. Other borrowing costs include ancillary charges at the time of acquisition of a financial liability, which is recognised as per EIR method. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

B Borrowing costs that are directly attributable to the acquisition/ construction of a qualifying asset are capitalised as part of the cost of such assets, up to the date the assets are ready for their intended use. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

10 Impairment of Non Financial Assets:

The Property, Plant and Equipment and Intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, the assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets [cash generating units]. Non-financial assets other than Goodwill that suffered an impairment loss are reviewed for possible reversal of impairment at the end of each reporting period. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

11 Cash and Cash Equivalents:

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

Note: 2-Material Accounting Policies-Continued:

12 Leases:

As a lessee:

For any new contracts entered into, the Company considers whether a 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'.

Measurement and recognition of leases 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, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date [net of any incentives received].

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], variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee 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. It is remeasured to reflect any reassessment or modification, or if there are changes to the in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero. The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. 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.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in financial liabilities.

13 Provisions, Contingent Liabilities and Contingent Assets:

A Provisions are recognised when the Company has a present obligation as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made. A disclosure of contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates. Contingent assets are not recognised but are disclosed separately in financial statements.

B If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

14 Employee Benefits:

A Short term obligations:

Liabilities for wages and salaries, including earned leave and sick leave 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 by the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

B Long term employee benefits obligations:

a Leave Wages and Sick Leave:

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months period after the end of the period in which the employees render the related service. They are therefore, measured at the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period using the projected unit credit method as determined by actuarial valuation, performed by an independent actuary. The benefits are discounted using the market yields at the end of reporting period that have the terms approximating to the terms of the related obligation. Gains and losses through re-measurements are recognised in Statement of profit and loss.

b Defined Benefit Plans:

i Gratuity:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit plan obligation at the end of the reporting period less the fair value of the plan assets. The Liabilities with regard to the Gratuity Plan are determined at each balance sheet date using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to the market yields at the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost in calculated by applying the discounting rate to the net balance of the defined benefit obligation and the fair value of plan assets. Such costs are included in employee benefit expenses in the statement of Profit and Loss. Re-measurements gains or losses arising from experience adjustments and changes in actuarial assumptions are recognised immediately in the period in which they occur directly in "other comprehensive income" and are included in retained earnings in the statement of changes in equity and in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

i Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non routine settlements; and

ii Net interest expense or income.

c Defined Contribution Plans - Provident Fund Contribution:

Employees of the Company receive benefits from a provident fund, which is a defined contribution plan. Both the eligible employee and the company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The company has no further obligation to the plan beyond their monthly contributions. Such contributions are accounted for as defined contribution plans and are recognised as employee benefits expenses when they are due in the Statement of profit and loss.

15 Dividends :

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as liability on the date of declaration by the Company's Board of Directors.

16 Financial Instruments:

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

A Financial Assets:

a Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place [regular way trades] are recognised on the settlement date, i.e., the date that the Company settles to purchase or sell the asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

b Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in five categories:

i Debt instruments at amortised cost:

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

- The asset is held with an objective of collecting contractual cash flows
- Contractual terms of the asset give rise on specified dates to cash flows that are "solely payments of principal and interest" [SPPI] on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate [EIR] method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of profit and loss.

ii Debt instruments at fair value through other comprehensive income [FVTOCI]:

A ‘debt instrument’ is classified as at the FVTOCI if both of the following criteria are met:

- The asset is held with objectives of both collecting contractual cash flows and selling the financial assets
- The asset’s contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii Debt instruments and derivatives at fair value through profit or loss [FVTPL]:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

iv Equity instruments:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income . The Company has made such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Note: 2-Material Accounting Policies-Continued:

v **Investments in subsidiaries and joint ventures:**

Investments in subsidiaries and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint ventures, the differences between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

c **Derecognition:**

A financial asset [or, where applicable, a part of a financial asset] is primarily derecognised [i.e. removed from the Company's balance sheet] when:

i The rights to receive cash flows from the asset have expired, or

ii The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either [a] the Company has transferred substantially all the risks and rewards of the asset, or [b] the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

d **Impairment of financial assets:**

In accordance with Ind AS 109, the Company applies expected credit loss [ECL] model for measurement and recognition of impairment loss on trade receivables or any contractual right to receive cash or another financial asset. The Company follows 'simplified approach' for recognition of impairment loss allowance.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it requires the Company to recognise the impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive [i.e., all cash shortfalls], discounted at the original EIR.

ECL impairment loss allowance [or reversal] is recognized as expense/ income in the Statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance , i.e., as an integral part of the measurement of those assets in the balance sheet, which reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics.

B **Financial Liabilities:**

a **Initial recognition and measurement:**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b **Subsequent measurement:**

Subsequently all financial liabilities are measured at amortised cost, using EIR method. Gains and losses are recognised in Statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of profit and loss.

Note: 2-Material Accounting Policies-Continued:

c Derecognition:

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

d Embedded derivatives:

An embedded derivative is a component of a hybrid [combined] instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in Statement of profit and loss, unless designated as effective hedging instruments.

C Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model as per Ind AS 109.

D Offsetting of financial instruments:

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

17 Fair Value Measurement:

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

a In the principal market for the asset or liability, or

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

a Level 1 — Quoted [unadjusted] market prices in active markets for identical assets or liabilities

b Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

c Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

18 Earnings per Share:

Basic earnings per share is 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, shares split and reserve 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 shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

B Recent Accounting Pronouncements:

The Ministry of Corporate Affairs [MCA] notifies new standard or amendments to the existing standards. For the year ended March 31, 2024, there are no new standards or amendments to the existing standards which are notified but not yet effective.

LM MANUFACTURING INDIA PRIVATE LIMITED
Notes to the Financial Statements

Note: 3-Property, Plant and Equipment, Intangible Assets:

[A] Property, Plant and Equipment: **INR-Thousand**

	Vehicles	Office Equipment	Total
Gross Block:			
As at April 1, 2022	800	858	**1,658**
Additions	-	367	**367**
Disposals	-	-	**-**
As at March 31, 2023	800	1,225	**2,025**
Additions	-	483	**483**
Disposals	-	-	**-**
As at March 31, 2024	800	1,708	**2,508**
Depreciation and Impairment:			
As at April 1, 2022	101	779	**880**
Depreciation for the year	76	114	**190**
Disposals	-	-	**-**
As at March 31, 2023	177	893	**1,070**
Depreciation for the year	76	224	**300**
Disposals	-	-	**-**
As at March 31, 2024	253	1,117	**1,370**
Net Block:			
As at April 1, 2022	699	79	**778**
As at March 31, 2023	623	332	**955**
As at March 31, 2024	547	591	**1,137**

[B] Intangible Assets:

	Other Intangible Assets	
	Computer Software	Total
Gross Block:		
As at April 1, 2022	34	**34**
Additions	-	**-**
Disposals	-	**-**
As at March 31, 2023	34	**34**
Additions	-	**-**
Disposals	-	**-**
As at March 31, 2024	34	**34**
Amortisation and Impairment:		
As at April 1, 2022	24	**24**
Amortisation for the year	5	**5**
Disposals	-	**-**
As at March 31, 2023	30	**30**
Amortisation for the year	2	**2**
Disposals	-	**-**
As at March 31, 2024	32	**32**
Net Block:		
As at April 1, 2022	9	**9**
As at March 31, 2023	4	**4**
As at March 31, 2024	2	**2**

Notes:

	Year ended	
[C] Depreciation and Amortisation Expenses:	**March 31, 2024**	March 31, 2023
Depreciation	**300**	190
Amortisation	**2**	5
Total	**303**	195

LM MANUFACTURING INDIA PRIVATE LIMITED

Notes to the Financial Statements

	INR-Thousand		
	As at		
	March 31, 2024	March 31, 2023	April 1, 2022
Note: 4-Other Financial Assets:			
[Unsecured, Considered Good unless otherwise stated]			
Security Deposits	328	328	316
Total	328	328	316

Note: 5-Deferred Tax:

A Break up of Deferred Tax Liabilities and Assets into major components of the respective balances are as under:

INR-Thousand

	As at March 31 2022	Impact for the previous year	As at March 31 2023	Impact for the current year	As at March 31 2024
Deferred Tax Asset:					
Depreciation	26	(19)	7	1,599	1,606

B The Net Deferred Tax reversal of INR 1,599 Thousand [Previous Year charge of INR 19 Thousand] has been recognised in the Statement of Profit and Loss.

C The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note: 6-Trade Receivables:	March 31, 2024	March 31, 2023	April 1, 2022
Secured - Considered good			
Unsecured - Considered good	17,232	12,649	-
Less: Allowances for credit losses	-	-	
Total	17,232	12,649	-

Ageing of Trade Receivables :

Particulars	Not due	Outstanding from due date of payment					Total
		Less than 6 Months	6 Months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
As at March 31, 2024							
Undisputed – considered good	-	17,232	-	-	-	-	17,232
Undisputed – have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed – credit impaired	-	-	-	-	-	-	-
Disputed – considered good	-	-	-	-	-	-	-
Disputed - have significant increase in credit risk	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	-	-
Total	-	17,232	-	-	-	-	17,232
Less: Allowances for credit losses							-
Trade Receivables							17,232
As at March 31, 2023							
Undisputed – considered good	12,649	-	-	-	-	-	12,649
Undisputed – have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed – credit impaired	-	-	-	-	-	-	-
Disputed – considered good	-	-	-	-	-	-	-
Disputed - have significant increase in credit risk	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	-	-
Total	12,649	-	-	-	-	-	12,649
Less: Allowances for credit losses							-
Trade Receivables							12,649

	INR-Thousand		
	As at		
	March 31, 2024	March 31, 2023	April 1, 2022
Note: 7-Cash and Cash Equivalents:			
Balances with Banks	879	155	-
Cash on Hand	22	18	12
Total	901	173	12
Note: 8-Other Current Financial Assets:			
[Unsecured, Considered Good]			
Others	145	-	-
Total	145	-	-

LM MANUFACTURING INDIA PRIVATE LIMITED
Notes to the Financial Statements

	INR-Thousand		
	As at		
	March 31, 2024	March 31, 2023	April 1, 2022
Note: 9-Other Current Assets:			
[Unsecured, Considered Good, unless otherwise stated]			
Balances with Statutory Authorities	7,460	4,812	3,172
Advances to Suppliers - Considered Good	807	223	424
Total	8,267	5,035	3,595
Note: 10-Equity Share Capital:			
Authorised:			
50,000 [as at March 31, 2023: 50,000 {as at April 1, 2022: 50,000 }] Equity Shares of INR 10/- each	500	500	500
	500	500	500
Issued, Subscribed and Paid-up:			
50,000 [as at March 31, 2023: 50,000 {as at April 1, 2022: 50,000 }] Equity Shares of INR 10/- each, fully paid-up	500	500	500
Total	500	500	500
A The reconciliation in number of Equity Shares is as under:			
Number of shares at the beginning and end of the year	50,000	50,000	50,000
New Issued during the period	-	-	-
Number of shares at the end of the year	50,000	50,000	50,000

B The Company has only one class of equity shares having a par value of INR 10/- per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the Company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.

C Details of Shareholders holding more than 5% of aggregate Equity Shares of INR 1/- each

	March 31, 2024	March 31, 2023	April 1, 2022
a LM Manufacturing Limited			
Number of Shares	49,900	49,900	49,900
% to total share holding	99.80%	99.80%	99.80%

D Equity Shares held by the promoters/ promoter group of the Company:

#	Promoter's/ Promoter Group's Name	No. of Shares	% of total shares	% change during the year
	As at March 31, 2024			
1	LM Manufacturing Limited	49,900	99.800	-
2	Zydus Lifescience Limited	100	0.200	0.200
	As at March 31, 2023			
1	LM Manufacturing Limited	49,900	99.800	-
2	Jayant Kumar Mandal	100	0.200	-
	As at April 1, 2022			
1	LM Manufacturing Limited	49,900	99.800	-
2	Jayant Kumar Mandal	100	0.200	-

	March 31, 2024	March 31, 2023	April 1, 2022
Note: 11-Other Equity:			
Retained Earnings:			
Balance as per last Balance Sheet	3,256	(4,319)	-
Add: Profit for the year	5,381	7,576	-
Balance as at the end of the year	8,637	3,256	(4,319)
Total	8,637	3,256	(4,319)

	INR-Thousand					
	Non-current portion			Current Maturities		
	As at			As at		
	March 31, 2024	March 31, 2023	April 1, 2022	March 31, 2024	March 31, 2023	April 1, 2022
Note: 12-Borrowings:						
A From Related Parties [Unsecured]	4,354	-	-	-	-	-
Total	4,354	-	-	-	-	-
The above amount includes:						
Secured borrowings	-	-	-	-	-	-
Unsecured borrowings	4,354	-	-	-	-	-
Net amount	4,354	-	-	-	-	-

A Terms of Repayment for Unsecured Borrowings:

a Loans from Related Parties:

i Loan of INR 4,354 Thousand from ultimate holding company will be repaid within 3 years from the date of first disbursement. Interest on loan is payable on half yearly basis. The outstanding amount as at March 31, 2024 is INR 4,354 Thousand.

LM MANUFACTURING INDIA PRIVATE LIMITED
Notes to the Financial Statements

	INR-Thousand		
	As at		
	March 31, 2024	March 31, 2023	April 1, 2022
Note: 13-Provisions:			
Provision for Employee Benefits	6,394	-	-
Total	6,394	-	-
Note: 14-Borrowings:			
Loans repayable on Demand:			
Working Capital Loans from Banks [Unsecured]	-	-	863
From Others [Unsecured]	-	4,354	4,354
Total	-	4,354	5,217
Note: 15-Trade Payables:			
Dues to Micro and Small Enterprises [*]	-	-	-
Dues to other than Micro and Small Enterprises	4,849	6,884	2,734
Total	4,849	6,884	2,734
[*] Disclosure in respect of Micro and Small Enterprises:			
A Principal amount remaining unpaid to any supplier as at year end	-	-	-
B Interest due thereon			
C Amount of interest paid by the Company in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the year			
D Amount of interest due and payable for the year of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act	-	-	-
E Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-
F Amount of further interest remaining due and payable in succeeding years	-	-	-
The above information has been compiled in respect of parties to the extent to which they could be identified as Micro and Small Enterprises on the basis of information available with the Company.			

Ageing of Trade Payables :

Particulars	Not Due	Outstanding from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
	As at March 31, 2024					
Undisputed Micro and Small Enterprises [MSME]	-	-	-	-	-	-
Undisputed Others	-	4,677	-	172	-	4,849
Disputed MSME	-	-	-	-	-	-
Disputed Others	-	-	-	-	-	-
Total	-	4,677	-	172	-	4,849
	As at March 31, 2023					
Undisputed MSME	-	-	-	-	-	-
Undisputed Others	3,734	2,263	500	199	189	6,884
Disputed MSME	-	-	-	-	-	-
Disputed Others	-	-	-	-	-	-
Total	3,734	2,263	500	199	189	6,884

	March 31, 2024	March 31, 2023	April 1, 2022
Note: 16-Other Financial Liabilities:			
Interest accrued but not due on borrowings	123	-	-
Total	123	-	-
Note: 17-Other Current Liabilities:			
Payable to Statutory Authorities	460	2,591	605
Total	460	2,591	605
Note: 18-Current Tax Liabilities [Net]:			
Provision for Taxation	4,300	1,565	-
Total	4,300	1,565	-

LM MANUFACTURING INDIA PRIVATE LIMITED
Notes to the Financial Statements

	INR-Thousand	
	Year ended March 31	
	2024	2023
Note: 19-Revenue from Operations:		
Sale of Services	67,303	42,730
Total	67,303	42,730
Note: 20-Other Income:		
Other Non-operating Income	-	34
Total	-	34
Note: 21-Cost of Materials Consumed:		
Research Material:		
Stock at commencement	-	-
Add: Purchases	16,339	6,048
	16,339	6,048
Less: Stock at close	-	-
Total	16,339	6,048
Note: 22-Employee Benefits Expense:		
Salaries and wages	33,553	22,360
Staff welfare expenses	80	60
Total	33,633	22,420
Note: 23-Finance Cost:		
Interest expense [*]	136	-
Bank commission & charges	6	2
Total	142	2
[*] The break up of interest expense into major heads is given below:		
On loan from Related parties [Refer Note-27]	136	-
Note: 24-Other Expenses:		
Power & fuel	193	162
Rent	1,630	1,448
Repairs to Others	20	27
Rates and Taxes [excluding taxes on income]	20	-
Postage and Courier	2,939	-
Printing and stationery	31	37
Traveling Expenses	239	523
Legal and Professional Fees [*]	1,033	996
Miscellaneous Expenses	3,138	1,746
Total	9,242	4,939
[*] Legal and Professional Fees include:		
Payment to the Statutory Auditors [excluding GST]:		
i - As Auditor	100	118
Note: 25-Tax Expenses:		
The major components of income tax expense are:		
A Statement of profit and loss:		
Profit or loss section:		
Current income tax:		
Current income tax charge	4,300	1,565
Adjustments in respect of current income tax of previous years	4	-
	4,304	1,565
Deferred tax:		
Relating to origination and reversal of temporary differences	(1,599)	19
Tax expense reported in profit or loss	2,705	1,584

		INR-Thousand	
		Year ended March 31	
		2024	2023
Note: 26-Calculation of Earnings per Equity Share [EPS]:			
The numerators and denominators used to calculate the basic and diluted EPS are as follows:			
A Profit attributable to Shareholders	INR-Thousand	**5,381**	7,576
B Basic and weighted average number of Equity shares outstanding during the year	Numbers	**50,000**	50,000
C Nominal value of equity share	INR	**1**	1
D Basic & Diluted EPS	INR	**107.62**	151.51

Note: 27-Related Party Transactions:

A Name of the Related Parties and Nature of the Related Party Relationship:

a Holding Company:	LM Manufacturing Limited [UK]
b Ultimate Holding Company:	Zydus Lifesciences Limited
c Subsidiary Companies/ entities:	
Zydus Healthcare Limited	Zydus Pharmaceuticals (USA) Inc. [USA]
German Remedies Pharmaceuticals Private Limited	Nesher Pharmaceuticals (USA) LLC [USA]
Zydus Wellness Limited	ZyVet Animal Health Inc. [USA]
Zydus Wellness Products Limited	Zydus Healthcare (USA) LLC [USA]
Liva Nutritions Limited	Sentynl Therapeutics Inc. [USA]
Liva Investment Limited	Zydus Noveltech Inc. [USA] [dissolved on December 15, 2023]
Zydus Animal Health and Investments Limited	Hercon Pharmaceuticals LLC [USA] [dissolved on May 24, 2023]
Dialforhealth Unity Limited	Viona Pharmaceuticals Inc. [USA]
Dialforhealth Greencross Limited	Zydus Therapeutics Inc. [USA]
Violio Healthcare Limited	Zynext Ventures USA LLC [USA]
Zydus Pharmaceuticals Limited	Zydus Healthcare S.A. (Pty) Ltd [South Africa]
Biochem Pharmaceutical Private Limited	Alidac Pharmaceuticals SA Pty. Ltd. [Formerly known as
Zydus Strategic Investments Limited	Simayla Pharmaceuticals (Pty) Ltd [South Africa]
Zydus VTEC Limited	Script Management Services (Pty) Ltd [South Africa]
Zydus Foundation	Zydus Wellness [BD] Pvt Ltd [Bangladesh]
M/s. Recon Pharmaceuticals and Investments, a Partnership Firm	Zydus Pharmaceuticals Mexico SA De C.V. [Mexico]
Zydus International Private Limited [Ireland]	Zydus Pharmaceuticals Mexico Services Company SA De C.V.[Mexico]
Zydus Netherlands B.V. [the Netherlands]	Zydus Worldwide DMCC [UAE]
Zydus Lanka (Private) Limited [Sri Lanka]	Zydus Wellness International DMCC [UAE]
Zydus Nikkho Farmaceutica Ltda. [Brazil]	Zydus Lifesciences Global FZE [UAE]
Alidac Healthcare (Myanmar) Limited [Myanmar]	Zydus Pharmaceuticals (Canada) Inc. [Canada]
Zydus Healthcare Philippines Inc. [Philippines]	Zydus Pharmaceuticals UK Limited [UK]
Zynext Ventures PTE. LTD. [Singapore]	Medsolutions (Europe) Limited [UK]
Zydus France, SAS [France]	LiqMeds Worldwide Limited [UK]
Laboratorios Combix S.L. [Spain]	LiqMeds Limited [UK]
Etna Biotech S.R.L. [Italy]	LiqMeds Lifecare Limited [UK]
d Joint Ventures Company	
Zydus Hospira Oncology Private Limited	Bayer Zydus Pharma Private Limited
Zydus Takeda Healthcare Private Limited	Oncosol Limited
e Key Managerial Personnel:	
Jay Jani	Director [upto November 6, 2023]
Anil Kumar Sharma	Director [upto November 6, 2023]
Ashvinkumar Patel	Director [upto November 6, 2023]
Amrut Naik	Director [w.e.f. November 6, 2023]
Mukund Thakkar	Director [w.e.f. November 6, 2023]
Vishal Gor	Director [w.e.f. November 6, 2023]

Note: 27-Related Party Transactions-Continued:

B Transactions with Related Parties:

The following transactions were carried out with the related parties in the ordinary course of business and at arm's length terms:

a Details relating to parties referred to in Note-27-A [a & b]

	Value of the Transactions [INR-Thousand]			
	Holding Company		Ultimate Holding Company	
Nature of Transactions	Year ended March 31			
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023
Sales:				
Services:				
LM Manufacturing Limited	**67,303**	42,730	**-**	-
Shares Issued:				
Zydus Lifesciences Limited	**-**	-	**8**	-
Finance:				
Inter Corporate Loans accepted:				
Zydus Lifesciences Limited	**-**	-	**4,354**	-
Interest Expense:				
Zydus Lifesciences Limited	**-**	-	**136**	-
Nature of Transactions	As at			
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023
Outstanding:				
Payable:				
LM Manufacturing Limited	**1**	-	**-**	-
Zydus Lifesciences Limited	**-**	-	**4,477**	-

b Details relating to persons referred to in Note-27-A [e] above:

[i] Salaries and other employee benefits	**-**	3,751

c There are no transactions with parties referred to in Note-27-A [c & d]

Note: 28-Financial Risk Management:

A Financial instruments by category:

	INR-Thousand			
	As at March 31, 2024			
	FVTPL	FVTOCI	Amortised Cost	Total
Financial assets:				
Non Current Other Financial Assets	-	-	328	328
Trade receivables	-	-	17,232	17,232
Cash and Cash Equivalents	-	-	901	901
Other Current Financial Assets [other than Receivables for Forward Contract]	-	-	145	145
Total	**-**	**-**	**18,606**	**18,606**
Financial liabilities:				
Borrowings [including current maturities and interest accrued but not due]	-	-	4,477	4,477
Trade payables	-	-	4,849	4,849
Other Current Financial Liabilities	-	-	-	-
Total	**-**	**-**	**9,326**	**9,326**

	INR-Thousand			
	As at March 31, 2023			
	FVTPL	FVTOCI	Amortised Cost	Total
Financial assets:				
Non Current Other Financial Assets	-	-	328	328
Trade receivables	-	-	12,649	12,649
Cash and Cash Equivalents	-	-	173	173
Total	**-**	**-**	**13,150**	**13,150**
Financial liabilities:				
Borrowings [including current maturities and interest accrued but not due]	-	-	4,354	4,354
Trade payables	-	-	6,884	6,884
Total	**-**	**-**	**11,238**	**11,238**

B Risk Management:

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

The Company's risk management is done in close co-ordination with the board of directors and focuses on actively securing the Company's short, medium and long-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below:

Note: 28-Financial Risk Management:-Continued:

a Credit risk:

Credit risk arises from the possibility that counter party may not be able to settle its obligations as agreed. The Company is exposed to credit risk from trade receivables, bank deposits and other financial assets. The Company periodically assesses the financial reliability of the counter party taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual customer limits are set accordingly.

i Bank deposits : The Company maintains its Cash and cash equivalents and Bank deposits with reputed and highly rated banks. Hence, there is no significant credit risk on such deposits.

ii Trade Receivables: The Company trades with recognized and credit worthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the result that the Company's exposure to credit losses is not significant.

b Liquidity risk:

a Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

b Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which it operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities:

The tables below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	INR-Thousand				
	< 1 year	**1-2 year**	**2-3 year**	**> 3 years**	**Total**
	As at March 31, 2024				
Non-derivative Financial Liabilities:					
Borrowings [including current maturities and interest]	123	-	4,354	-	**4,477**
Trade payables	4,849	-	-	-	**4,849**
Accrued Expenses	-	-	-	-	**-**
Total	**4,972**	**-**	**4,354**	**-**	**9,326**
	As at March 31, 2023				
Non-derivative Financial Liabilities:					
Borrowings [including current maturities and interest]	4,354	-	-	-	**4,354**
Other non current financial liabilities	-	-	-	-	**-**
Trade payables	6,884	-	-	-	**6,884**
Total	**11,238**	**-**	**-**	**-**	**11,238**

c Foreign currency risk:

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company's operations in foreign currency creates natural foreign currency hedge. This results in insignificant net open foreign currency exposures considering the volumes and operations of the Company.

d Interest rate risk:

The Company's policy is to minimize interest rate cash flow risk exposures on long-term financing. As at March 31, 2024, the Company is exposed to changes in market interest rates through borrowings at variable interest rates.

Note: 29-Analytical Ratios:

Sr. No	Ratio	Numerator	Denominator	FY 23-24	FY 22-23	% Change
1	Current Ratio [$]	Current Assets	Current Liabilities	**2.73**	1.16	135.1%
2	Debt-Equity Ratio [#]	Total Debt	Shareholder's Equity	**0.48**	1.16	-58.9%
3	Debt Service Coverage Ratio	Earnings available for debt service @	Finance costs + Repayment of debt	**319.81**	N/A	N/A
4	Return on Equity Ratio [#]	Net Profits after taxes	Average Shareholder's Equity	**65.6%**	-24624.7%	100.3%
5	Inventory turnover ratio	Net Sales	Average Inventory	**N/A**	N/A	N/A
6	Trade Receivables turnover ratio [*]	Net Sales	Average Trade Receivables	**4.50**	6.76	-33.3%
7	Trade payables turnover ratio [**]	Net Purchases and Other Expenses	Average Trade Payables	**4.36**	2.28	90.8%
8	Net capital turnover ratio [$]	Net Sales	Average Working Capital	**6.98**	34.70	-79.9%
9	Net profit ratio [^]	Net Profits after taxes	Net Sales	**8.0%**	17.7%	-54.9%
10	Return on Capital employed [#]	Earnings before interest and taxes	Average Capital Employed	**76.2%**	192.7%	-60.5%

[$] Mainly due to increase in trade receivable annd decrease in current borrowing.
[#] Mainly due to increase in shareholders equity on account of profit.
[*] Mainly due to increase in sales and average trade receivables.
[**] Mainly due to increase in purchases and other expenses.
[^] Mainly due to increase in sales and reduction in profit.
[@] Net profit after taxes + non cash operating expenses + finance costs - other income.

Note: 30:

a The Company has not advanced or loaned or invested funds [either from borrowed funds or share premium or any other sources or kind of funds] to any other persons or entities, including foreign entities [Intermediaries], with the understanding, whether recorded in writing or otherwise that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company [Ultimate Beneficiaries] or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

b The Company has not received any funds from any persons or entities, including foreign entities [Funding Party] with the understanding [whether recorded in writing or otherwise], that the Company shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party [Ultimate Beneficiaries] or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c The Company has used accounting software for maintaining its books of accounts for the year ended on March 31, 2024 which has a feature of recording audit trail [edit log] facility and the same has been operational throughout the year for all relevant transactions recorded in the software except that no audit trail has been enabled at the database level for accounting software to log any direct data changes.
The Company is in process of implementing the audit trail at the database level.

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

e No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions [Prohibition] Act, 1988 (45 of 1988) and the rules made thereunder.

f The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.

g The Company does not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

h The Company has complied with the number of layers prescribed under clause [87] of section 2 of the Act read with Companies [Restriction on number of Layers] Rules, 2017.

i No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

j The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 [such as, search or survey or any other relevant provisions of the Income Tax Act, 1961].

Note: 31- First Time Adoption of Ind AS:

The accounting policies set out in the note here have been applied in preparing the financial statements for the year ended March 31, 2024, the comparative information presented in these financial statements for the year ended March 31, 2023 and in the preparation of an opening Ind AS balance sheet at April 1, 2022 [the Company's date of transition].
In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies [Accounting Standards] Rules, 2006 [as amended] and other relevant provisions of the Act [Indian GAAP]. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following notes.
Exemptions and exceptions availed:
Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Indian GAAP to Ind AS.

A Deemed cost:
Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Indian GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.
Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their Indian GAAP carrying values.

B Leases:
Appendix C to Ind AS 116 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 116, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. 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.

C Estimates:
An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Indian GAAP [after adjustments to reflect any difference in accounting policies], unless there is objective evidence that those estimates were in error.
Ind AS estimates as at April 1, 2022 are consistent with the estimates as at the same date made in conformity with Indian GAAP.

D Classification of financial assets:
As per the requirements of Ind AS 101 the Company assessed classification of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

E De-recognition of financial assets and liabilities:
Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. The company has applied such policy.

LM MANUFACTURING INDIA PRIVATE LIMITED

Notes to the Financial Statements

Note: 32-Disclosure of transactions with Struck off Companies:

The Company did not have any material transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the current and previous financial year.

Signatures to Material Accounting Policies and Notes 1 to 32 to the Financial Statements

For and on behalf of the Board

sd/-
Director

sd/-
Director
Place: Ahmedabad
Date: May 15, 2024

LM MANUFACTURING INDIA PRIVATE LIMITED [CIN : U93000GJ2017FTC097548]
Cash Flow Statement for the year ended March 31, 2024

Particulars		INR-Thousand	
	Year ended March 31		
	2024		2023
A Cash flows from operating activities:			
Profit before tax		8,086	9,159
Adjustments for:			
Depreciation and Amortisation expense	303		195
Interest expenses	136		-
Provision for employee benefits	6,394		-
Total		6,833	195
Operating profit before working capital changes		14,919	9,355
Adjustments for:			
[Increase] in trade receivables	(4,583)		(12,648)
[Increase] in other assets	(2,794)		(1,653)
[Decrease]/Increase in trade payables	(2,619)		4,352
[Decrease]/ Increase in other liabilities	(2,130)		1,986
Total		(12,126)	(7,963)
Cash generated from operations		2,793	1,391
Direct taxes paid [Net of refunds]		(1,569)	-
Net cash from operating activities		1,224	1,391
B Cash flows from investing activities:			
Purchase of property, plant and equipment and intangible assets	(483)		(367)
Net cash [used in] investing activities		(483)	(367)
C Cash flows from financing activities:			
Proceeds from non current borrowings	4,354		-
Current borrowings [Net - (repayment)]	(4,354)		(863)
Interest paid	(13)		-
Net cash [used in] financing activities		(14)	(863)
Net Increase in cash and cash equivalents		728	161
Cash and cash equivalents at the beginning of the year		173	12
Cash and cash equivalents at the end of the year		901	173

Notes to the Cash Flow Statement

1 The above cash flow statement has been prepared under the "Indirect method" as set out in Ind AS-7 "Statement of Cash Flows".
2 All figures in brackets are outflows.
3 Change in liability arising from financing activities:

	INR-Thousand		
	Borrowings		
	Non-Current [Note-12]	Current [Note-14]	Total
As at April 1, 2022		5,217	5,217
Cash flow	-	(863)	(863)
As at March 31, 2023	-	4,354	4,354
Cash flow	4,354	(4,354)	(0)
As at March 31, 2024	4,354	-	4,354

For and on behalf of the Board

sd/-
Director

sd/-
Director
Place: Ahmedabad
Date: May 15, 2024