

INDEPENDENT AUDITORS' REPORT

To the Members of ZYDUS VTEC LIMITED

Report on the Audit of the financial statements

Opinion

We have audited the accompanying financial statements of **ZYDUS VTEC LIMITED** ('the Company'), which comprise the Balance sheet as at 31st March 2024, the Statement of Profit and Loss (including other comprehensive income), the Statement of changes in Equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information ("the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, and its loss, total comprehensive income, the changes in equity and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ('SAs') 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 financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, but does not include the financial statements and our audit reports thereon.

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

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

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

Management's Responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind-AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting

records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept, so far as it appears from our examination of those books. The backup of the books of account and other books and papers maintained in electronic mode, has been maintained on a daily basis on servers physically located in India during the year.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors, is disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" attached to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, no remuneration paid by the Company to its directors during the year.
- 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("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 that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations given under (a) and (b) above, contain any material misstatement.
- iv. During the year, the company has not declared any dividends. Hence, reporting of compliance under section 123 of the Companies Act, 2013 is not applicable.
- i) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31 March 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 enabled at the database level for accounting software to log any direct data changes. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software for the period for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), is applicable from April 1, 2023, reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **MUKESH M. SHAH & CO.**,
Chartered Accountants
Firm Registration No.: 106625W

Place: Ahmedabad
Date: 10th May, 2024
UDIN: 24129675BKBMLW8023

sd/-
Karnik K. Shah
Partner
Membership No.: 129675

“Annexure A” to the Independent Auditors’ Report

The Annexure referred to in Independent Auditors’ Report to the members of the Company on the financial statements for the year ended March 31, 2024.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, 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 (PPE), 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) Some of the Property, plant and equipment, capital work in progress and right of use assets were physically verified during the year by the management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, capital work in progress and right of use assets at reasonable intervals having regard to the size of the company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and based on the examination of the books of account and the lease agreements provided to us, we report that, the lease agreements, comprising all the immovable properties of land and buildings which are leasehold, are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
 - (e) According to the information and explanations given to us and the records examined by us and based on the examination, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
 - (a) The inventories were physically verified by the Management at reasonable intervals during the year. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.
 - (b) According to the information and explanations given to us and based on the records examined by us, the Company has not been sanctioned working capital limits in excess of five crore rupees during the year, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, reporting under clause (ii)(b) of the Order is not applicable.
- (iii) According to the information and explanations given to us, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties during the year. Accordingly, other clauses of the paragraph of the Order are not applicable to the company for the current year.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, guarantee and security or made any investments to which provisions of section 185 and 186 of the Act is applicable, and accordingly reporting under clause (iv) of the Order is not applicable to the Company.

- (v) The Company has not accepted any deposits within the meaning of the provisions of section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed thereunder. Further, according to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal, in this regard.
- (vi) As per the information and explanations provided to us, the company is not required to maintain the cost records pursuant to the Companies; (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub section (1) of section 148 of the Act hence, reporting under clause (vi) is not applicable to the company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The company has been regular in depositing undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Custom, Duty of Excise, Value added Tax, Cess and any other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amount payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Custom, Duty of Excise, Value added Tax, Cess and any other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
 - (c) There are no dues under dispute for the Income Tax, Sales Tax, Service tax, Goods and Service tax, Customs duty, Excise Duty, and Value added tax and other material statutory dues as on 31st March, 2024.
- (viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) According to the information and explanations given to us and on the basis of our examination of the books of account, we report that
 - (a) The company has not defaulted in repayment of the loans or other borrowings or in the payment of interest to any lender during the year.
 - (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
 - (c) The company has not taken any term loans from any banks or financial institutions. Hence, reporting under clause (ix)(c) of the order is not applicable;
 - (d) The funds raised on short term basis have not been utilized for the long-term purpose.
 - (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
 - (f) The Company has not raised any loans during the year on the pledge of securities held in its associate company.
- (x)
 - (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable to the Company.
 - (b) The Company has made preferential allotment of optionally convertible non-cumulative redeemable preference shares ("OCRPS") during the year and has complied with the requirements of applicable provisions of section 42 & section 62 of the companies Act 2013. Further, the funds raised by issuance of such OCRPS have been used by the company for the purposes for which the funds were raised.

- (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 year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies 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, during the year.
- (c) According to the information and explanations given to us, there is no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi company. Accordingly, reporting under clause (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the reports of the internal auditors for the period under audit.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them and, hence, provisions of section 192 of the Act is not applicable to the company. Accordingly, reporting under clause (xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us and based on our examination of the records of the Company, we report that
- (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934;
- (b) The Company has not conducted any non-banking or housing finance activities during the year;
- (c) The Company is not a Core Investment Company, as defined in the regulations made by the Reserve Bank of India;
- (d) The Group has more than One Core Investment Company (two Core Investment Companies) as part of the Group.
- (xvii) The Company has incurred cash losses of 1,393 Lacs in the current financial year and has not incurred any cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) On the basis of information and explanations given to us and based on the examination of the records of the company, the provisions of Corporate Social Responsibility (“CSR”) of the Act is not applicable to the company. Accordingly, reporting under clause 3(XX) of the Order is not applicable for the year.

For **MUKESH M. SHAH & CO.,**
Chartered Accountants
Firm Registration No.: 106625W

Place: Ahmedabad
Date: 10th May, 2024
UDIN: 24129675BKBMLW8023

sd/-
Karnik K. Shah
Partner
Membership No.: 129675

“ANNEXURE B” TO THE AUDITORS’ REPORT

Report on the Internal Financial Control clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (“the act”)

We have audited the internal financial controls over financial reporting of **Zydus VTEC Limited** (“the company”) as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management Responsibility for Internal Financial Controls

The company’s management is responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India [“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 its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Controls and, both 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **MUKESH M. SHAH & CO.**,
Chartered Accountants
Firm Registration No.: 106625W

Place: Ahmedabad
Date: 10th May, 2024
UDIN: 24129675BKBMLW8023

sd/-
Karnik K. Shah
Partner
Membership No.: 129675

ZYDUS VTEC LIMITED [CIN : U85100GJ2020PLC116282]

Balance Sheet as at March 31, 2024

Particulars	Note No.	INR Lakh	
		As at March 31	
		2024	2023
ASSETS:			
Non-Current Assets:			
Property, Plant and Equipment	3[A]	26,310	27,002
Capital work-in-progress	3[C]	-	-
Other Intangible Assets	3[B]	13	20
Financial Assets:			
Other Financial Assets	4	94	92
Other Non-Current Assets	5	6	108
Assets for Current tax	6	8	31
Total		26,431	27,253
Current Assets:			
Inventories	7	-	43
Financial Assets:			
Investments	8	368	40
Trade Receivables	9	16	1
Cash and Cash Equivalents	10[A]	12	29
Bank Balances other than Cash and Cash Equivalents	10[B]	182	171
Other Current Assets	11	2,454	2,394
Total		3,032	2,678
EQUITY AND LIABILITIES:			
Equity:			
Equity Share Capital	12	30,650	750
Other Equity	13	(4,875)	(571)
		25,775	179
Non-Current Liabilities:			
Financial Liabilities:			
Borrowings	14	-	27,845
Lease Liabilities	15	3,247	1,037
Deferred Tax Liabilities [Net]	16	-	-
		3,247	28,882
Current Liabilities:			
Financial Liabilities:			
Lease Liabilities	15	23	120
Trade Payables:			
Dues to Micro and Small Enterprises	17	-	-
Dues to other than Micro and Small Enterprises	17	325	231
Other Financial Liabilities	18	34	488
Other Current Liabilities	19	59	31
		441	870
Total		29,463	29,931
Material Accounting Policies	2		
Notes to the Financial Statements	3 to 39		

As per our report of even date

For Mukesh M. Shah & Co.,
Chartered Accountants
Firm Registration Number : 106625W

sd/-
Karnik K. Shah
Partner
Membership Number : 129675
Ahmedabad, Dated : May 10, 2024

For and on behalf of the Board

sd/-
Ganesh Nayak
Chairman
DIN – 00017481

sd/-
Pranjal Sharma
Whole Time Director
DIN – 10236762

sd/-
Dishita Shah
Company Secretary

sd/-
Daivat Vakil
Chief Financial Officer
Ahmedabad, Dated : May 10, 2024

ZYDUS VTEC LIMITED [CIN : U85100GJ2020PLC116282]
Statement of Profit and Loss for the year ended March 31, 2024

Particulars	Note No.	INR Lakh	
		Year ended March 31	
		2024	2023
INCOME:			
Revenue from Operations	21	17	19,954
Other Income	22	181	300
Total Income		198	20,254
EXPENSES:			
Cost of Materials Consumed	23	43	6,696
Purchases of Stock-in-Trade	24	-	5,189
Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade	25	-	225
Employee Benefits Expense	26	-	787
Finance Costs	27	1,130	2,748
Depreciation and Amortisation expense	3[D]	2,911	2,969
Other Expenses	28	418	1,994
Total Expenses		4,502	20,608
Loss for the year		(4,304)	(354)
Add: Tax Expense:			
Current Tax	29	-	(5)
Deferred Tax	29	-	(86)
		-	(91)
Loss for the year		(4,304)	(263)
Total Comprehensive Income for the period Net of Tax		(4,304)	(263)
Basic Earnings per Equity Share [EPS] [in Rupees]	30	(57.39)	(3.51)
Diluted Earnings per Equity Share [EPS] [in Rupees]	30	(15.13)	(3.51)
Material Accounting Policies	2		
Notes to the Financial Statements	3 to 39		

As per our report of even date

For Mukesh M. Shah & Co.,
Chartered Accountants
Firm Registration Number : 106625W

sd/-
Karnik K. Shah
Partner
Membership Number : 129675
Ahmedabad, Dated : May 10, 2024

For and on behalf of the Board

sd/-
Ganesh Nayak
Chairman
DIN – 00017481

sd/-
Dishita Shah
Company Secretary

sd/-
Pranjal Sharma
Whole Time Director
DIN – 10236762

sd/-
Daivat Vakil
Chief Financial Officer
Ahmedabad, Dated : May 10, 2024

**ZYDUS VTEC LIMITED [CIN : U85100GJ2020PLC116282]
Cash Flow Statement for the year ended March 31, 2024**

Particulars	INR Lakh	
	Year ended March 31	
	2024	2023
A Cash flows from operating activities:		
Loss before tax	(4,304)	(354)
Adjustments for:		
Depreciation and Amortisation expense	2,911	2,969
FVTPL gain/ profit on sale of investments [Net]	(12)	(2)
[Gain] on Re-assessment of Lease	(156)	(287)
Interest income	(13)	(11)
Interest expenses	1,129	2,631
Provisions for employee benefits	-	(76)
Total	3,859	5,224
Operating profit before working capital changes	(445)	4,870
Adjustments for:		
(Increase)/Decrease in trade receivables	(15)	6,850
Decrease in inventories	43	6,469
Decrease in other assets	(55)	3,618
Increase/(Decrease) in trade payables	81	(1,955)
Increase/(Decrease) in other liabilities	120	(376)
Total	174	14,606
Cash generated [used in]/from operations	(271)	19,476
Direct taxes paid [Net of refunds]	23	(1)
Net cash generated [used in]/from operating activities	(248)	19,475
B Cash flows from investing activities:		
Purchase of property, plant and equipment	(18)	(1,247)
Proceeds from sale of property, plant and equipment	81	385
Investments in liquid mutual funds [net]	(316)	(38)
Bank balances (including fixed deposits) not considered as cash and cash equivalents [Net]	(11)	(8)
Interest received	13	11
Dividend received	-	-
Net cash generated [used in] investing activities	(251)	(897)
C Cash flows from financing activities:		
Proceeds from issue of preference share	29,900	-
Proceeds of non current borrowings	831	8,345
Repayment of non current borrowings	(28,676)	(25,000)
Lease liabilities [Net]	(6)	7
Interest paid	(1,567)	(2,193)
Net cash generated/[used in] from financing activities	482	(18,841)
Net [Decrease] / Increase in cash and cash equivalents	(17)	(263)
Cash and cash equivalents at the beginning of the year	29	292
Cash and cash equivalents at the end of the year	12	29

Notes to the Cash Flow Statement

- The above cash flow statement has been prepared under the "Indirect method" as set out in Ind AS-7 "Statement of Cash Flows".
- All figures in brackets are outflows.
- Summary of Cash and cash equivalents, Bank balance, Liquid Mutual funds and Fixed Deposits more than 12 months:

	INR Lakh		
	As at March 31		
	2024	2023	2022
a Cash and cash equivalents	12	29	292
b Bank balance other than cash and cash equivalents	182	171	163
c Investment in Liquid Mutual Funds	368	40	-
d Total	562	240	455

ZYDUS VTEC LIMITED
Notes to the Cash Flow Statement

4 Change in liability arising from financing activities:

	Borrowings	
	Non-Current	Total
	[Note-14]	
As at March 31, 2022	44,500	44,500
Cash flow	(16,655)	(16,655)
As at March 31, 2023	27,845	27,845
Cash flow	(27,845)	(27,845)
As at March 31, 2024	-	-

As per our report of even date

For Mukesh M. Shah & Co.,
Chartered Accountants
Firm Registration Number : 106625W

For and on behalf of the Board

sd/-
Ganesh Nayak
Chairman
DIN – 00017481

sd/-
Pranjal Sharma
Whole Time Director
DIN – 10236762

sd/-
Karnik K. Shah
Partner
Membership Number : 129675
Ahmedabad, Dated : May 10, 2024

sd/-
Dishita Shah
Company Secretary

sd/-
Daivat Vakil
Chief Financial Officer
Ahmedabad, Dated : May 10, 2024

ZYDUS VTEC LIMITED [CIN : U85100GJ2020PLC116282]
Statement of Changes in Equity for the year ended March 31, 2024

a Equity Share Capital:		No. of Shares	INR Lakh
Equity Shares of INR 10/- each, Issued, Subscribed and Fully Paid-up:			
As at March 31, 2022		75,00,000	750
As at March 31, 2023		75,00,000	750
As at March 31, 2024		75,00,000	750
8% Optionally Convertible Non Cumulative Redeemable Preference Shares of INR 100/- each			
Issued during the year			
As at March 31, 2024		2,99,00,000	29,900
b Other Equity:			INR Lakh
Retained Earnings			
As at March 31, 2022			(308)
Add: Loss for the year			(263)
Add: Other Comprehensive income			-
Total Comprehensive Income			(263)
As at March 31, 2023			(571)
Add: Loss for the year			(4,304)
Add: Other Comprehensive income			-
Total Comprehensive Income			(4,304)
As at March 31, 2024			(4,875)
<u>As per our report of even date</u>		<u>For and on behalf of the Board</u>	
For Mukesh M. Shah & Co., Chartered Accountants Firm Registration Number : 106625W		sd/- Ganesh Nayak Chairman DIN – 00017481	sd/- Pranjal Sharma Whole Time Director DIN – 10236762
sd/- Karnik K. Shah Partner Membership Number : 129675 Ahmedabad, Dated : May 10, 2024		sd/- Dishita Shah Company Secretary	sd/- Daivat Vakil Chief Financial Officer Ahmedabad, Dated : May 10, 2024

Note: 1-Company overview:

ZyduS VTEC Limited [The Company] [CIN : U85100GJ2020PLC116282] was incorporated on September 8, 2020 with objective for manufacturing of pharmaceutical products i.e. drug substance for vaccines and biological products. The Company is having its registered office at ZyduS Corporate Park, Scheme No. 63, Survey No 536, Khoraj [Gandhinagar], Near Vaishnodevi Circle, S.G. Highway, Ahmedabad – 382481. These financial statements were authorised for issue in accordance with a resolution passed by the Board of Directors at their meeting held on May 10, 2024.

Note: 2-Material Accounting Policies:

A The following note provides list of the Material Accounting Policies adopted in the preparation of these financial statements.

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 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 Derivative financial instruments
- ii Certain financial assets and liabilities measured at fair value [refer accounting policy regarding financial instruments]
- iii Defined benefit plans
- iv Contingent consideration

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 revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments. 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[7]

B Impairment of property, plant and equipment, goodwill and investments:

Significant judgments are involved in determining the estimated future cash flows from the Investments, Property, Plant and Equipment and Goodwill 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 and probability of utilisation of Minimum Alternate Tax [MAT] Credit in future. Refer note - 29

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. Refer note - 20

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.

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

4 Revenue Recognition:

A The following are the Material Accounting Policies related to revenue recognition under Ind AS 115:

a Sale of Goods:

Revenue from the sale of goods is recognized as revenue on the basis of customer contracts and the performance obligations contained therein. Revenue is recognised at a point in time when the control of goods or services is transferred to a customer. Control lies with the customer if the customer can independently determine the use of and consume the benefit derived from a product or service. Revenues from product deliveries are recognised at a point in time based on an overall assessment of the existence of a right to payment, the allocation of ownership rights, the allocation of ownership rights, the transfer of significant risks and rewards and acceptance by the customer.

The goods are often sold with volume discounts/ pricing incentives and customers have a right to return damaged or expired products. Revenue from sales is based on the price in the sales contracts, net of discounts, sales tax/ Goods and Services Tax [GST]. When a performance obligation is satisfied, Revenue is recognised with the amount of the transaction price [excluding estimates of variable consideration] that is allocated to that performance obligation. Historical experience, specific contractual terms and future expectations of sales returns are used to estimate and provide for damage or expiry claims. No element of financing is deemed present as the sales are made with the normal credit terms as per prevalent trade practice and credit policy followed by the Company.

Note: 2-Material Accounting Policies-Continued:

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 Other Income:

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

5 Government Grants:

A Government grants are recognised only when there is a reasonable assurance that the conditions attached to them will be complied with, and the grants will be received.

B When the grant relates to an expense item, it is recognised in the Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

C Government grants related to assets are recognised as income in equal amounts over the expected useful life of the related asset.

D When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities. However, in accordance with the exemption as per Ind AS 101, for such loans that existed on April 1 2015, the Company uses the previous GAAP carrying amount of the loan at the date of transition as the carrying amount of the loan.

6 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.

7 Property, Plant and Equipment:

A 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. 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 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.

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.

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
Leasehold Land	Over the period of lease
Buildings	30 to 60 Years
Plant and Equipment	3 to 15 Years
Furniture, Fixtures and Office Equipments	5 to 10 Years
Vehicles	8 Years

Note: 2-Material Accounting Policies-Continued:

- D** Depreciation on impaired assets is calculated on its reduced value, if any, on a systematic basis over its remaining useful life.
- E** Depreciation on additions/ disposals of the fixed assets 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.

8 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 infinite 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.

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.

12 Inventories:

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

- A** Raw Materials, Packing Materials, Finished Goods, Stock-in-Trade and Works-in-Progress are valued at lower of cost and net realisable value.
- B** Cost [Net of Input tax credit availed] of Raw Materials, Packing Materials, Finished Goods and Stock-in-Trade is determined on Moving Average Method.
- C** Costs of Finished Goods and Works-in-Progress are determined by taking material cost [Net of Input tax credit availed], labour and relevant appropriate overheads based on the normal operating capacity, but excluding borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Write down of inventories to net realisable value is recognised as an expense and included in "Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade" and "Cost of Material Consumed" in the relevant note in the Statement of Profit and Loss.

13 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

Note: 2-Material Accounting Policies-Continued:

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 other financial liabilities.

As a lessor:

As a lessor the Company classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.

14 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 for 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. Contingent assets are not recognised but are disclosed separately in the financial statements. 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.

15 Employee Benefits:**A Short term obligations:**

Liabilities for wages and salaries, including leave encashment 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. 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 by actuarial valuation, performed by an independent actuary, 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;
- ii Net interest expense or income.

c Defined Contribution Plans - Provident Fund Contribution:

Eligible 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 its monthly contributions. Such contributions are accounted for as defined contribution plans and are recognised as employees benefit expenses when they are due in the statement of profit and loss.

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

Note: 2-Material Accounting Policies-Continued:

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.

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.

Note: 2-Material Accounting Policies-Continued:**b Subsequent measurement:**

Subsequently all financial liabilities are measured as 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.

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.

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 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, 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 share holders 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.

ZYDUS VTEC LIMITED

Notes to the Financial Statements

Note: 3-Property, Plant and Equipment, Intangible Assets & Capital work in progress [CWIP]:

[A] Property, Plant and Equipment:						INR Lakh
	Leasehold Land [*]	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
Gross Block:						
As at March 31, 2022	4,377	29,233	201	10	14	33,835
Additions	-	544	-	-	-	544
Disposals	-	(422)	-	-	-	(422)
Other adjustments	(2,958)**	-	-	-	-	(2,958)
As at March 31, 2023	1,419	29,355	201	10	14	30,999
Additions	3,276	18	-	-	-	3,294
Disposals	(1,419)^	(89)	(11)	-	-	(1,519)
As at March 31, 2024	3,276	29,284	190	10	14	32,774
Depreciation and Impairment:						
As at March 31, 2022	263	804	5	-	1	1,073
Depreciation for the year	120	2,818	19	1	3	2,961
Disposals	-	(37)	-	-	-	(37)
As at March 31, 2023	383	3,585	24	1	4	3,997
Depreciation for the year	72	2,810	18	1	3	2,904
Disposals	(418)	(18)	(1)	-	-	(437)
As at March 31, 2024	37	6,377	41	2	7	6,464
Net Block:						
As at March 31, 2023	1,036	25,770	177	9	10	27,002
As at March 31, 2024	3,239	22,907	149	8	7	26,310

[*] Refer Note - 15

[**] Lease liability of right of use asset for leasehold land has been re-assessed during FY 2022-23. The accounting effect for the same has been given as per "Indian Accounting Standard - 116 Leases".

[^] Due to termination of existing lease agreement, lease liabilities of Right of Use [ROU] asset for leasehold land has been reversed and new lease liability of ROU is created as per new lease agreement executed during FY 2023-24. The accounting effect for the same has been given as per "Indian Accounting Standard - 116 Leases"

[B] Intangible Assets:

	Computer Software	Total
Gross Block:		
As at March 31, 2022	30	30
As at March 31, 2023	30	30
As at March 31, 2024	30	30
Amortisation and Impairment:		
As at March 31, 2022	2	2
Amortisation for the year	8	8
As at March 31, 2023	10	10
Amortisation for the year	7	7
As at March 31, 2024	17	17
Net Block:		
As at March 31, 2023	20	20
As at March 31, 2024	13	13

[C] Capital Work in Progress[Net]:

	INR Lakh	
	As at March 31	
	2024	2023
Opening balance	-	54
Addition for the year:		
Other Property, Plant and Equipments	-	490
	-	544
Capitalised during the year	-	544
Total	-	-
	INR Lakh	
	Year ended March 31	
	2024	2023

[D] Depreciation and amortisation expenses:

Depreciation	2,832	2,841
Amortisation	7	8
Depreciation / amortisation on right use of assets as per IND AS 116	72	120
Total	2,911	2,969

ZYDUS VTEC LIMITED
Notes to the Financial Statements

		INR Lakh					
		As at March 31					
		2024	2023				
Note: 4-Other Financial Assets:							
[Unsecured, Considered Good unless otherwise stated]							
Security Deposits	94	92					
Total	94	92					
Note: 5-Other Non-Current Assets:							
[Unsecured, Considered Good unless otherwise stated]							
Capital Advances	4	99					
Others	2	9					
Total	6	108					
Note: 6-Assets for Current tax :							
Advance payment of Tax	8	31					
Total	8	31					
Note: 7-Inventories:							
[The Inventory is valued at lower of cost and net realisable value]							
Classification of Inventories:							
Raw Materials	-	43					
Work-in-progress	-	-					
Finished Goods	-	-					
Others:							
Packing Materials	-	-					
Total	-	43					
Note: 8-Investments [Current]:							
	Nos. [*]						
Investment in Mutual Funds [Quoted] [Valued at fair value through profit or loss]							
ICICI Prudential Overnight Fund - Direct Plan - Growth	28,497.675 [3,343.882]	368	40				
Total		368	40				
[*] In "Nos." figures of previous year are stated in [].							
Note: 9-Trade Receivables:							
Secured - Considered good	-	-					
Unsecured - Considered good	16	1					
Unsecured - Credit impaired	-	-					
	16	1					
Less: Allowances for credit losses	-	-					
Total	16	1					
Ageing of Trade Receivables :							
			INR Lakh				
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	-	12	4	-	-	-	16
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	4	-	-	-	16
As at March 31, 2023							
Undisputed – considered good	-	1	-	-	-	-	1
Undisputed – have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed – credit impaired	-	-	-	-	-	-	-
Disputed – considered good	-	-	-	-	-	-	-
Disputed - have significant increase in credit risk	-	-	-	-	-	-	-
Disputed - credit impaired	-	-	-	-	-	-	-
Total	-	1	-	-	-	-	1

ZYDUS VTEC LIMITED
Notes to the Financial Statements

		INR Lakh	
		As at March 31	
		2024	2023
Note: 10-Cash and Cash Equivalents:			
A Cash and Cash Equivalents:			
Balances with Banks		12	29
Total		12	29
B Bank balance other than cash and cash equivalents:			
Fixed deposits		182	171
Total		182	171
i	Company keeps fixed deposits with the Nationalised/ Scheduled banks, which can be withdrawn by the company as per its own discretion/ requirement of funds.		
ii	There are no amounts of cash and cash equivalent balances held by the entity that are not available for use.		
Note: 11-Other Current Assets:			
[Unsecured, Considered Good]			
Balances with Statutory Authorities		2,426	2,350
Advances to Suppliers		-	13
Prepaid Expenses		28	31
Total		2,454	2,394
Note: 12-Equity Share Capital:			
Authorised:			
10,000,000 [as at March 31, 2023: 10,000,000] Equity Shares of INR 10/- each		1,000	1,000
30,000,000 [as at March 31, 2023: NIL] 8% Optionally Convertible Non Cumulative Redeemable Preference Shares [OCRPS] of INR 100/- each		30,000	-
		31,000	1,000
Issued, Subscribed and Paid-up:			
7,500,000 [as at March 31, 2023: 7,500,000] Equity Shares of INR 10/- each, fully paid-up		750	750
29,900,000 [as at March 31, 2023: NIL] 8% Optionally Convertible Non Cumulative Redeemable Preference Shares [OCRPS] of INR 100/- each, fully paid up		29,900	-
		30,650	750
A	The reconciliation in number of shares is as under :		
	Number of Equity shares at the beginning of the year	75,00,000	75,00,000
	Add: Shares Issued during the year	-	-
	Less: Shares redeemed during the year	-	-
	Number of shares at the end of the year	75,00,000	75,00,000
	Number of 8% Optionally Convertible Non Cumulative Redeemable Preference Shares at the beginning of the year	-	-
	Add: Shares Issued during the year	2,99,00,000	-
	Less: Shares redeemed during the year	-	-
	Number of shares at the end of the year	2,99,00,000	-
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	Optionally Convertible Non Cumulative Redeemable Preference [OCRPS] shares are redeemable at par. At anytime during the tenure of the OCRPS, the Issuer of the OCRPS shall have right to have all, or any part, of the OCRPS to be converted as Equity Shares. Such conversion shall happen at a pre-determined agreed rate between the parties. The tenure of the OCRPS shall be 20 years from the date of allotment. At any time during the tenure of the OCRPS, the Company shall have a right to redeem, all or any part of outstanding OCRPS. The OCRPS shall carry a preferential right with respect to dividend on the paid up capital in the event of distribution of profits by the company.		
D	All Equity shares of INR 10/- each, fully paid up held by Holding Company, Zydus Lifesciences Limited and its nominees		
	Number of Shares	75,00,000	75,00,000
	% to total share holding	100%	100%
E	All the OCRPS INR 100/- each, fully paid up held by Holding Company, Zydus Lifesciences Limited:		
	Number of Shares	2,99,00,000	-
	% to total share holding	100%	-
F	Equity Shares held by the promoters/ promoter group of the Company as at the end of the year March 31, 2024 and 2023:		
	Promoter's/ Promoter Group's Name	No. of Shares	% of total
1	Zydus Lifesciences Limited	75,00,000	100%
			%
			%

ZYDUS VTEC LIMITED
Notes to the Financial Statements

		INR Lakh	
		As at March 31	
		2024	2023
Note: 13-Other Equity:			
Retained Earnings:			
Balance as per last Balance Sheet	(571)	(308)	
Add: Loss for the year	(4,304)	(263)	
Balance as at the end of the year	(4,875)	(571)	
Total	(4,875)	(571)	
Note: 14-Borrowings:			
		INR Lakh	
		Non-current portion	Current Maturities
		As at March 31	
		2024	2023
Loans from related parties [Unsecured]:			
Loan from Fellow Subsidiary Company [*]	-	27,845	-
Total	-	27,845	-
The above amount includes:			
Secured borrowings	-	-	-
Unsecured borrowings	-	27,845	-
Net amount	-	27,845	-
Terms of repayment for Unsecured Inter-corporate borrowings:			
[*] Loan of INR NIL [As at March 31, 2023: INR 27,845 Lakhs] from one of the fellow subsidiary companies will be repaid after 3 years from the date of first disbursement or as may be mutually decided by the parties. Interest on loan is payable on half yearly basis. The company has repaid the outstanding loan during the current year.			
Note: 15-Leases:			
Lessee:			
A Relating to statement of financial position:			
1 As per the requirements of Ind AS 116, the Company recognises right to use assets and lease liabilities for the applicable lease transactions. Right of use assets are part of financial statement caption "Property plant and equipment". Depreciation and impairment is similar to measurement of owned assets. Lease liabilities are part of financial statement captions "non-current financial liabilities" and "current financial liabilities". Interest is part of financial statement caption "Finance expense". The Company has availed leasehold Land from the holding company on long term basis.			
		INR Lakh	
Right of use assets		Land	
Balance as at March 31, 2022 [Net]		4,114	
Additions during the year		-	
Decrease due to re-assessment of lease liabilities		2,958	
Depreciation charge for the year		120	
Balance as at March 31, 2023 [Net]		1,036	
Additions during the year		3,276	
Decrease due to termination of lease liabilities		1,001	
Depreciation charge for the year		72	
Balance as at March 31, 2024 [Net]		3,239	
2 Movement in lease liabilities:			
		INR Lakh	
		As at March 31	
		2024	2023
Lease liability at the beginning of the year		1,157	4,394
Additions		3,276	316
Redemptions		(6)	(309)
Decrease due to termination/re-assessment of lease liabilities		(1,157)	(3,244)
Lease liability at end of the year of which:		3,270	1,157
Current portion		23	120
Non current portion		3,247	1,037
3 Maturity analysis of lease liabilities:			
The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities is as follows:			
Minimum lease payments due			
Within 1 year		343	120
1-5 years		1,397	626
More than 5 years		6,393	2,430

ZYDUS VTEC LIMITED
Notes to the Financial Statements

Note: 16-Deferred Tax:

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

	INR Lakh				As at March 31 2024
	As at March 31 2022	Impact for the previous year	As at March 31 2023	Impact for the current year	
Deferred Tax Liabilities:					
Depreciation	244	(244)	-	-	-
	244	(244)	-	-	-
Deferred Tax Assets:					
Employee benefits/ Payable to Statutory Authorities	6	(6)	-	-	-
Unabsorbed depreciation	152	(152)	-	-	-
	158	(158)	-	-	-
Net Deferred Tax Liabilities	86	(86)	-	-	-

B The Net Deferred Tax Liabilities of INR NIL has been recognized [Previous Year reversed of INR 86 Lakh] 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.

D The Company has tax losses which arose in India INR 7,785 Lakh [Previous year 2,719 Lakh] that are available for offset for eight years against future taxable profits of the company in which the losses arose. These losses will expire in March 2032. Unabsorbed depreciation is allowed to be set off for indefinite period.

Note: 17-Trade Payables:

	INR Lakh	
	As at March 31	
	2024	2023
Dues to Micro and Small Enterprises[*]	-	-
Dues to other than Micro and Small Enterprises	325	231
Total	325	231
[*] Disclosure in respect of Micro and Small Enterprises:		
A Principal amount remaining unpaid to any supplier as at year end [INR 4,940 as at March 31, 2023]	-	-
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	-	3
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	6	319	-	-	325	
Disputed MSME	-	-	-	-	-	
Disputed Others	-	-	-	-	-	
Total	6	319	-	-	325	
As at March 31, 2023						
Undisputed Micro and Small Enterprises [MSME]	-	-	-	-	-	
Undisputed Others	23	206	2	-	231	
Disputed MSME	-	-	-	-	-	
Disputed Others	-	-	-	-	-	
Total	23	206	2	-	231	

Note: 18-Other Financial Liabilities:

Interest accrued but not due on borrowings	-	438
Accrued Expenses	-	3
Payable for Capital Goods	34	47
Total	34	488

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Notes to the Financial Statements

	INR Lakh	
	As at March 31	
	2024	2023
Note: 19-Other Current Liabilities:		
Payable to Statutory Authorities	50	26
Others	9	5
Total	59	31
Note: 20-Contingent Liabilities and Commitments [to the extent not provided for]:		
A Contingent Liabilities :		
	-	-
B Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	574
- Net of advance of	-	90
	INR Lakh	
	Year ended March 31	
	2024	2023
Note: 21-Revenue from Operations:		
Sale of Products	-	10,920
Sale of Raw Materials, Packing Materials and Consumables	15	9,026
Other Operating Revenues:		
Miscellaneous Income	2	8
	2	8
Total	17	19,954
Note: 22-Other Income:		
Finance Income:		
Interest Income on Financial Assets measured at Amortised Cost	13	11
Gain on Investments measured at FVTPL	12	2
Gain on Re-assessment of Lease	156	287
Total	181	300
Note: 23-Cost of Materials Consumed:		
Raw Materials:		
Stock at commencement	43	3,960
Add: Purchases	-	2,629
	43	6,589
Less: Stock at close	-	43
	43	6,546
Packing Materials consumed	-	150
Total	43	6,696
Note: 24-Purchases of Stock-in-Trade:		
Purchases of Stock-in-Trade	-	5,189
Total	-	5,189
Note: 25-Changes in Inventories:		
Stock at commencement:		
Work-in-progress	-	-
Finished Goods	-	225
Stock-in-Trade	-	-
	-	225
Less: Stock at close:		
Work-in-progress	-	-
Finished Goods	-	-
Stock-in-Trade	-	-
	-	-
Total	-	225
Note: 26-Employee Benefits Expense:		
Salaries and wages	-	690
Contribution to provident and other funds [*]	-	60
Staff welfare expenses	-	37
Total	-	787
[*] The Company's contribution towards defined contribution plan	-	39

ZYDUS VTEC LIMITED
Notes to the Financial Statements

	INR Lakh		
	Year ended March 31		
	2024	2023	
Note: 27- Finance Cost:			
Interest expense [*]	1,129	2,631	
Bank commission & charges	1	117	
Total	1,130	2,748	
[*] The break up of interest expense into major heads is given below:			
On term loans	-	1,188	
On Lease	514	316	
Others	616	1,127	
Total	1,129	2,631	
Note: 28- Other Expenses:			
Consumption of Stores and spare parts	1	951	
Power & fuel	101	490	
Rent	10	-	
Repairs to Buildings	-	2	
Repairs to Plant and Machinery	-	51	
Insurance	51	34	
Legal and Professional Fees [*]	233	10	
Water Charges	1	272	
Miscellaneous Expenses	21	184	
Total	418	1,994	
[*] Payment to the auditors as [Excluding GST]:			
i Auditor	2	2	
ii For other services	-	1	
iii Total	2	3	
Note: 29-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	-	-	
Adjustments in respect of current income tax of previous years	-	(5)	
	-	(5)	
Deferred tax:			
Relating to origination and reversal of temporary differences [Refer Note-18]	-	(86)	
Tax expense reported in profit or loss	-	(91)	
B Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate:			
Loss before tax	(4,304)	(354)	
Enacted Tax Rate in India (%)	17.16%	17.16%	
Expected Tax Expenses	(739)	(61)	
Adjustments for:			
Effect of Income exempt from Tax	(27)	(49)	
Effect of unrecognized/excess deferred tax assets / liabilities	753	1	
Effect of non-deductible expenses	13	23	
Others (including Prior period tax adjustment)	-	(5)	
Total	739	(30)	
Tax Expenses as per Profit or Loss	-	(91)	
Note: 30-Calculation of Earnings per Equity Share [EPS]:			
The numerators and denominators used to calculate the basic and diluted EPS are as follows:			
A Loss attributable to Shareholders	INR Lakh	(4,304)	(263)
B Basic and weighted average number of Equity shares outstanding during the year	Numbers	75,00,000	75,00,000
C Effect of dilution - 8% Optionally Convertible Non-cumulative Redeemable Preference Shares	Numbers	2,09,45,629	-
D Weighted average number of Equity shares adjusted for the effect of dilution	Numbers	2,84,45,629	75,00,000
E Nominal value of equity share	INR	10.00	10.00
F Basic EPS	INR	(57.39)	(3.51)
G Diluted EPS	INR	(15.13)	(3.51)
Note: 31-Segment Information:			
The Chief Operating Decision Maker [CODM] reviews the Company as a single segment, namely "Pharmaceuticals Business".			
Revenue derived from a single external customer which amount to 10% or more of total sales	15	19,946	

ZYDUS VTEC LIMITED
Notes to the Financial Statements

Note: 32-Related Party Transactions:

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

a Holding Company:

Zydus Lifesciences Limited

b Fellow Subsidiaries/ Concerns:

Zydus Healthcare Limited	Nesher Pharmaceuticals (USA) LLC [USA]
German Remedies Pharmaceuticals Private Limited	ZyVet Animal Health Inc. [USA]
Zydus Wellness Limited	Zydus Healthcare (USA) LLC [USA]
Zydus Wellness Products Limited	Sentynl Therapeutics Inc. [USA]
Liva Nutritions Limited	Zydus Noveltech Inc. [USA] [dissolved on December 15, 2023]
Liva Investment Limited	Hercon Pharmaceuticals LLC [USA] [dissolved on May 24, 2023]
Dialforhealth Unity Limited	Viona Pharmaceuticals Inc. [USA]
Dialforhealth Greencross Limited	Zydus Therapeutics Inc. [USA]
Zydus Pharmaceuticals Limited	Zynext Ventures USA LLC [USA]
Biochem Pharmaceutical Private Limited	Zydus Healthcare S.A. (Pty) Ltd [South Africa]
Zydus Strategic Investments Limited	Alidac Pharmaceuticals SA Pty. Ltd. [Formerly known as Simayla Pharmaceuticals (Pty) Ltd [South Africa]
Violio Healthcare Limited	Script Management Services (Pty) Ltd [South Africa]
Zydus Animal Health and Investments Limited	Zydus Wellness [BD] Pvt Ltd [Bangladesh]
Zydus Foundation	Zydus Pharmaceuticals Mexico SA De C.V. [Mexico]
LM Manufacturing India Private Limited	Zydus Pharmaceuticals Mexico Services Company SA De C.V.[Mexico]
M/s. Recon Pharmaceuticals and Investments, a Partnership Firm	Zydus Worldwide DMCC [UAE]
Zydus International Private Limited [Ireland]	Zydus Wellness International DMCC [UAE]
Zydus Netherlands B.V. [the Netherlands]	Zydus Lifesciences Global FZE [UAE]
Zydus Lanka (Private) Limited [Sri Lanka]	Zydus Pharmaceuticals (Canada) Inc. [Canada]
Zydus Nikkho Farmaceutica Ltda. [Brazil]	Zydus Pharmaceuticals UK Limited [UK]
Alidac Healthcare (Myanmar) Limited [Myanmar]	LM Manufacturing Limited [UK]
Zydus Healthcare Philippines Inc. [Philippines]	Medsolutions (Europe) Limited [UK]
Zynext Ventures PTE. LTD. [Singapore]	LiqMeds Worldwide Limited [UK]
Zydus France, SAS [France]	LiqMeds Limited [UK]
Laboratorios Combix S.L. [Spain]	LiqMeds Lifecare Limited [UK]
Etna Biotech S.R.L. [Italy]	
Zydus Pharmaceuticals (USA) Inc. [USA]	

c Joint Venture Companies of holding company:

Zydus Hospira Oncology Private Limited	Bayer Zydus Pharma Private Limited
Zydus Takeda Healthcare Private Limited	Oncosol Limited

d Enterprises significantly influenced by Holding Company with whom transactions have taken place:

Zydus Infrastructure Private Limited
Mukesh M. Patel & Co.

e Directors and Key Managerial Personnel:

Ganesh Nayak	Chairman	Vishal Gor	Director
Pranjal Sharma	Whole Time Director (w.e.f. July 13, 2023)	Sujatha Rajesh	Director (w.e.f. July 13, 2023)
Kapil Maithal	Director	Daivat Vakil	Chief Financial Officer (w.e.f. May 8, 2024)
Vibhor Saraswat	Director	Dishita Shah	Company Secretary (w.e.f. July 11, 2023)
Keyur Parekh	Director		

B Transactions with Related Parties:

The following transactions were carried out with the related parties in the ordinary course of business :

a Details relating to parties referred to in items 32A[a],[b] & [d].

<u>Nature of Transactions</u>	INR-Lakh					
	Holding Company		Fellow Subsidiaries/Concerns		Enterprises significantly influenced by Holding Company	
	Year ended March 31					
	2024	2023	2024	2023	2024	2023
Purchases:						
Goods:						
Zydus Lifesciences Limited	-	1,492	-	-	-	-
Services:						
Zydus Lifesciences Limited	533	597	-	-	-	-
Zydus Infrastructure Private Limited	-	-	-	-	-	250
Mukesh M. Patel & Co.	-	-	-	-	2	2
Sales:						
Goods:						
Zydus Lifesciences Limited	15	19,946	-	-	-	-
Property, Plant and Equipment:						
Zydus Lifesciences Limited	71	385	-	-	-	-
Services:						
Zydus Lifesciences Limited	-	28	-	-	-	-

ZYDUS VTEC LIMITED
Notes to the Financial Statements

Note: 32-Related Party Transactions-Continued:

	INR-Lakh					
	Holding Company		Fellow Subsidiaries/Concerns		Enterprises significantly influenced by Holding Company	
	<u>2024</u>	<u>2023</u>	Year ended March 31		<u>2024</u>	<u>2023</u>
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Finance:						
Issue of Preference shares						
Zydu Lifesciences Limited	29,900	-	-	-	-	-
Inter Corporate Loans taken from:						
Zydu Healthcare Limited	-	-	831	10,345	-	-
Inter Corporate Loans repaid to:						
Zydu Healthcare Limited	-	-	28,676	2,000	-	-
Interest Expense:						
Zydu Healthcare Limited	-	-	616	1,127	-	-
			As at March 31			
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Outstanding:						
Payables:						
Zydu Lifesciences Limited	227	75	-	-	-	-
Zydu Healthcare Limited	-	-	-	28,283	-	-
Receivables:						
Zydu Lifesciences Limited	-	1	-	-	-	-

b There are no transactions with parties referred to in items 32A [c] & [e].

Note: 33-Financial Instruments:

A Fair values hierarchy:

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices [unadjusted] in active markets for financial instruments.

Level 2: Inputs other than quoted prices included within Level 1 which are observable for the assets or liabilities, either directly or indirectly.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

B Financial assets and liabilities measured at fair value - recurring fair value measurements:

	INR Lakh			
	As at March 31, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at FVTPL:				
Mutual funds	368	-	-	368
	368	-	-	368
Financial liabilities	-	-	-	-
	As at March 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at FVTPL:				
Mutual funds	40	-	-	40
	40	-	-	40
Financial liabilities	-	-	-	-

C Fair value of instruments measured at amortised cost:

Financial Assets:

The carrying amounts of trade receivables and other financial assets, cash and cash equivalents are considered to be the approximately equal to the fair values.

Financial Liabilities:

Fair values of loans from related party, other financial liabilities and trade payables are considered to be approximately equal to the carrying values.

ZYDUS VTEC LIMITED
Notes to the Financial Statements

Note: 34-Financial Risk Management:

A Financial instruments by category:

	INR Lakh			
	As at March 31, 2024			
	FVTPL	FVOCI	Amortised Cost	Total
Financial assets:				
Non Current Other Financial Assets	-	-	94	94
Investments - Mutual Funds	368	-	-	368
Cash and Cash Equivalents	-	-	12	12
Bank balance other than cash and cash equivalents	-	-	182	182
Trade Receivables	-	-	16	16
Total	368	-	304	672
Financial liabilities:				
Lease Liabilities	-	-	3,270	3,270
Trade payables	-	-	325	325
Other Current Financial Liabilities	-	-	34	34
Total	-	-	3,629	3,629
	INR Lakh			
	As at March 31, 2023			
	FVTPL	FVOCI	Amortised Cost	Total
Financial assets:				
Non Current Other Financial Assets	-	-	92	92
Investments - Mutual Funds	40	-	-	40
Cash and Cash Equivalents	-	-	29	29
Bank balance other than cash and cash equivalents	-	-	171	171
Trade Receivables	-	-	1	1
Total	40	-	293	333
Financial liabilities:				
Borrowings [including current maturities and interest accrued but not due]	-	-	28,283	28,283
Lease Liabilities	-	-	1,157	1,157
Trade payables	-	-	231	231
Other Current Financial Liabilities	-	-	50	50
Total	-	-	29,721	29,721

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 managed in close coordination 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. 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:

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 There are no significant credit risks with related parties of the Company. The Company is exposed to credit risk in the event of non-payment by customers. Adequate expected credit losses are recognized as per the assessments. Major sales made to the Holding Company who contributes to more than 10% of outstanding accounts receivable as at March 31, 2024 and March 31, 2023.

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. The holding company has also ensured the company about the funding requirements that may arise from time to time so as to have smooth functioning of the company.

Maturities of financial liabilities:

The tables below analyse 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.

ZYDUS VTEC LIMITED
Notes to the Financial Statements

Note: 34-Financial Risk Management:-Continued:

		INR Lakh				
		As at March 31, 2024				
		< 1 year	1-2 year	2-3 year	> 3 year	Total
Non-derivatives:						
Trade payable		325	-	-	-	325
Payable for Capital Goods		34	-	-	-	34
Lease Liabilities		23	26	34	3,187	3,270
Total		382	26	34	3,187	3,629
		INR Lakh				
		As at March 31, 2023				
		< 1 year	1-2 year	2-3 year	> 3 year	Total
Non-derivatives:						
Borrowings [including current maturities and interest accrued but not due]		1,411	22,817	8,138	-	32,366
Trade payable		231	-	-	-	231
Accrued Expenses		3	-	-	-	3
Payable for Capital Goods		47	-	-	-	47
Lease Liabilities		120	122	124	791	1,157
Total		1,812	22,939	8,262	791	33,804

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 net open foreign currency exposures is insignificant 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 not exposed to changes in market interest rates through borrowings at variable interest rates. The Company's investments in Fixed Deposits are at fixed interest rates.

Note: 35-Analytical Ratios:

	Ratio	Numerator	Denominator	FY 23-24	FY 22-23	% Change
1	Current Ratio[i]	Current Assets	Current Liabilities	6.88	3.08	123%
2	Debt-Equity Ratio [ii]	Total Debt	Shareholder's Equity	-	155.56	(100%)
3	Debt Service Coverage Ratio [ii]	Earnings available for debt service @	Finance cost + Repayment of Debt	(0.01)	0.19	(108%)
4	Return on Equity Ratio [iii]	Net Profits after taxes	Average Shareholder's Equity	(33.17%)	(84.70%)	(61%)
5	Inventory turnover ratio [iv]	Net Sales	Average Inventory	0.79	6.09	(87%)
6	Trade Receivables turnover ratio [v]	Net Sales	Average Trade Receivables	2.00	5.82	(66%)
7	Trade payables turnover ratio [iv]	Net Purchases and Other	Average Trade Payables	1.50	8.30	(82%)
8	Net capital turnover ratio [vi]	Net Sales	Average Working Capital	0.01	2.45	(100%)
9	Net profit ratio [vii]	Net Profits after taxes	Net Sales	0.00%	(1.32%)	(100%)
10	Return on Capital employed [ii]	Earnings before interest and	Average Capital Employed	(11.80%)	6.56%	(280%)
11	Return on investments:					
a	Fixed Deposits [viii]	Income from investments during the year	Time weighted average of investments	7.00%	5.61%	25%
b	Mutual Funds	Income from investments during the year	Time weighted average of investments	6.88%	5.71%	20%

[i] Mainly due to increase in liquid investment & decrease in accrued interest on debt on account of debt repayment.

[ii] Mainly due to debt repayment.

[iii] Mainly due to issue of preference share.

[iv] Mainly due to reduction in sales during the current year.

[v] Mainly due to reduction in sales during the current year and reduction in average trade receivable.

[vi] Mainly due to reduction in sales during the current year and average working capital.

[vii] Mainly due to reduction in sales during the current year and increase in loss.

[viii] Mainly due to maturity profile of the fixed deposits placed by the Company.

[@] Net profit after taxes + non cash operating expenses + finance cost - other income.

Note: 36:

- a The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities [Intermediaries] with the understanding that the Intermediary shall 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 fund from any person(s) or entity(ies), including foreign entities [Funding Party] with the understanding [whether recorded in writing or otherwise] that the Company shall 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.

ZYDUS VTEC LIMITED**Notes to the Financial Statements****Note: 37-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.

Note: 38:

- a 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.
- b The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.
- c 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.
- d The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.
- e The Company does not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- f 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.
- g No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- h 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: 39:

Figures of previous reporting year have been regrouped/ reclassified to conform to current year's classification.

Signatures to Material Accounting Policies and Notes 1 to 39 to the Financial Statements

As per our report of even date

For Mukesh M. Shah & Co.,
Chartered Accountants
Firm Registration Number : 106625W

sd/-
Karnik K. Shah
Partner
Membership Number : 129675
Ahmedabad, Dated : May 10, 2024

For and on behalf of the Board

sd/-
Ganesh Nayak
Chairman
DIN – 00017481

sd/-
Pranjal Sharma
Whole Time Director
DIN – 10236762

sd/-
Dishita Shah
Company Secretary

sd/-
Daivat Vakil
Chief Financial Officer
Ahmedabad, Dated : May 10, 2024