






ZENITH DRUGS LIMITED
(Formerly - Zenith Drugs Private Limited)

CONTACT US:

 www.zenithdrugs.com

 info@zenithdrugs.com

 +91 93291 45074

CIN: U24231MP2000PLC014465



Plant Add. - 72/5 & 72/1, 72/3, 74/1/1, 75/1/1 Muradpura (Orangpura),
Dhar Road, Near Kalarla, INDORE, PIN-453001 (MP) INDIA



Registered Office Address - K. No. 72/5, Village Muradpura, Depalpur, Indore, Madhya Pradesh - 453001

Date: 29/05/2024

To,
Listing Compliance Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051, Maharashtra, India.

NSE Symbol: ZENITHDRUG; ISIN- INE0QWN01013

Subj: Submission of Audited Financial Results of the Company as per Regulation 30 & 33 of Securities and Exchange Board of India (listing Obligations Disclosure Requirements) Regulation, 2015 for quarter as well as year ended on 31st March, 2023.

Dear Sir/Ma'am,

With reference to the Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the above mentioned subject, we wish to inform you that the Board of Directors in its Meeting held on Monday, 29th May, 2024 has approved the Audited Standalone and Consolidated Financial Results of the Company for the Half Year as well as Financial year ended on 31st March, 2024 together with Auditors Report thereon, Statement of assets and liabilities, Cash Flow Statement and declaration by the Managing Director & Chief Financial Officer of the Company. In this regard, please find enclosed herewith the following:

1. Audited Standalone and Consolidated Financial Results for the Half Year and Financial year ended 31st March, 2024.
2. Auditor's Report on the Audited Standalone and Consolidated Financial results for the Half Year/Financial Year ended 31st March, 2024.

Kindly take the same on your record.

Thanking You
Yours faithfully

For, ZENITH DRUGS LIMITED
CIN: U24231MP2000PLC014465

SAKSHI BHAWSAR
Company Secretary and Compliance Officer


Encl: as above




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Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051, Maharashtra, India.

NSE Symbol: ZENITHDRUG; ISIN- INE0QWN01013

Subj: Submission of Declaration regarding unmodified opinion of the Auditors on Annual Audited Financial Results of the Company for the year ended 31st March, 2023 as per second proviso to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

We hereby submit the following declaration regarding unmodified opinion on Auditors' reports on the Audited Financial Results for the Half Year and Financial year ended 31st March, 2024 as audited by the Statutory Auditors of the Company.

DECLARATION

Pursuant to Regulation 33(3)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, We the undersigned do hereby declare that in the Audit Report, accompanying the Annual Audited Financial results of the Company for the Half Year and Financial year ended on 31st March, 2024, the statutory auditor does not express any modified opinion(s) / Audit qualification(s) or other reservation(s) and accordingly the statement on impact of audit qualification is not required to be given.

You are requested to please consider and take on record the same.

Thanking You
Yours faithfully

For, ZENITH DRUGS LIMITED
CIN: U24231MP2000PLC014465

MR. SANDEEP BHARDWAJ
MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER
(DIN: 00539347)



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Independent Auditor's Report

To,
The Board of Directors
M/S Zenith Drugs Limited.

Report on the audit of the standalone Annual Financial Results.

Opinion

We have audited the accompanying standalone annual Result of M/S ZENITH DRUGS LIMITED ("the Company"), (PAN:AAACZ1475F)(CIN: U24231MP2000PLC014465) attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These half yearly financial results as well as the year to date financial results have been prepared on the basis of the financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Financial Reporting (AS 25 / Ind AS 34), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued there under; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- give a true and fair view in conformity with recognition and measurement principles laid down in applicable Accounting Standards prescribed under section 133 of Companies Act, 2013 ("the Act") read with rule 7 of Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the net profit and other financial information for the half year ended 31st March 2024 as well as the results for the year ended on 31st March 2024.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Financial Statements.



Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

- A. Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act; the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and Rules made there under.
- B. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance; but is not a guarantee that an audit conducted in accordance with 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 standalone financial statements.
- C. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control systems.
 - 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.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude, that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the



standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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.

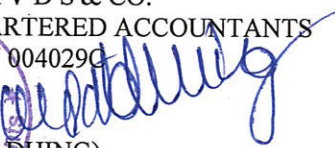
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- The standalone annual financial result includes the results for the half year ended 31st March'24 being the balancing figure between the audited figures in respect of the full financial year and the published audited year to date figures for the half year ended 30th September'2023 of the current financial year.
- **Separate bank account not opened to keep IPO proceeds as required.**
- **As per proposed schedule of implementation and deployment of net proceeds mentioned in prospectus There is variation in the utilization of IPO proceeds, the amount allocated towards General Corporate Purpose is used towards working capital (another objective in schedule) without passing resolution in the Board Meeting. Details of variation provided in notes to financial reporting.**
- **Ministry Of Corporate Affair showing status of company as unlisted.**

PLACE: INDORE
DATED: 29.05.2024

FOR V D S & CO.
CHARTERED ACCOUNTANTS
FRN 004029C

(D.S. DHING)
PARTNER
M.No.-075588
UDIN: 24075588BKEYUQ1304

ZENITH DRUGS LIMITED

72/5, Muradpura (Orangpura) Dhar Road, Near Kalaria, INDORE, PIN-453001 (M.P.)

CIN No.- U24231MP2000PLC014465

STATEMENT OF STANDALONE BALANCE SHEET AS AT MARCH 31, 2024

(Amount In Lakhs)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
I.	<u>EQUITY AND LIABILITIES</u>		
1	Shareholders' funds		
	(a) Share capital	1,714.88	40.00
	(b) Reserves and Surplus	4,506.98	1,733.20
2	Non-current liabilities		
	(a) Long-term borrowings	785.28	766.98
	(b) Deferred tax liabilities (Net)	-	17.21
3	Current liabilities		
	(a) Short-term borrowings	1,608.01	1,774.91
	(b) Trade payables	4,263.08	5,087.37
	-Due to Micro, Small and Medium Enterprises	86.57	1,987.39
	-Due to Other Than MSME	4,176.51	3,099.98
	(c) Other Current Liabilities	68.24	126.67
	(d) Short-term provisions	470.69	175.81
	TOTAL	13,417.16	9,722.16
II.	<u>ASSETS</u>		
1	Non-current assets		
	(a) Property, Plant and Equipment & Intangible assets		
	(i) Property, Plant and Equipment	1,093.55	1,081.19
	(ii) Intangible assets	0.74	0.96
	(iii) Capital work in Progress	390.67	-
	(b) Non-Current Investment	2.55	2.55
	(b) Deferred tax assets (Net)	6.56	-
	(c) Long-term loans and advances	639.58	229.52
	(d) Other Non-current assets	-	-
2	Current assets		
	(a) Inventories	2,575.83	2,367.31
	(b) Trade receivables	6,739.45	4,931.13
	(c) Cash and Cash Equivalents	874.29	19.73
	(d) Short-term loans and advances	795.13	755.68
	(e) Other current assets	298.82	334.08
	TOTAL	13,417.16	9,722.16

As per our report of Even Date attached

For V D S & Company
Chartered Accountants

Firm Regn No. 4029C

(D.S. DHING)
Partner

M.No. 073588

UDIN No. 24075588BKEYUQ1304

For Zenith Drugs Limited, Zenith Drugs Limited,
For and On Behalf Of the Board Of Director

Director.

SANDEEP BHARDWAJ

Managing Director

(DIN: 00539347)

Director.

BHUPESH SONI

Director

(DIN: 00539355)

Place: Indore

Date : 29/05/2024

ZENITH DRUGS LIMITED
72/5, Muradpura (Orangpura) Dhar Road, Near Kalaria, INDORE, PIN-453001 (M.P.)
CIN No.- U24231MP2000PLC014465
STATEMENT OF STANDALONE PROFIT & LOSS AS AT March 31, 2024

(Amount In Lakhs)

Sr. No.	Particulars	Half Yearly ended on	Half Yearly ended on	As at	As at
		31.03.2024	30.09.2023	March 31, 2024	March 31, 2023
		Audited	Audited	Audited	Audited
A. CONTINUING OPERATIONS					
I.	Income from operations	6,221.04	6,940.93	13,161.97	11,451.91
II.	Other income	204.72	7.50	212.22	123.92
III.	Total Revenue (I + II)	6,425.75	6,948.43	13,374.18	11,575.83
IV.	Expenses:				
(a)	Cost of Materials Consumed	4,392.49	4,022.03	8,414.52	7,866.37
(b)	Changes in inventories of Finished Goods & W-I-P	(4.10)	140.30	136.20	(54.24)
(c)	Other Operating Expenses	382.08	407.61	789.69	701.06
(d)	Employee benefits expense	279.74	328.82	608.56	491.20
(e)	Finance costs	153.95	145.76	299.71	232.72
(f)	Depreciation and amortization expense	66.96	63.27	130.23	130.46
(g)	Other expenses	587.60	933.21	1,520.81	1,542.52
	Total expenses	5,858.71	6,041.00	11,899.71	10,910.09
V.	Profit before Exceptional & Extraordinary Items	567.04	907.43	1,474.47	665.74
VI.	Exceptional Items	-	-	-	-
	Profit before Extraordinary Items & Tax	567.04	907.43	1,474.47	665.74
VII.	Extraordinary Items	1.37	143.88	145.25	-
VIII.	Profit Before Tax	565.67	763.55	1,329.22	665.74
IX.	Tax expense:				
	(1) Current tax	187.79	197.16	384.94	175.81
	(2) Deferred tax	(20.07)	(3.70)	(23.77)	(5.12)
	(3) Earlier Year Tax Expense	14.37	-	14.37	6.95
		182.09	193.45	375.54	177.63
X.	Profit(Loss) for the year from continuing operations (VIII-IX)	383.59	570.10	953.69	488.11
XI.	Profit/(Loss) from discontinuing operations	-	-	-	-
XII.	Tax expense of discounting operations	-	-	-	-
XIII.	Profit/(Loss) from Discontinuing operations(XI - XII)	-	-	-	-
XIV.	Profit/(Loss) for the year (X + XIII)	383.59	570.10	953.69	488.11
XV.	Earnings per equity share:				
(i)	Basic EPS				
(a)	Continuing operations	4.56	4.75	5.56	122.03
(b)	Total operations	4.56	4.75	5.56	122.03
(ii)	Diluted EPS				
(a)	Continuing operations	4.56	4.75	5.56	122.03
(b)	Total operations	4.56	4.75	5.56	122.03

As per our report of Even Date attached

For V.D.S & Company
Chartered Accountants
Firm Regn No. 40290
(D.S. DHING)
Partner
M. No. 075588
UDIN No. 24075588BKEYUQ1304

For Zenith Drugs Limited For Zenith Drugs Limited,
For and On Behalf Of the Board Of Director

SANDEEP BHARDWAJ
Managing Director
(DIN: 00539347)

BHUPESH SONI
Director
(DIN: 00539355)

Place: Indore

Date: 29/05/2024

Notes to Financial Reporting:

- 1) The above results have been prepared as per generally accepted accounting principles in India, prescribed u/s section 133 of the companies act 2013 and other recognized accounting practices and policies to the extent applicable and in accordance with the recognition and measurement principles laid down in accounting standard, as applicable, specified in section 133 of the companies act, 2013 read with relevant rules framed thereunder or as specified by the institute of chartered accountants of India, whichever is applicable.
- 2) The above audited standalone financial results of company for the half year ended 31st march, 2024 and year ended 31st march, 2024 were reviewed and recommended by the audit committee and approved by the board of directors, at their respective meeting held on 29th May, 2024.
- 3) The statutory auditors of the company have carried out an audit of the above financial results of the company for the half year ended 31st march, 2024 and year ended 31st march, 2024 in item of the regulation 33 of the SEBI (LODR) Regulations, 2015 and has issued an unmodified independent Auditor's Report thereon.
- 4) The statement includes the results for the half year ended 31st march, 2024 being the balanced figure between audited figures in respect of the full financial year and the un-audited figures in respect of 1st half year of the current financial year.
- 5) As the company's business activity falls within a single primary business segment, the disclosure requirements as per AS 17 "Segment Reporting" is not applicable.
- 6) The weighted average number of equity shares outstanding during the period has been considered for calculating the basic and diluted earnings per share in accordance with the accounting standard 20.
- 7) During the period ended 27th February 2024, the company came up with the public issue of 51,48,800 Equity Shares of face value of 10/- each ("equity shares") with the price band of Rs. 69/- to 79/- through book building method, IPO was open for subscription from 19th February 2024 to 22nd February 2024. The company has allotted 51,48,800 Equity shares of face value of Rs. 10/- each ("equity shares") for cash at a price of Rs. 79/- per Equity shares (Including a share premium of Rs. 69/- per equity share) aggregating to Rs. 3552.67 Lakhs on 24th February 2024. The Equity shares of the company got listed with Emerge platform of National Stock Exchange of India Limited on 27th February 2024. The issue was made in accordance with SEBI (Issue of capital and disclosure Requirements) Regulations, 2018, as amended.



The summary of the initial public offer proceeds is summarized below:

Nature of the fund raised	Purposes for which fund were raised	Total Amount Raised/ Opening unutilized/Balance (in lakhs)	Amount utilized for the purpose (in lakhs)	Unutilized balance as at Balance Sheet Date (in lakhs)	Details of Default (Reason/Delay)	Subsequently rectified
Capital	Purchase of Machinery & Equipments for Setting up New Unit	1060.99	214.00	846.99	Amount Later received in FY 23-24 i.e in month of March'24	Will be utilized in I qtr of 24-25
Capital	Existing Manufacturing Block Up gradation	210.59	3.44	207.15	Amount Later received in FY 23-24 i.e in month of March'24	Will be utilized in I qtr of 24-25
Revenue	General Corporate Purposes	883.97	0.00	883.97	Amount Later received in FY 23-24 i.e in month of March'24	Will be utilized in I qtr of 24-25
Revenue	Working Capital Requirements	1440.00	2014.11	-574.11	Excess utilization of working capital	-

- 8) Previous period figures have been re-grouped and re-classified wherever necessary.
- 9) There are no investor's complaints pending as on 31st march, 2024.
- 10) The results of the company are also available for investors at www.zenithdrugs.com and www.nseindia.com .
- 11) The company has not adopted the Indian Accounting standards (IND AS) in terms of Exemption available to the companies Listed with SME.





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Independent Auditor's Report

To,
The Board of Directors
M/S Zenith Drugs Limited

Report on the audit of the consolidated Annual Financial Results.

Opinion

We have audited the accompanying consolidated annual Result of M/S ZENITH DRUGS LIMITED ("the Company"), and its subsidiary, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These half yearly financial results as well as the year to date financial results have been prepared on the basis of the financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Financial Reporting (AS 25 / Ind AS 34), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued there under; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- give a true and fair view in conformity with recognition and measurement principles laid down in applicable Accounting Standards prescribed under section 133 of Companies Act, 2013 ("the Act") read with rule 7 of Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the net profit and other financial information for the half year ended 31st March 2024 as well as the results for the year ended on 31st March 2024.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the consolidated 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 independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules there under, 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 audit opinion on the consolidated Financial Statements.



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Auditor's Responsibilities for the Audit of the Financial Statements

- A. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act; the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and Rules made there under.
- B. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated financial statements.
- C. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control systems.
 - 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.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude, that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions



are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- We did not audit the financial statements of one subsidiary whose financial statements reflects total assets of Rs.89,14,171.00/-as at 31.03.2024, Total Revenue/profit of Rs.15,07,141.00/-(including other comprehensive income/exp) Profit of Rs. 1585000/- is from sale of land and cash outflow Rs.2,20,774.00/- as on that date as considered in the consolidated financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amount and disclosures included in respect of this subsidiary and our report in the terms of sub section (3) and (11) of the section 143 of the act, insofar as it relates to the aforesaid subsidiary is based solely on the reports of other auditor
- The consolidated annual financial result includes the results for the half year ended 31st March'24 being the balancing figure between the audited figures in respect of the full financial year and the published audited year to date figures for the half year ended 30th September'2023 of the current financial year which are subject to limited review by us.
- **Separate bank account not opened to keep IPO proceeds as required.**
- **As per proposed schedule of implementation and deployment of net proceeds mentioned in prospectus There is variation in the utilization of IPO proceeds, the amount allocated towards General Corporate Purpose is used towards working capital (another objective in schedule) without passing resolution in the Board Meeting. Details of variation provided in notes to financial reporting.**
- **Ministry Of Corporate Affair showing status of company as unlisted.**

PLACE: INDORE
DATED: 29.05.2024

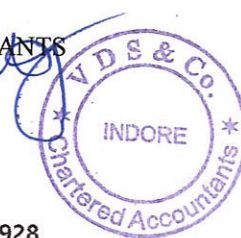
FOR V D S & CO.
CHARTERED ACCOUNTANTS
FRN 004029C

(D.S. DHING)

PARTNER

M.No.-075588

UDIN: 24075588BKEYUR1928



ZENITH DRUGS LIMITED

72/5, Muradpura (Orangpura) Dhar Road, Near Kalaria, INDORE, PIN-453001 (M.P.)

CIN No.- U24231MP2000PLC014465

STATEMENT OF CONSOLIDATED BALANCE SHEET AS AT March 31, 2024

(Amount In Lakhs)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
I.	<u>EQUITY AND LIABILITIES</u>		
1	Shareholders' funds		
	(a) Share capital	1,714.88	40.00
	(b) Reserves and Surplus	4,511.54	1,732.16
	(c) Minority Interest	6.83	1.45
2	Non-current liabilities		
	(a) Long-term borrowings	855.85	836.28
	(b) Deferred tax liabilities (Net)	-	17.21
3	Current liabilities		
	(a) Short-term borrowings	1,608.01	1,774.91
	(b) Trade payables	4,263.13	5,087.41
	-Due to Micro, Small and Medium Enterprises	86.57	1,987.39
	-Due to Other Than MSME	4,176.55	3,100.03
	(c) Other Current Liabilities	68.74	127.25
	(d) Short-term provisions	474.79	175.81
	TOTAL	13,503.75	9,792.49
II.	<u>ASSETS</u>		
1	Non-current assets		
	(a) Property, Plant and Equipment & Intangible assets		
	(i) Property, Plant and Equipment	1,133.54	1,169.78
	(ii) Intangible assets	0.74	0.96
	(iii) Capital work in Progress	390.67	-
	(b) Non-Current Investment	-	-
	(b) Deferred tax assets (Net)	6.56	-
	(c) Long-term loans and advances	639.58	229.52
	(d) Other Non-current assets	-	-
2	Current assets		
	(a) Inventories	2,575.83	2,367.31
	(b) Trade receivables	6,739.45	4,931.13
	(c) Cash and Cash Equivalents	880.27	27.91
	(d) Short-term loans and advances	795.13	692.15
	(e) Other current assets	341.99	373.72
	TOTAL	13,503.75	9,792.49

As per our report of Even Date attached

For V D S & Company
Chartered Accountants
Firm Regn. No. 4029C(D.S. BHING)
Partner
M.No. 075588

UDIN NO. 24075588BKEYUR1928



For Zenith Drugs Limited,

Per and On Behalf Of the Board Of Director

For Zenith Drugs Limited,

SANDEEP BHARDWAJ
Managing Director
(DIN: 00539347)BHUPESH SONI
Director
(DIN: 00539355)

Director.

Place: Indore

Date : 29/05/2024

ZENITH DRUGS LIMITED
72/5, Muradpura (Orangpura) Dhar Road, Near Kalaria, INDORE, PIN-453001 (M.P.)
CIN No.- U24231MP2000PLC014465
STATEMENT OF CONSOLIDATED PROFIT & LOSS AS AT March 31, 2024

(Amount In Lakhs)

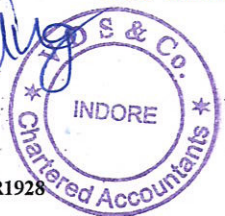
Sr. No.	Particulars	Half Yearly	Half Yearly	As at	As at
		ended on 31.03.2024	ended on 30.09.2023	March 31, 2024	March 31, 2023
		Audited	Audited	Audited	Audited
A.	CONTINUING OPERATIONS				
I.	Revenue From Operations	6,221.04	6,940.93	13,161.97	11,451.91
II.	Other income	204.72	7.50	212.22	123.92
III.	Total Revenue (I + II)	6,425.75	6,948.43	13,374.18	11,575.82
IV.	Expenses:				
(a)	Cost of Materials Consumed	4,392.50	4,022.02	8,414.52	7,866.37
(b)	Changes in inventories of Finished Goods & W-I-P	(4.10)	140.30	136.20	(54.24)
(c)	Other Operating Expenses	382.08	407.61	789.69	700.40
(d)	Employee benefits expense	279.74	328.82	608.56	496.15
(e)	Finance costs	155.13	144.60	299.73	232.72
(f)	Depreciation and amortization expense	66.99	63.32	130.31	130.54
(g)	Other expenses	586.87	934.62	1,521.49	1,538.21
	Total expenses	5,859.20	6,041.29	11,900.49	10,910.16
V.	Profit before Exceptional & Extraordinary Items	566.55	907.14	1,473.69	665.66
VI.	Exceptional Items				
	Profit before Extraordinary Items & Tax	566.55	907.14	1,473.69	665.66
VII.	Extraordinary Items				
	Less:- Prior Period Expenses	1.37	143.88	145.25	-
	Add:- Profit (Loss) on sale of land	17.95	(2.10)	15.85	-
VIII.	Profit Before Tax	583.14	761.16	1,344.30	665.67
IX.	Tax expense:				
	(1) Current tax	191.89	197.16	389.04	175.81
	(2) Deferred tax	(20.07)	(3.70)	(23.77)	(5.12)
	(3) Earlier Year Tax Expense	14.37	-	14.37	6.95
		186.19	193.45	379.64	177.63
X.	Profit(Loss) for the year from continuing operations (VIII-IX)	396.95	567.71	964.66	488.04
XI.	Profit/(Loss) from discontinuing operations	-	-	-	-
XII.	Tax expense of discounting operations	-	-	-	-
XIII.	Profit/(Loss) from Discontinuing operations(XI - XII)	-	-	-	-
XIV.	Profit/(Loss) for the year (X + XIII)	396.95	567.71	964.66	488.04
XV.	Profit Attributable to :-				
	Owners of Equity	390.40	568.88	959.28	488.08
	Non-Controlling Interest	6.55	(1.17)	5.38	(0.04)
	TOTAL	396.95	567.71	964.66	488.04
XI.	Earnings per equity share:				
(i)	Basic EPS				
(a)	Continuing operations	3.60	4.73	6.91	122.01
(b)	Total operations	3.60	4.73	6.91	122.01
(ii)	Diluted EPS				
(a)	Continuing operations	3.60	4.73	6.91	122.01
(b)	Total operations	3.60	4.73	6.91	122.01

As per our report of Even Date attached

For V D S & Company
Chartered Accountants
Firm Regn No. 40290

(D.S. DHING)
Partner
M.No. 075588

UDIN NO. 24075588BKEYUR1928



For Zenith Drugs Limited,

For and On Behalf of The Board of Director

SANDEEP BHARDWAJ
Managing Director
(DIN: 00539347)

BHUPESH SONI
Director
(DIN: 00539355)

Director.

Place: Indore
Date : 29/05/2024

ZENITH DRUGS LIMITED
CIN No.- U24231MP2000PLC014465
STATEMENT OF CONSOLIDATED CASH FLOW AS AT March 31, 2024

(Amount In Lakhs)

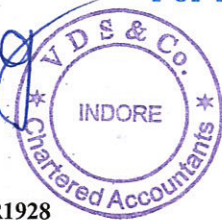
1	CASH FLOW FROM OPERATING ACTIVITIES	As at March 31, 2024	As at March 31, 2023
	Net Profit before taxation and extraordinary item	1,344.30	665.67
	<u>Adjustment for:</u>		
	Depreciation and amortization expense	130.31	130.54
	Finance Cost	299.73	230.85
	Interest received	-	-
	Dividend Received	-	-
	Profit/Loss on Sale of assets	-	-
	Profit/Loss on Sale of investments	-	-
	Provision for leave encashment and gratuity	-	-
	Provision for Diminution in value of Shares	-	-
	Miscellaneous Balance written off	-	-
	Inventory written off	-	-
	Operating Profit before Working Capital Changes	1,774.33	1,027.06
	Increase/Decrease in Inventory	(208.52)	(1,154.24)
	Increase/Decrease in Trade and Other Receivables	(1,808.31)	(1,724.34)
	Increase/Decrease in Short Term Loan and Advances	(102.98)	(65.91)
	Increase/Decrease in Current Assets	31.73	(105.70)
	Increase/Decrease in Trade Payables	(583.82)	1,728.66
	Cash generated from Operations	(897.58)	(294.47)
	Income Tax	(403.41)	(182.75)
	NET CASH FLOW FROM OPERATING ACTIVITIES	(1,300.99)	(477.22)
2	CASH FLOW FROM INVESTING ACTIVITIES	-	-
	Sale of investment	-	-
	Interest received	-	-
	Dividend received	-	-
	Purchase of Property, Plant and Equipment	(533.03)	(557.10)
	Issued Share Capital and Security Premium	3,494.97	-
	Purchase of Investment	-	-
	Sale of Asset	48.51	567.73
	Non-current other financial assets	(410.06)	(37.51)
	NET CASH FLOW FROM INVESTING ACTIVITIES	2,600.40	(26.89)
3	CASH FLOW FROM FINANCING ACTIVITIES	-	-
	Increase/Decrease in Term Loan	19.57	(120.83)
	Increase/Decrease in WC	(166.90)	851.03
	Finance Cost	(299.73)	(230.85)
	NET CASH FLOW FROM FINANCING ACTIVITIES	(447.06)	499.35
	NET INCREASE IN CASH AND CASH EQUIVALENTS	852.35	(4.76)
	Cash and Cash Equivalents at the beginning of the period	27.91	32.67
	Cash and Cash Equivalents at the end of the period	880.27	27.91

- The above Cash Flow has been compiled from and is based on the Balance sheet as at March 31, 2024 and the related Profit & Loss Account for the year ended on that date.
- The above cash flow statement has been prepared under the Indirect Method as set out in the Accounting Standard-3 on Cash Flow Statement issued by The Institute of Chartered
- Figures in parenthesis represent outflow.
- Previous year's figures have been regrouped, wherever necessary, to confirm current year's presentation.

As per our report of Even Date attached

For V D S & Company
Chartered Accountants
Firm Regn No. 4029C

(D.S. DHING)
Partner
M.No. 075588
UDIN NO. 24075588BKEYUR1928



For Zenith Drugs Limited
For and On Behalf Of the Board Of Director
For Zenith Drugs Limited,

(Sandeep Bhardwaj)
SANDEEP BHARDWAJ
Managing Director
(DIN: 00539347)

(Bhupesh Soni)
BHUPESH SONI
Director
(DIN: 00539355)

Director,

Place: Indore
Date : 29/05/2024

Notes to Financial Reporting:

- 1) The above results have been prepared as per generally accepted accounting principles in India, prescribed u/s section 133 of the companies act 2013 and other recognized accounting practices and policies to the extent applicable and in accordance with the recognition and measurement principles laid down in accounting standard, as applicable, specified in section 133 of the companies act, 2013 read with relevant rules framed thereunder or as specified by the institute of chartered accountants of India, whichever is applicable.
- 2) The above audited consolidated financial results of company for the half year ended 31st march, 2024 and year ended 31st march, 2024 were reviewed and recommended by the audit committee and approved by the board of directors, at their respective meeting held on 29th May, 2024.
- 3) The statutory auditors of the company have carried out an audit of the above financial results of the company for the half year ended 31st march, 2024 and year ended 31st march, 2024 in item of the regulation 33 of the SEBI (LODR) Regulations, 2015 and has issued an unmodified independent Auditor's Report thereon.
- 4) The statement includes the results for the half year ended 31st march, 2024 being the balanced figure between audited figures in respect of the full financial year and the audited figures in respect of 1st half year of the current financial year.
- 5) As the company's business activity falls within a single primary business segment, the disclosure requirements as per AS 17 "Segment Reporting" is not applicable.
- 6) The weighted average number of equity shares outstanding during the period has been considered for calculating the basic and diluted earnings per share in accordance with the accounting standard 20.
- 7) During the period ended 31st March, 2024, the company came up with the public issue of 51,48,800 Equity Shares of face value of 10/- each ("equity shares") with the price band of Rs. 69/- to 79/- through book building method, IPO was open for subscription from 19th February 2024 to 22nd February 2024. The company has allotted 51,48,800 Equity shares of face value of Rs. 10/- each ("equity shares") for cash at a price of Rs. 79/- per Equity shares (Including a share premium of Rs. 69/- per equity share) aggregating to Rs. 4,067.55 Lakhs on 24th February 2024. The Equity shares of the company got listed with Emerge platform of National Stock Exchange of India Limited on 27th February 2024. The issue was made in accordance with SEBI (Issue of capital and disclosure Requirements) Regulations, 2018, as amended.



The summary of the initial public offer proceeds is summarized below:

Nature of the fund raised	Purposes for which fund were raised	Total Amount Raised/ Opening unutilized/Balance (in lakhs)	Amount utilized for the purpose (in lakhs)	Unutilized balance as at Balance Sheet Date (in lakhs)	Details of Default (Reason/Delay)	Subsequently rectified
Capital	Purchase of Machinery & Equipments for Setting up New Unit	1060.99	214.00	846.99	Amount Later received in FY 23-24 i.e in month of March'24	Will be utilized in I qtr of 24-25
Capital	Existing Manufacturing Block Up gradation	210.59	3.44	207.15	Amount Later received in FY 23-24 i.e in month of March'24	Will be utilized in I qtr of 24-25
Revenue	General Corporate Purposes	883.97	0.00	883.97	Amount Later received in FY 23-24 i.e in month of March'24	Will be utilized in I qtr of 24-25
Revenue	Working Capital Requirements	1440.00	2014.11	-574.11	Excess utilization of working capital	-

8) Previous period figures have been re-grouped and re-classified wherever necessary.

9) The results of the company are also available for investors at www.zenithdrugs.com and www.nseindia.com.

10) The company has not adopted the Indian Accounting standards (IND AS) in terms of Exemption available to the companies Listed with SME.

