Familiarization Presentation to the new Independent Director of **Zydus Lifesciences Limited**

Dedicated To Life

September 2024

Why this presentation ?

Regulation 25(7) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**") mandates all listed entities to familiarize the Independent Directors ("**IDs**") through various programmes, about the listed entity which shall include the following

(i) **nature of industry** in which the listed company entity operates,
(ii) **business model** of the listed entity,
(iii) **roles, rights and responsibilities** of independent directors and
(iv) any other relevant information.

What is covered in this presentation ?

1. Zydus at a glance
2. Short history of the Company
3. Industry in which Zydus Lifesciences Limited (“the **Company**”) operates
4. Pharma Jargons
5. Business model of the Company
6. Corporate Information, Board of Directors, Committees of Board, Shareholding Pattern, Senior Management Team
7. Organization Structure and Joint ventures
8. Financial information at glance and sales break-up
9. Corporate benefits and rate of return on investment
10. Business of the Company
11. Manufacturing facilities
12. Important milestones
13. Compliances and disclosures
14. Internal Control System
15. Roles of Independent Director, Guidelines of professional conduct
16. Responsibilities and Duties of Independent Director

Zydus at a Glance

~$2.35 bn — Global Revenues[1]

5th — Largest generic Co. in US in terms of prescription[3]

1st — NCE of the Company Lipaglyn® launched in India in 2013 for Diabetic Dyslipidemia

40% — Revenues from India Geography (Formulations and wellness) in FY24

Among Top 3 — In ~60% of product families marketed in US[4]

1st — Approved product for NASH in India - (Bilypsa® - Saroglitazar)

$13.41 bn — Market Capitalization[2]

7 — Brands among Top 300 in India[5]

1st — OSD formulation for anemia associated with CKD – Oxemia™ (Desidustat)

37 — Mfg. sites having capabilities across dosage forms

>26 K — Zydans globally incl. >1400 scientists (R&D)

22 — Biosimilars in portfolio (incl. 3 ADCs), launched 13 products in India

1. In FY24, assuming exchange rate of Rs. 82.8 per USD
2. As on September 14, 2024, exchange rate of Rs. 83.9 per USD
3. IQVIA MAT March 2024 TRx
4. IQVIA MAT March 2024 TRx
5. As per IQVIA MAT March 2024

Short history of the Company

- The Company was incorporated in the name of Cadila Healthcare Private Limited on May 15, 1995.
- Later on, the Company was converted into a public limited company and the name was changed to Cadila Healthcare Limited w.e.f. July 17, 1996.
- Lastly, the name of the Company was changed to Zydus Lifesciences Limited w.e.f. February 24, 2022.

Authorized Share Capital	Issued, Subscribed and Paid-up Equity Share Capital
Rs. 1,725,000,000 divided into 172,50,00,000 equity shares of Re. 1/- each	Rs. 1,006,233,990/- divided into 100,62,33,990 equity shares of Re. 1/- each fully paid-up

Industry in which the Company operates (1/2)

- Zydus Lifesciences Limited, the flagship company of Zydus Group of companies is engaged in business of manufacturing, marketing, distribution, import, export, research and development of drugs and pharmaceuticals. The business of the Company falls under “Pharmaceutical” industry.
- The Company has set-up manufacturing facilities and R&D centres in India and abroad.
- The Company has state of art Research and Development facility (ZRC) for basic NCE and biological research.
- There are 1,480 + scientists employed by the Company as at August 20, 2024.
- Details of manufacturing facilities are provided in coming slides.

Industry in which the Company operates (2/2)

- The Company has strong marketing and distribution channels.
- For sales in Indian market, Clearing and Forwarding Agents are appointed across India and in most of the states.
- For sales outside India (i.e. exports), the Company works through both own subsidiaries and distributors, in different countries.
- The Company has its own manufacturing facilities of drugs, pharmaceuticals and APIs.
- The Company also gets drugs and pharmaceuticals products manufactured by others on loan license basis and third-party manufacturing.
- The Company also enters into in-licensing and out-licensing arrangements for pharmaceutical products.

Pharma Jargons

- **Branded Products:** Which are not generic products (self-developed). Protected by patents.
- **Generic Drugs:** Generics are identical to and copied from the formula of patented products.
- **Biologic:** A therapeutic drug or a vaccine, made from living organisms-human, animal, yeast, or microorganisms.
- **Biosimilar:** Competitors to the first-in-class biologic product that has an expired patent. These are considered as therapeutic alternatives.
- **Retail Drug:** Any drug typically available at a pharmacy store.
- **Physician-administered drug:** Can be given only on prescription of physician / doctors.
- **Specialty Drug:** Specialty drugs are high-cost medications that treat rare, complex, and chronic health conditions.
- **Innovator Drug:** Drug innovated for the first time, from which generics or biosimilars are made.
- **Formulations:** Drugs that are end products that are consumed by patients.

Pharma Jargons

- **API:** Active Pharmaceutical Ingredients, the main drug contained in any formulation and which acts on the stated indication / disease
- **cGMP:** Current Good Manufacturing Practice as specified by the drug regulatory agencies
- **DPCO:** Drug Price Control Order, the order which controls the prices of pharmaceutical products in India
- **DMF:** Drug Master File is a type of submission made to the Food and Drug Administration (FDA) to provide important information related to facilities, processes or ingredients used for manufacturing, packaging or storing of any human drugs.
- **NCE-New Chemical entity / new biological entity:** A new chemical entity/new biological entity that is discovered through research with a modification in the structure of a known and existing molecule entity.
- **NDA:** New Drug Application-in which a pharmaceutical manufacturer or its agent requests permission from the USFDA for a license to market a drug for one or more specified indications.
- **ANDA:** Abbreviated New Drug Application is a request to the Food and Administration (FDA) to manufacture and market a generic drug.

Business Model of the Company

- **Research:** ZRC is carrying out new drug discovery research in Cardio-metabolic, inflammation, pain and oncology therapeutic areas.

- **Product Development:** The Company has Pharmaceutical Technology Center mainly engaged in new drugs development and regulatory approvals. The Company has set up PTC at Ahmedabad.

- **API:** API facilities are carrying out research in Active Pharmaceutical Products and manufacturing facilities to cater to captive requirements as well as market demand. The sale is normally on direct marketing basis as well as through agents.

- **Formulation:** The formulation manufacturing facilities are recognized by various regulatory agencies and are the main sources of supply to various overseas markets as well as Indian market for some products.

- **Sourcing:** The company relies on its manufacturing facilities in India for India formulation market, which enjoys North-East backward area benefits and incentives. The company also procures products for Indian markets on Loan License and on P2P basis.

- **Marketing:** The Company has set up a strong marketing and distribution channels for Indian and overseas markets. C&F Agents are appointed in almost all states of the Country for smooth clearing, forwarding and handling of finished formulations in Indian market. The Company has dedicated team of marketing headed by experienced and knowledgeable executives. For overseas markets the company relies on its overseas subsidiaries and also distributors (especially for International markets).

Corporate Information

Auditors	
Statutory Auditors	Deloitte Haskins & Sells LLP
Internal Auditors	Ernst & Young and Pricewaterhousecoopers
Cost Auditors	Dalwadi & Associates
Secretarial Auditors	Manoj Hurkat & Associates
Key Managerial Personnel	
Dr. Sharvil P. Patel, Managing Director	
Mr. Ganesh N. Nayak, Executive Director	
Mr. Nitin D. Parekh, Chief Financial Officer	
Mr. Dhaval N. Soni, Company Secretary & Compliance Officer	
Registrar and Transfer Agents	
Link Intime India Private Limited	

Corporate Identification Number (CIN): L24230GJ1995PLC025878

Registered Office Address: Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj, Gandhinagar, near Vaishnodevi Circle, S G Highway, Ahmedabad-382481

Equity Shares are listed on **BSE Limited** and **The National Stock Exchange of India Limited**

Board of Directors (1/3)

Existing Board structure:

1. Mr. Pankaj R. Patel, Non-Executive Chairman (Promoter)
2. Dr. Sharvil P. Patel, Managing Director (Promoter) relative (son) of Mr. Pankaj R. Patel
3. Mr. Ganesh N. Nayak, Executive Director (till July 2025)
4. Mr. Apurva S. Diwanji, Independent Director (second term expiring at AGM in 2026)
5. Ms. Shelina P. Parikh, Independent Woman Director (first term till May 2029)
6. Mr. Bhadresh K. Shah, Independent Director (second term expiring in December 2028)
7. Mr. Akhil A. Monappa, Independent Director (first term till November 2027)
8. Ms. Upasana K. Konidela, Independent Woman Director (first term till November 2027)
9. Mr. Mukesh M. Patel, Non-Executive Director

Board of Directors (2/3)

Category of Directors: (it is in compliance with the Listing Regulations)

Sr. No.	Category of Directors	No. of Directors	% of total strength
1.	Non-Executive Directors (PRP, MMP)	2	22.22
2.	Executive Directors (SPP1, GNN)	2	22.22
3.	Independent Directors (ASD, BKS, AAM, UKK, SPP2)	5	55.56
Total		**9**	**100.00**

Gender diversity:

Sr. No.	Category of Directors	No. of Directors	% of total strength
1.	Women	2	22.22
2.	Men	7	77.78
Total		**9**	**100.00**

PRP-Pankaj R. Patel, **SPP1**-Sharvil P. Patel, **GNN**-Ganesh N. Nayak, **ASD**-Apurva S. Diwanji, **BKS**-Bhadresh K. Shah, **MMP**-Mukesh M. Patel, **AM**-Akhil Monappa, **UKK**-Upasana Kamineni Konidela, **SPP2-**Shelina P. Parikh.

Board of Directors (3/3)

Age diversity on Board:

Sr. No.	Age Diversity (in years)	No. of Directors	% of total strength
1.	30-39 (UKK)	1	11.11
2.	40-49 (SPP1 and AM)	2	22.22
3.	50-59 (ASD, SPP2)	2	22.22
4.	60-69 (PRP, GNN, MMP)	3	33.33
5	70-79 (BKS)	1	11.12
Total		**9**	**100.00**

Average age of Directors: 54.64 years

Committees of the Board

Audit Committee:
1. Mr. Akhil A. Monappa, Chairperson
2. Mr. Bhadresh K. Shah
3. Mr. Apurva S. Diwanji
4. Ms. Shelina P. Parikh

Nomination and Remuneration Committee:
1. Mr. Bhadresh K. Shah, Chairperson
2. Mr. Apurva S. Diwanji
3. Mr. Akhil Monappa
4. Ms. Upasna K. Konidela

Risk Management Committee:
1. Mr. Pankaj R. Patel, Chairperson
2. Mr. Apurva S. Diwanji
3. Dr. Sharvil P. Patel
4. Mr. Akhil A. Monappa
5. Mr. Mukesh M. Patel
6. Mr. Nitin D. Parekh

CSR & ESG Committee:
1. Mr. Pankaj R. Patel, Chairperson
2. Dr. Sharvil P. Patel
3. Ms. Shelina P. Parikh
4. Ms. Upasana K. Konidela

Stakeholders Relationship Committee:
1. Mr. Mukesh M. Patel, Chairperson
2. Mr. Pankaj R. Patel
3. Dr. Sharvil P. Patel
4. Mr. Bhadresh K. Shah

Share Transfer Committee:
1. Mr. Pankaj R. Patel, Chairperson
2. Dr. Sharvil P. Patel
3. Mr. Mukesh M. Patel

Finance and Administration Committee:
1. Mr. Pankaj R. Patel, Chairperson
2. Dr. Sharvil P. Patel
3. Mr. Ganesh N. Nayak

Shareholding Pattern (as on June 30, 2024)

Issued, Subscribed and Paid-up Equity Shares: 1,006,233,990 of Re. 1/- each fully paid-up

Sr. No.	Category of Shareholders	No. of shareholders	No. of shares held	% of paid-up share capital
1.	**Promoter and Promoter Group (A)**	8	**754,504,049**	**74.98**
a.	Zydus Family Trust		754,353,343	74.96
2.	**Public Shareholding (B)**	**336,301**	**251,729,941**	**25.02**
a.	Mutual Funds	37	72,832,124	7.24
b.	Insurance companies	15	52,547,509	5.22
c.	Foreign Portfolio Investors	301	56,206,579	5.59
d.	Individual shareholders	323,691	54,001,250	5.37
e.	Others	12,257	16,142,479	1.60
Total (A + B)		**336,309**	**100,62,33,990**	**100.00**

Shareholders holding more than 1% shares:

1. Zydus Family Trust-754,313,343 (74.97%)
2. Life Insurance Corporation of India-39,121,377 (3.89%)
3. Kotak Flexicap Fund-17,185,064 (1.71%)
4. ICICI Prudential Focus Equity Fund-12,644,115 (1.26%)

Senior Management Team (1/2)

Mr. Pankaj R. Patel
Chairman

Sr. No.	Direct Reportees	Designation
1	Mukul Jain	President-ZRC Biology
2	Manoj Kamra	Sr. Vice President-Corporate Affairs
3	Pravin Iyer	Sr. Vice President-ZRC-Medicinal

As per the Listing Regulations, **Senior Management** shall mean the core management team and shall normally include **one level below** MD / WTD and **shall specifically include CFO and CS**.

Senior Management Team (2/2)

Dr. Sharvil P. Patel
Managing Director

Sr. No.	Direct Reportees	Designation
1	Ganesh Nayak	Executive Director
2	Nitin Parekh	President-CFO
3	Rishikesh Raval	President-HR
4	Prashant Sharma	President-CTO
5	Samir Desai	President-Biologics
6	Sanjeev Kumar	President-ZRC Biotech
7	Vipul Doshi	President-Quality & Reg.
8	Gaurav Suchak	President-GDSO
9	M E Kannan	President-PTC-Moraiya
10	Harish Sadana	Managing Director-ZHL
11	Kapil Maithal	President-VTC R&D
12	Keyur Parekh	President-MD Office
13	Alok Garg	Sr. Vice President-MD Office
14	Mayank Satpal	Sr. Vice President-Digital Office

Ganesh N. Nayak
Executive Director

Sr. No.	Direct Reportees	Designation
1	Amrut Naik	President-International Business

Organization Structure-Zydus Lifesciences Limited (Indian)

Sr. No.	Name of the subsidiary	% of shares held	Direct / Indirect	Business activity
1.	Zydus Healthcare Limited (“**ZHL**”)	100.00	Direct	Human Pharmaceutical Formulations
2.	German Remedies Pharmaceuticals Private Limited (“**GRPPL**”)	100.00	Indirect (through ZHL)	
3.	Zydus Wellness Limited (“**ZWL**”)	57.59	Direct	Consumer Health & Wellness
4.	Zydus Wellness Products Limited (“**ZWPL**”)	57.59	Indirect (through ZWL)	
5.	Liva Investment Limited	57.59		No business activity carried on at present
6.	Liva Nutritions Limited	57.59		
7.	Zydus Animal Health and Investments Limited (“**ZAHL**”)	100.00	Direct	Animal Health and Veterinary
8.	Zydus Pharmaceuticals Limited	100.00	Direct	Human Pharmaceutical Formulations
9.	Zydus VTEC Limited	100.00	Direct	
10.	Dialforhealth Greencross Limited	100.00	Direct	No business activity carried on at present
11.	Dialforhealth Unity Limited	55.00	Direct	
12.	Violio Healthcare Limited	100.00	Indirect (through ZAHL)	
13.	Biochem Pharmaceutical Private Limited	100.00		
14.	Zydus Strategic Investment Limited	100.00	Direct	
15.	Zydus Foundation	100.00	Direct	Section 8 company-CSR activities
16.	LM Manufacturing India Private Limited	100.00	Indirect (through Zydus UK)	Human Pharmaceutical Formulations
17.	Zydus Medtech Private Limited	100.00	Indirect (through ZAHL)	Medical devices

Organization Structure-Zydus Lifesciences Limited (Overseas) (1/3)

Sr. No.	Name of the subsidiary	% of shares held	Direct / Indirect	Business activity
1.	Zydus International Private Limited, **Ireland** (“**ZIPL**”)	100.00	Direct	Investment and holding
2.	Zydus Worldwide DMCC, **Dubai** (“**ZWDMCC**”)	100.00	Direct	Human Pharmaceutical Formulations
3.	Zydus Netherlands BV, the **Netherlands** (“**ZNBV**”)	100.00	Indirect (through ZWDMCC)	Investment and holding
4.	Zydus Pharmaceuticals USA Inc., **USA** (“**ZPUI**”)	100.00	Direct	Human Pharmaceutical Formulations
5.	Nesher Pharmaceuticals USA Inc., **USA**	100.00	Indirect (through ZPUI)	
6.	Zyvet Animal Health Inc., **USA**	100.00	Indirect (through ZPUI)	Animal Health and Veterinary
7.	Zydus Healthcare USA LLC, **USA**	100.00	Direct	Human Pharmaceutical Formulations
8.	Sentynl Therapeutics Inc., **USA**	100.00	Direct	
9.	Viona Pharmaceuticals USA Inc., **USA**	100.00	Indirect (through ZAHL)	
10.	Zynext Ventures Singapore Inc., **Singapore** (“**ZVSL**”)	100.00	Direct	Investment and holding
11.	Zynext Ventures PTE. Limited, **USA**	100.00	Indirect (through ZVSL)	
12.	Zydus Pharmaceuticals Mexico SA De CV, **Mexico**	100.00	Indirect (through ZIPL)	Human Pharmaceutical Formulations
13.	Zydus Pharmaceuticals Mexico Services Company SA De CV, **Mexico**	100.00	Indirect (through ZIPL)	
14.	Zydus Lanka Private Limited, **Sri Lanka**	100.00	Direct	

Organization Structure-Zydus Lifesciences Limited (Overseas) (2/3)

Sr. No.	Name of the subsidiary	% of shares held	Direct / Indirect	Business activity
15.	Zydus Healthcare Philippines Inc., Philippines	100.00	Direct	Human Pharmaceutical Formulations
16.	Zydus Pharmaceuticals UK Limited, **UK** (“**ZPUK**”)	100.00	Direct	Human Pharmaceutical Formulations and Investments
17.	LiqMeds Worldwide Limited, **UK**	100.00	Indirect (through ZPUK)	Human Pharmaceutical Formulations
18.	LiqMeds Limited, **UK**	100.00	Indirect (through ZPUK)	
19.	Medsolutions (Europe) Limited, **UK**	100.00	Indirect (through ZPUK)	
20.	LM Manufacturing Limited, **UK**	100.00	Indirect (through ZPUK)	
21.	Liqmeds Lifecare Limited, **UK** (“**LLL**”)	100.00	Indirect (through ZPUK)	
22.	Oncosol Limited, **UK**	50.00	Indirect (through LLL)	
23.	Zydus Wellness International DMCC, **Dubai**	57.59	Indirect (through ZWL)	Consumer Health & Wellness
24.	Zydus Wellness BD Private Limited, **Bangladesh**	57.59	Indirect (through ZWPL)	
25.	Zydus Lifesciences Global FZE, **United Arab Emirates**	100.00	Direct	Human Pharmaceutical Formulations
26.	Zydus France SAS, **France**	100.00	Indirect (through ZWDMCC)	
27.	Etna Biotech SRL, **Italy**	100.00	Indirect (through ZWDMCC)	
28.	Alidac Healthcare Myanmar Limited, **Myanmar**	100.00	Indirect (through ZWDMCC)	
29.	Zydus Therapeutics Inc., **USA**	100.00	Indirect (through ZWDMCC)	

Organization Structure-Zydus Lifesciences Limited (Overseas) (3/3)

Sr. No.	Name of the subsidiary	% of shares held	Direct / Indirect	Business activity
30.	Laboratorios Combix SL, **Spain**	100.00	Indirect (through ZNBV)	Human Pharmaceutical Formulations
31.	Zydus Nikkho Pharmaceutica Limitada, **Brasil**	100.00	Indirect (through ZNBV)	
32.	Zydus Healthcare SA Pty Limited, **South Africa** ("**ZHSA**")	100.00	Indirect (through ZWDMCC)	
33.	Alidac Pharmaceuticals SA Pty. Limited, **South Africa**	100.00	Indirect (through ZHSA)	
34.	Simayla Pharmaceuticals SA Pty. Limited, **South Africa**	100.00	Indirect (through ZHSA)	
35.	Zydus Pharmaceuticals Canada Inc., **Canada**	100.00	Direct	

Joint Ventures

- **The Company has very strong relationship with its joint venture partners.**
- **At present, the following are the joint ventures of the Company:**

Sr. No.	Details of Joint Venture
1.	Zydus Takeda Healthcare Private Limited 50:50 JV with Takeda Pharmaceuticals Company Pvt. Ltd., Japan 100% EOU manufacturing facility at Vashi, Navi Mumbai
2.	Zydus Hospira Oncology Private Limited 50:50 JV with Pfizer Inc., Manufacturing unit in SEZ, Ahmedabad for oncological injectables
3.	Oncosol Limited 50:50 JV with Koanaa Healthcare Limited (100% subsidiary of Shilpa Medicare Limited) Manufacturing of oncology products
4.	Sterling Biotech Limited (recently acquired) 50:50 JV with Perfect Day Inc. Leading producers of Pharmaceutical Gelatine, Di-Calcium Phosphate and some APIs.

Financial performance-at a glance (1/2)

Rs. in mio.

Consolidated

Sr. No.	Particulars	30.6.24	31.3.24	31.3.23	31.3.22	31.3.21	31.3.20
		Unaudited	Audited				
1	Revenue from Operations	62,075	195,474	172,374	152,652	151,022	142,531
2	Earnings Before Interest, Depreciation and Tax (“**EBIDTA**”)	20,840	53,843	38,599	33,407	33,410	27,834
3	Profit Before Tax (“**PBT**”)	18,997	48,089	25,897	28,381	22,848	14,954
4	Profit After tax (“**PAT**”)	14,199	38,595	19,603	44,873	21,336	11,766
5	Earnings Per Share (“**EPS**”) (in Rupees)	14.11	38.14	19.30	43.83	20.84	11.49

Standalone

Sr. No.	Particulars	30.6.24	31.3.24	31.3.23	31.3.22	31.3.21	31.3.20
		Unaudited	Audited				
1	Revenue from Operations	41,602	108,187	87,316	79,819	77,904	63,474
2	Earnings Before Interest, Depreciation and Tax (“**EBIDTA**”)	23,729	40,587	24,544	19,181	23,191	14,231
3	Profit Before Tax (“**PBT**”)	22,335	42,398	20,322	11,639	16,885	15,577
4	Profit After tax (“**PAT**”)	17,008	34,415	15,292	8,579	14,762	14,129
5	Earnings Per Share (“**EPS**”) (in Rupees)	16.90	34.01	15.06	8.38	14.42	13.80

Financial performance-at a glance (2/2)

Rs. in mio.

Consolidated

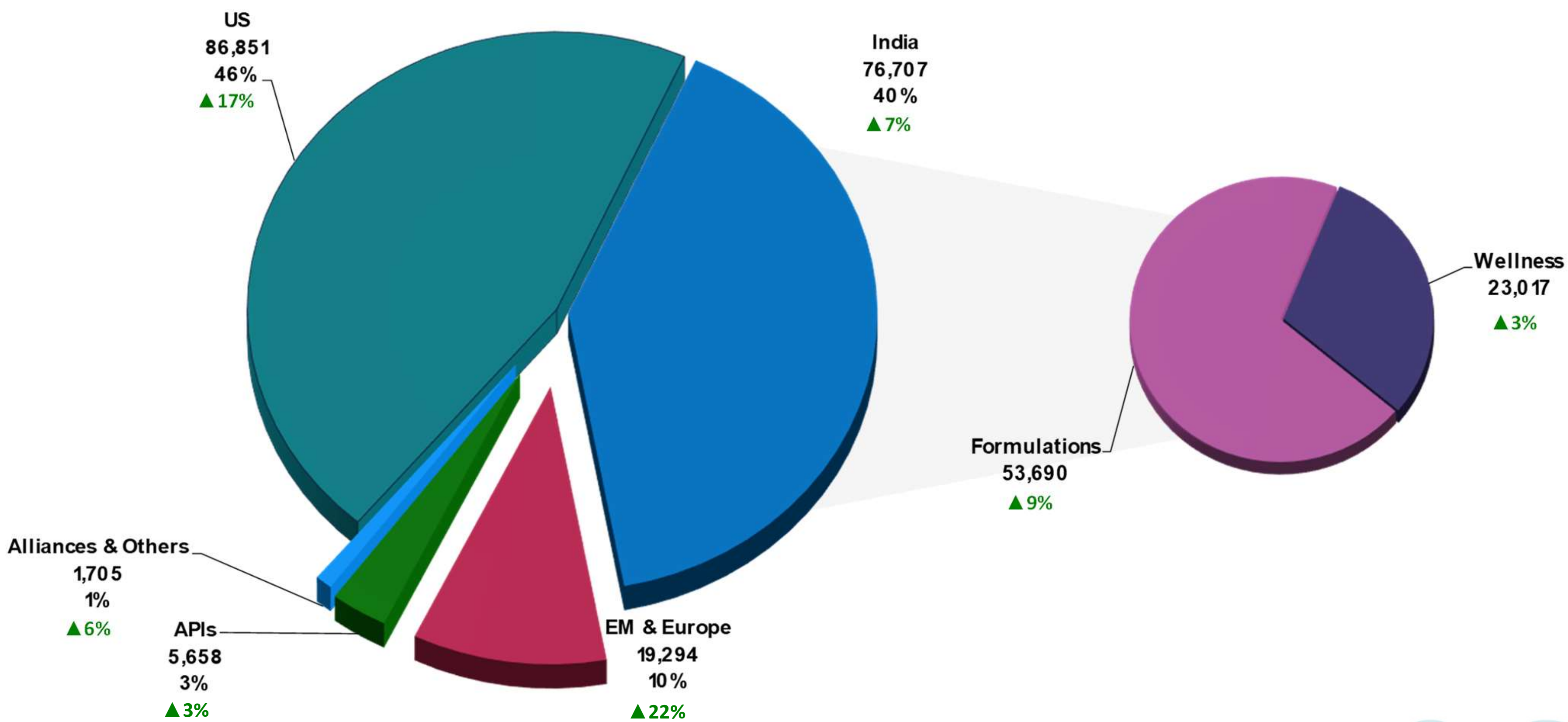
Sr. No.	Particulars	30.06.24	31.3.24	31.3.23	31.3.22	31.3.21	31.3.20
		Unaudited	Audited				
1	Net worth	212,258	198,295	175,158	169,996	129,923	103,757
2	Net debt	-18,922	-8,561	-5,461	-570	34,861	67,286
3	Capital employed	235,609	228,702	208,515	232,498	195,131	196,968
4	Net Current Assets	69,235	60,801	44,815	42,684	8,547	4,460
5	Net Debt to Equity	-0.09	-0.04	-0.03	-0.003	0.27	0.65
6	Net Debt to EBIDTA	-0.32	-0.16	-0.14	-0.02	1.03	2.42

Standalone

Sr. No.	Particulars	30.06.24	31.3.24	31.3.23	31.3.22	31.3.21	31.3.20
		Unaudited	Audited				
1	Net worth	174,204	157,165	136,394	132,405	127,445	112,602
2	Capital employed	231,455	218,900	184,619	159,031	166,604	149,549
3	Net Current Assets	49,300	53,699	43,681	28,096	12,107	13,434
4	Net Debt to Equity	0.29	0.35	0.30	0.14	0.29	0.29
5	Net Debt to EBIDTA	0.96	1.35	1.67	0.98	1.62	2.32

CONSOLIDATED SALES BREAK-UP – FY24

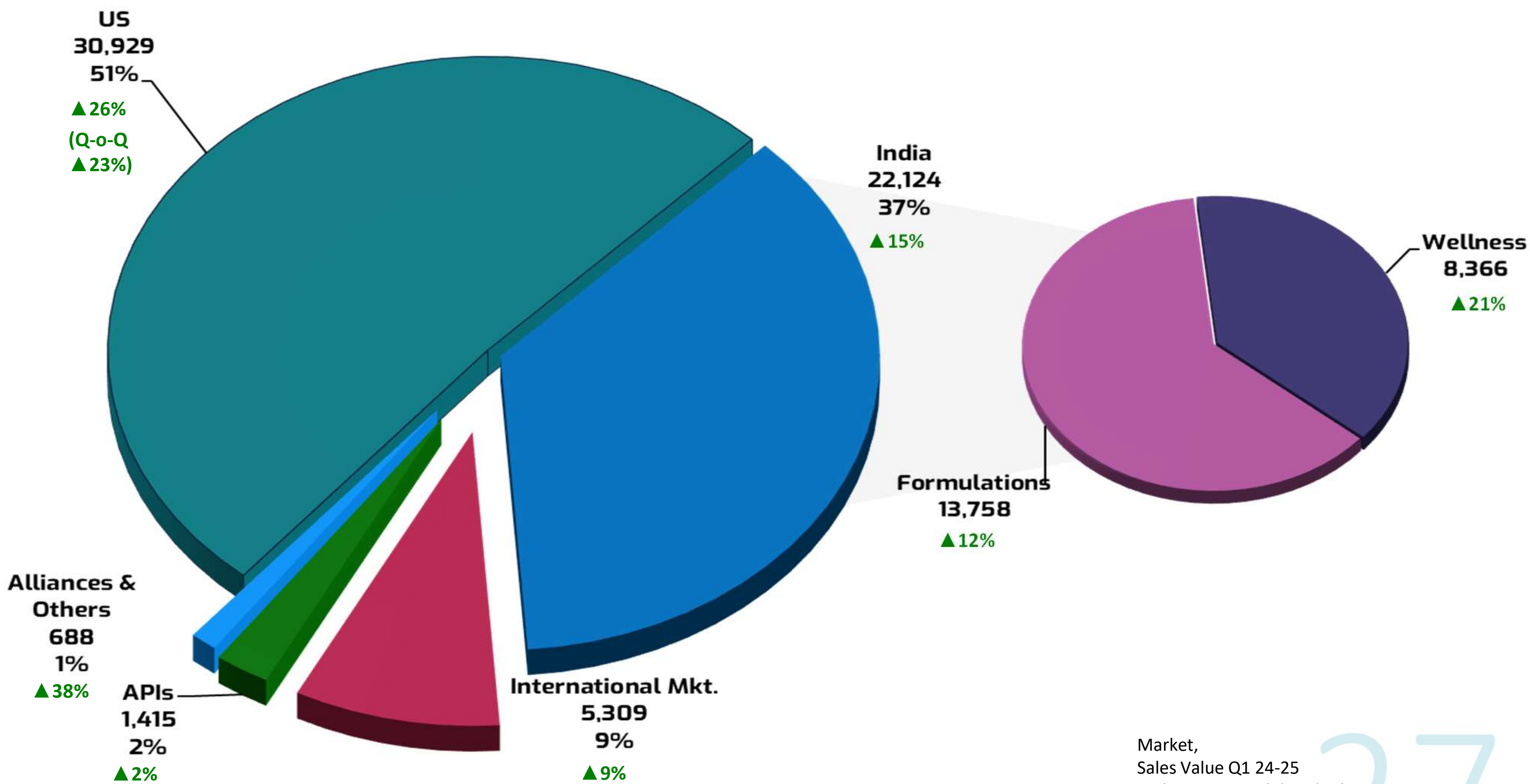
Rs. in mio.



Market,
Sales Value Apr 23 – Mar 24
% share in consolidated sales
▲% Growth

CONSOLIDATED SALES BREAK-UP – Q1 24-25

Rs. mn



Market,
Sales Value Q1 24-25
% share in consolidated sales
▲% Growth

Corporate benefits in last 5 years

Year	Percentage (%)	In Rs. Per share (Face value of Re. 1/- each)	Dividend Amount (Rs. In mio. including TDS)	Buyback Price (Rs.)	Buyback Amount (Rs. In mio.)	Total Returns (Dividend + buyback)	Consolidated PAT	Return Ratio
2018-2019	350	3.50	3,583.09	N.A.	N.A.	3,583.09	18,488	19.38
2019-2020	350	3.50	3,583.09	N.A.	N.A.	3,583.09	11,766	30.45
2020-2021	350	3.50	3,583.09	N.A.	N.A.	3,583.09	21,336	16.79
2021-2022	250	2.50	2,530.51	650	7,500	10,030.51	44,873	22.35
2022-2023	600	6.00	6,073.22	N.A.	N.A.	6,073.22	19,603	30.98
2023-2024	300	3.00	3,018.70	1,005	6,000	9,018.70	38,595	23.37

Shareholder's Return

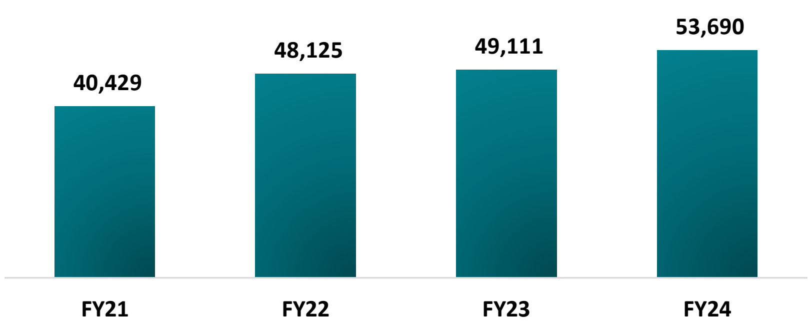
After considering two bonus issues, split of shares, issue of shares of ZWL and all dividends of ZLL and ZWL till date, the compounded annual shareholder return works out to be 19% +.

Assuming a person has made initial investment of Rs. 37,500/- (i.e. 150 equity shares) during IPO in 2000 and assuming he continues to hold the shares till today (net off the shares bought back by the company), then the present value of investment and cumulative value of benefits (dividend + buyback) will be as under:

Value of ZLL shares as on date-Rs. 19.73 lacs
Dividend (incl. Buyback) of ZLL received till date: Rs. 1.20 lacs
Value of ZWL shares as on date-Rs. 1.42 lacs
Dividend of ZWL shares received till date-Rs. 0.06 lacs
Total value (ZLL + ZWL) (including dividend)-Rs. 21.15 lacs (indicating 19% return)

India Formulations business

One of the leading players in formulations space in India

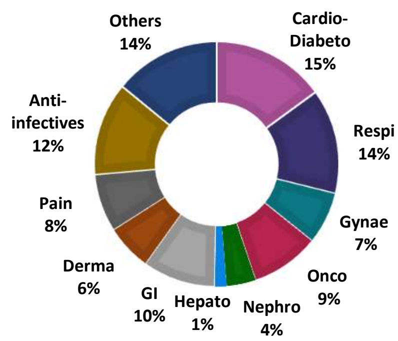


FY24 Revenue Contribution

3 Yr. CAGR (FY21 –FY24)

10.0%

Therapy-wise Break-up*

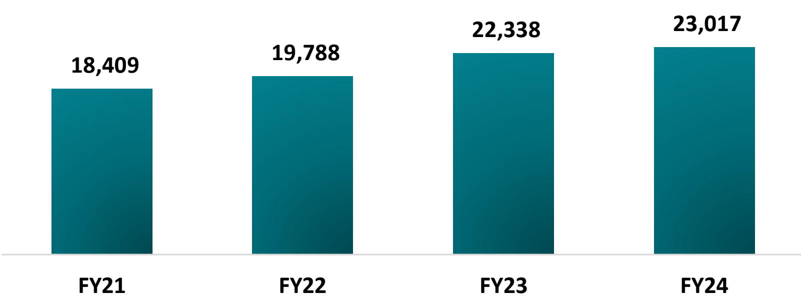


- Amongst key markets for the Company. Delivered stable growth over the years.
- Presence in both the branded formulations and generics space.
- Portfolio of leading brands spanning across all major therapy areas both in chronic and acute segment backed by
  - Large field force of around 7000+ MRs
  - Pan-India supply chain and distribution network.
- On the Super Specialty front,
  - Leadership position in Nephrology segment
  - Amongst the fastest growing companies in India in Oncology segment.
- Launched multiple products from its own innovation pipeline. Key ones among them are: Lipaglyn, Bilypsa, Ujvira, Oxemia, Exemptia, Vivitra, Bryxta etc.

*Source: IQVIA MAT Mar 24

Consumer Wellness

Portfolio of key brands having leadership position



3 Yr. CAGR (FY21–FY24): 7.7%

Key brands continued to hold dominant market share

Brand Name	Glucon-D	Nycil	Sugar Free	EverYuth naturals – Facial Cleansing *	EverYuth naturals – Scrub	EverYuth naturals – Peel Off	Complan
Market Share#	59.5%	35.0%	95.9%	6.5%	45.6%	80.2%	4.3%

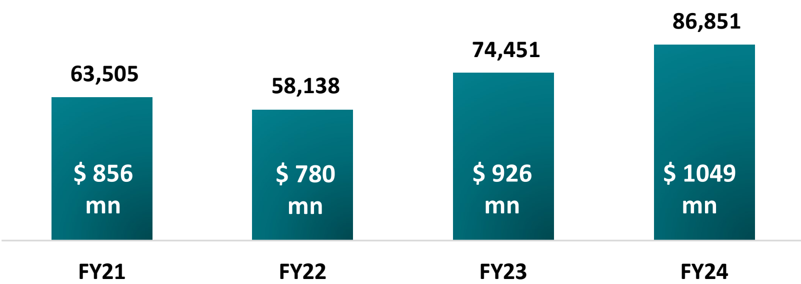
- Portfolio of leading brands having leadership position in their respective categories.
- 5 out of 6 brands hold leadership position in their respective categories.
- The Company has 2 segments viz. personal care segment which comprises of Nycil and EverYuth brands and food and nutrition segment which comprises of SugarFree, Glucon-D, Complan and Nutralite brands
- Continues to work towards expansion of product categories and increase the market share of brands through various promotional measures and continued product innovations.

#Source: Nielsen and IQVIA MAT March 2024 report
* Facial cleansing segment includes Face wash, Scrub and Peel-off.

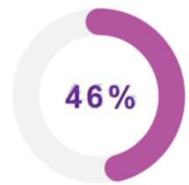
US Formulations business

Crossed US$ 1 bn revenue milestone (FY24)

US Formulation Sales (Rs. mn)



FY24 Revenue Contribution



3 Yr. CAGR (FY21–FY24) 11.0%

Continued investment to build the generics pipeline

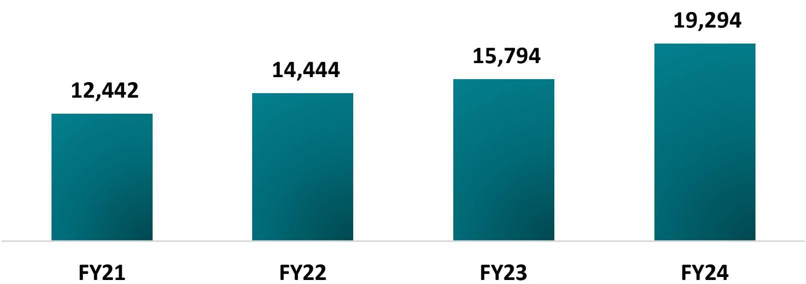
ANDAs	FY24	Cumulative
Filings	20	460
Approvals	46	402

- Largest contributor to the revenues in FY24
- 5th largest generic company in the US in terms of prescriptions. Among top 3 players in about 60% of product families marketed in the US.*
- Continued filing and launch of new products to fill the gap which arises due to competition in existing portfolio.
- Presence across dosage forms viz. Oral solids, injectables, topicals, transdermals, nasals.
- On the specialty front,
  - Received approval for two 505(b)(2) products filed from the own pipeline Launched one of them.
  - In the area of rare and orphan disease space. made couple of acquisitions to treat pediatric genetic disorders.

Emerging Markets and Europe Formulations business

All key markets continued to display strong momentum

EM and EU Formulation Sales (Rs. mn)



FY24 Revenue Contribution

3 Yr. CAGR (FY21–FY24): 15.7%

- On the EM front, pre-dominantly operates in branded generics markets of different countries of Asia Pacific, Africa, Middle East and Latin America.
- In Europe, direct presence in France, Spain and the UK while other countries are being served through B2B route.
- Delivered steady double digit growth over the years despite various challenges posed by different countries.

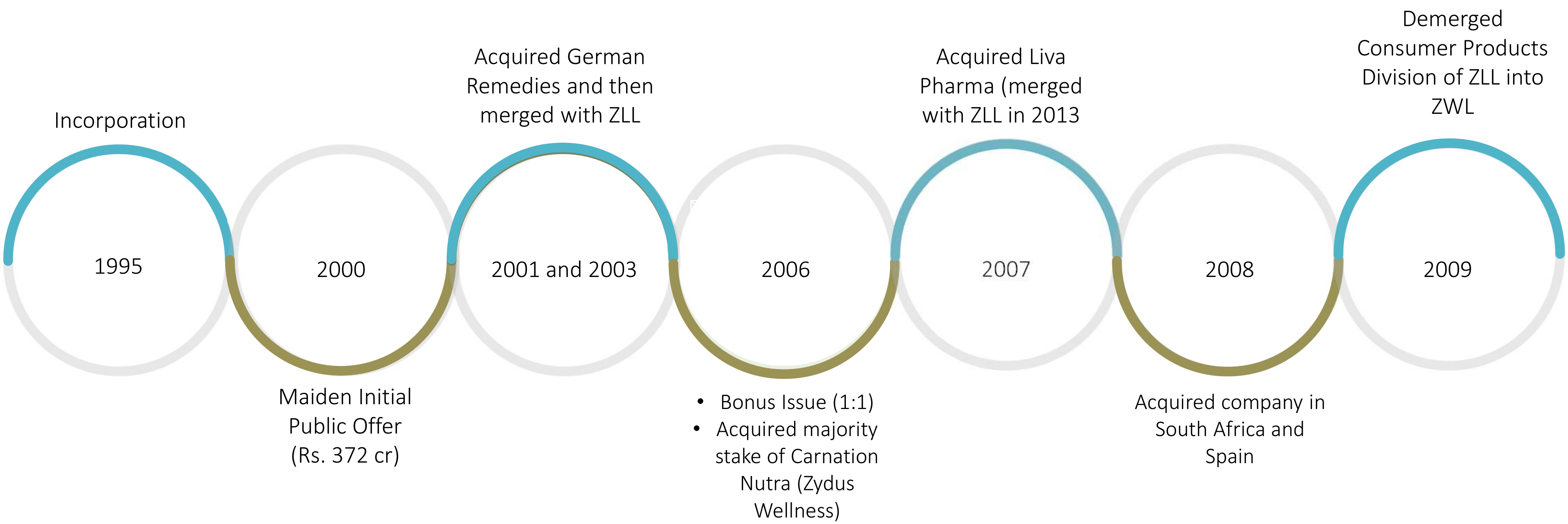
Quality Excellence by Sustainable Transformation (QUEST) Culture Program

1. **What is QUEST?**
    a. A program to make “**sustainable change**” in mind-set towards quality culture
    b. A program to **empower the “doer**”
    c. A program to help us take **quality beyond compliance**
2. **How is this done?**
    a. Cultivating and embedding **a quality-oriented mindset among all employees** – e.g. openness, collaboration, and quality focus
    b. Creating awareness among employees in line **best-practices on the shop-floor** across a variety of themes/topics
    c. Simplifying current practices & procedures, evaluate their relevance and raise change controls to revise SOPs wherever required
3. **Short facts:**
    - 25 sites covered through QUEST
    - 12,000+ employees covered through QUEST
    - 1200+ circle representatives trained on circle operations
    - 25000+ quality improvement ideas implemented
    - 20000+ frontline employees rewarded as part of an on-going quality culture R&R

Manufacturing facilities

Sr. No.	Manufacturing facility	No. of plants	USFDA inspected
1.	Small Molecule Human Formulations	17	8
2.	Animal Health Formulations	1	1
3.	Biological Products	3	1
4.	Vaccines	5	0 (Business is in India and International Market excluding US and Europe)
5.	Active Pharmaceutical Ingredients (API)	6	6

Important Milestones



Important Milestones

2010

- Bonus Issue (1:2)
- Launched H1N1 vaccine for Swine Flu (1st to launch)

2011

Acquired Nesher (USA), Bremer (Germany) and Biochem (India)

2013

- Incorporated Liva (Injectable business)
- Incorporated subsidiaries in Dubai

2015

Split face value of equity shares from Rs. 5/- to Re. 1/- per share

2016

- Acquired Animal Health business (Rs. 192 cr)
- Converted Zydus Healthcare into Zydus Healthcare Limited (ZHL)
- Merger of ZHL to GRL and then name of GRL changed to ZHL.

2017

- Acquired Sentynl (USA)
- Merged Biochem with ZHL
- Demerged India Human Formulations business into ZHL
- PRP stepped down as MD

2018

- Acquired Acme Pharma-Rs. 53 cr
- Divested stake of German subsidiary (Rs. 70 cr)
- Divested 25% stake from Bayer, JV Company-

Important Milestones

2019

- Acquired Heinz through ZWL (Rs. 4,667.36 cr)
- Converted ZW partnership into a company
- Merged Heinz with converted company
- Demerged a division of ZHL into Acme (GRPPL)

2020

- Merged 4 WOS into ZLL
- Sold Animal Healthcare Business (Rs. 2,921 cr)
- Exited from Windlas (Rs. 102 cr)

2021

- Acquired 12.17% shares for Wind, Solar and Hybrid energy (Rs. 13 cr)
- Term of Bayer JV extended for 3 years

2022

- Buyback of equity shares (Rs. 750 cr)

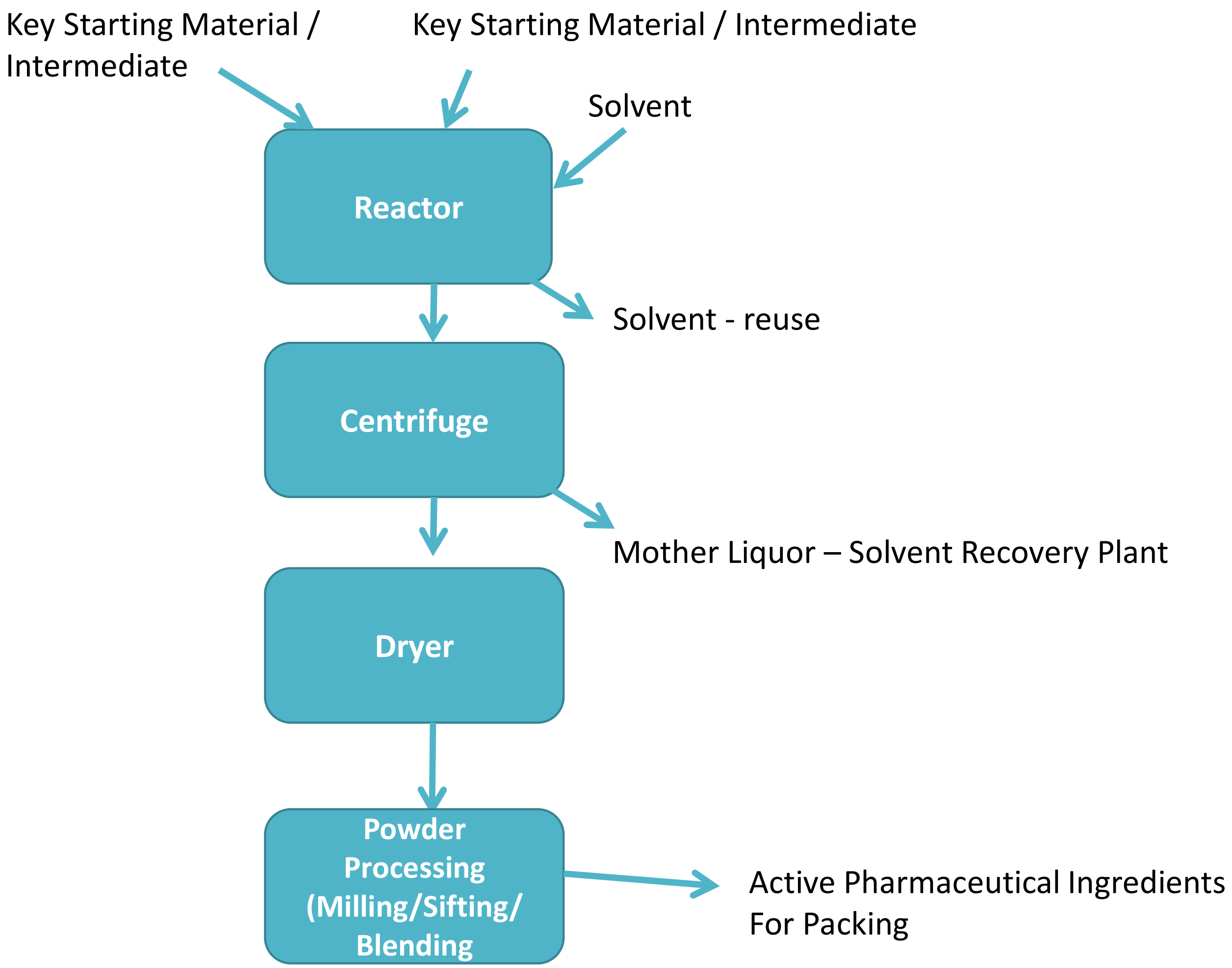
2023

- Acquired Mylabs (Rs. 106 cr)
- Acquired 5 companies in UK (Rs. 707 cr)

2024

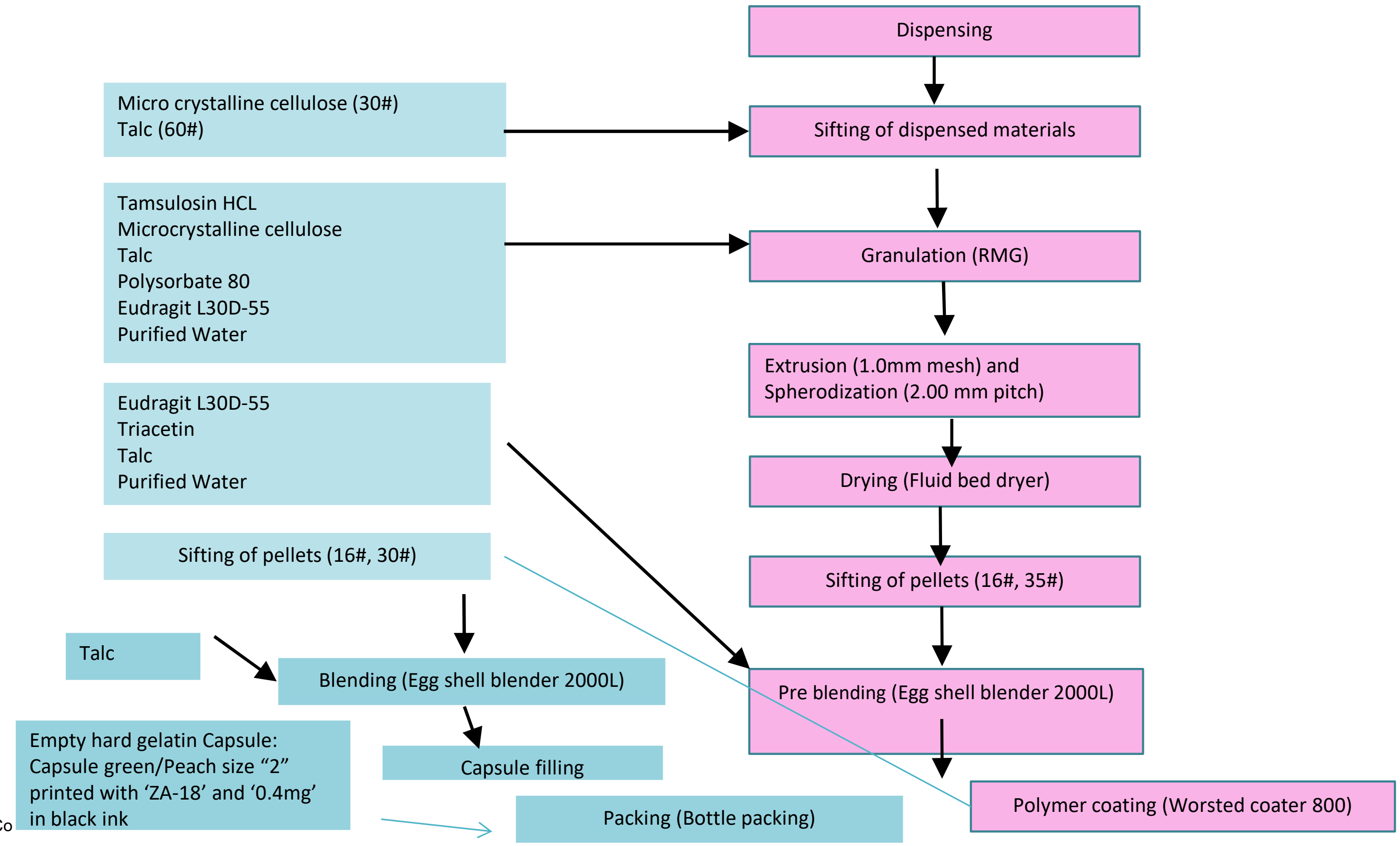
- Exited from Bayer JV (Rs. 282 cr)
- Acquired Zokinvy (Rs. 375 cr)
- Buyback of equity shares (Rs. 600 cr)
- Acquired 50% stake of Sterling Biotech (Rs. 685 cr)

API Process Chart



Formulation Manufacturing Process Chart

Product Name: Tamsulosin HCL Capsules USP 0.4 mg
Batch Size: 1400000 Capsules



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Compliance and Disclosures (1/2)

- The Company provides regular intimations to the Stock Exchanges about various events taking place in the Company, which are material in nature. The same are informed to the Directors.
- The Company makes all statutory disclosures in its Annual Report and considers the views and observations of all Directors before it is finalized and circulated to the stakeholders.
- The Company has robust system of compliance and a detailed compliance report is presented to the Directors.
- The Company provides sufficient information and material as a part of board agenda to take an informed decision.
- The Managing Director and the CFO make presentations at every Board meeting.
- The Company also hosts an investor call after the quarterly results are submitted to the stock exchanges.

Compliance and Disclosures (2/2)

- The Audit Committee has appointed firm of independent internal auditors (EY) and Pricewaterhousecoopers (PwC) and their reports on observations are presented and discussed at length at every Audit Committee meeting. The audit programs of internal auditors are finalized after taking into consideration the areas proposed by the members of the Audit Committee and Board.

- The Statutory Auditors provide their limited review reports at every quarterly meeting, which give satisfaction to the Directors about the compliance of accounting principles, standards and guidelines.

- The Cost Auditors provide their cost audit report on yearly basis.

- The Company has robust governance system and the management reviews the businesses and supportive functions at periodic review meetings.

Internal Control System

- Organization-wide SOPs and policies to govern and control various operations
- Strong IT systems-SAP, in-house developed automated workflows
- Regular audit of internal controls and adherence to the SOPs and policies-by external independent auditors (E&Y) and internal team (Mgmt. Audit team)
- Rigorous cost controls-budgeting and concurrence systems
- Robust review and monitoring systems for business performance and health of the business-
  - Monthly MPRMs, one on one meetings
  - Half Yearly Review meetings
  - Annual Chairman's Annual Meeting
  - Periodic capex committee meetings
- Risk management-regular review of critical risks, identification of mitigation plans and monitoring of implementation thereof by Risk Management Committee
- Operation of vigil mechanism and whistler blower policy

Roles of Independent Directors

Roles of Independent Directors (Schedule IV to the Companies Act, 2013 (“the Act”)):

An ID shall:

1. help in bringing an **independent judgement** on the Board’s deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct,
2. bring an **objective view in the evaluation of the performance** of Board and management,
3. scrutinize the **performance of management** in meeting agreed goals and objectives and monitor the reporting of performance,
4. satisfy himself on the **integrity of financial information** and that financial controls and the systems of risk management are robust and defendable,
5. **safeguard interests** of all stakeholders, particularly the minority shareholders,
6. **balance the conflicting interest** of the stakeholders,
7. determine **appropriate levels of remuneration** of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management and
8. **moderate and arbitrage** in the interest of the company as a whole, in **situation of conflict** between management and shareholder’s interest.

Guidelines of professional conduct

Guidelines of professional conduct: (Schedule IV to the Act):

An ID shall:

1. uphold **ethical standards** of integrity and probity,
2. act **objectively and constructively** while exercising duties,
3. exercise responsibilities in **bona fide manner** in the interest of the company,
4. devote sufficient time and attention to **professional obligations** for informed and balanced decision making,
5. not allow any extraneous considerations that will **vitiate his / her exercise of objective independent judgement** in paramount interest of the company as a whole, while concurring in or dissenting from the collective judgement of the Board in its decision making,
6. not abuse his / her position to the **detriment of the company** or shareholders or for **personal advantage** or advantage for any associated person,
7. refrain from any action which can lead to **loss of independence**,
8. where circumstances arise which make an independent director **lose his independence**, the ID must **immediately inform** the Board accordingly and
9. assist the company in **implementing the best corporate governance practices**.

Responsibilities and Duties (1/2)

Responsibilities and Duties: (Schedule IV to the Act):

An ID shall:

1. undertake appropriate induction and **regularly update and refresh their skills, knowledge and familiarity** with the company;
2. **seek appropriate clarification or amplification** of information and, where necessary, take and follow appropriate professional advice and **opinion of outside experts** at the expense of the company;
3. strive to **attend all meetings of the Board of Directors** and of the Board committees of which he is a member;
4. **participate constructively and actively** in the committees of the Board in which they are chairpersons or members;
5. strive to **attend the general meetings** of the company;
6. where they have **concerns** about the running of the company or a proposed action, ensure that these **are addressed by the Board** and, to the extent that they are not resolved, insist that their **concerns are recorded in the minutes** of the Board meeting;
7. keep themselves **well informed about the company** and the external environment in which it operates;
8. not to **unfairly obstruct the functioning** of an otherwise proper Board or committee of the Board;

Responsibilities and Duties (2/2)

9. pay **sufficient attention** and ensure that adequate deliberations are held before approving **related party transactions** and assure themselves that the same are in the interest of the company;

10. ascertain and ensure that the company has an **adequate and functional vigil mechanism** and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;

11. **report concerns about unethical behavior**, actual or suspected **fraud** or **violation of the company's code of conduct or ethics policy**;

12. **act within their authority**, assist in protecting the legitimate interests of the company, shareholders and its employees;

13. **not disclose confidential information**, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

Thank you