

Company Registration No. 285240 (Republic of Ireland)

ZYDUS INTERNATIONAL PRIVATE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

ZYDUS INTERNATIONAL PRIVATE LIMITED

COMPANY INFORMATION

Directors	K K Patel G Hirani P Solanki U Shah
Secretary	CBF Secretarial Ltd
Company number	285240
Registered office	FDW House Blackthorn Business Park Coes Road Dundalk Co. Louth
Auditor	UHY Farrelly Dawe White Limited FDW House Blackthorn Business Park Coes Road Dundalk Co. Louth Ireland
Bankers	Barclays Bank plc Knightsbridge International Banking Centre PO Box 391 38 Hans Crescent Knightsbridge UK SW1X OLZ BNP Paribas Centre d'Affaires Paris Ag-Centrale Enterprises 1, Boulevard Haussmann 75009 Paris France 9EME

ZYDUS INTERNATIONAL PRIVATE LIMITED

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ZYDUS INTERNATIONAL PRIVATE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their annual report and financial statements for the year ended 31 December 2020.

Principal activities

The principal activity of the company continued to be that of an investment holding company for the global investments of Cadila Healthcare Limited (CHL), India.

Fair review of the business

The results for the year and the financial position at the year end were considered satisfactory by the directors.

Principal risks and uncertainties

The principal risks and uncertainties faced by the company are that the subsidiaries maintain their underlying value and loans to subsidiaries are fully recoverable.

Directors and secretary

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

K K Patel
G Hirani
P Solanki
U Shah

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Accounting records

The company's directors are aware of their responsibilities, under sections 281 to 285 of the Companies Act 2014 as to whether in their opinion, the accounting records of the company are sufficient to permit the financial statements to be readily and properly audited and are discharging their responsibility by ensuring that sufficient resources are available for the task and coordinating with the companies.

The accounting records are held at the company's registered office, FDW House, Blackthorn Business Park, Coes Road, Dundalk, Co. Louth.

Post reporting date events

In February 2021, the company passed a resolution to reduce the nominal value of its shares by €0.337743 each. The revised nominal value of shares is €1.1251 each.

Future developments

The company plans to continue its business of an investment holding company for investments of Cadila Healthcare Limited.

Auditor

In accordance with the Companies Act 2014, section 383(2), UHY Farrelly Dawe White Limited continue in office as auditors of the company.

ZYDUS INTERNATIONAL PRIVATE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of disclosure to auditor

Each of the directors in office at the date of approval of this annual report confirms that:

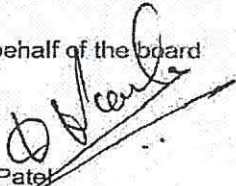
- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 330 of the Companies Act 2014.

COVID 19 Impact

Zydus Group believes that the impact of Covid-19 on its business, assets, internal financial controls, profitability and liquidity, both present and future, would be limited and there is no indication of any material impact on the carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets (including loans).

On behalf of the board



K K Patel
Director
21 May 2021



G Hirani
Director

ZYDUS INTERNATIONAL PRIVATE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors are responsible for preparing the Annual Report and the financial statements in accordance with Irish law and regulations.

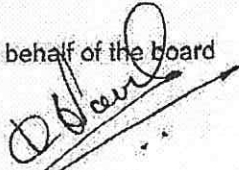
Irish company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for that financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board


K K Patel
Director
21 May 2021


G Hiran
Director

ZYDUS INTERNATIONAL PRIVATE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF ZYDUS INTERNATIONAL PRIVATE LIMITED

Opinion

We have audited the financial statements of Zydus International Private Limited (the 'company') for the year ended 31 December 2020 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. 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 ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

ZYDUS INTERNATIONAL PRIVATE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF ZYDUS INTERNATIONAL PRIVATE LIMITED

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that in our opinion:

- the information given in the directors' report is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

We have nothing to report in respect of our obligation under the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act are not made.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

ZYDUS INTERNATIONAL PRIVATE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF ZYDUS INTERNATIONAL PRIVATE LIMITED

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 ISAs (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/International-Standards-on-Auditing-\(Ireland\)/ISA-700-\(Ireland\)](http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/International-Standards-on-Auditing-(Ireland)/ISA-700-(Ireland)). This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's member in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member for our audit work, for this report, or for the opinions we have formed.


Michael Bellew

for and on behalf of UHY Farrelly Dawe White Limited

Chartered Certified Accountants

Statutory Auditor

FDW House
Blackthorn Business Park
Coes Road
Dundalk
Co. Louth
Ireland

21 May 2021

ZYDUS INTERNATIONAL PRIVATE LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

		2020	2019
	Notes	€	€
Turnover	3	2,840,734	4,516,163
Administrative expenses		(42,308)	(123,253)
Other operating (expenses)/income		(3,315,046)	857,831
Operating (loss)/profit	4	(516,620)	5,250,741
Interest receivable and similar income	5	340	7,741
Interest payable and similar expenses	6	(3,085,906)	(3,850,073)
(Loss)/profit before taxation		(3,602,186)	1,408,409
Tax on (loss)/profit	7	-	-
(Loss)/profit for the financial year		(3,602,186)	1,408,409

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

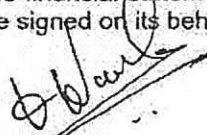
ZYDUS INTERNATIONAL PRIVATE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		€	€	€	€
Fixed assets					
Financial assets	8		10,063,975		10,063,975
Current assets					
Debtors	10	169,666,662		167,323,496	
Cash at bank and in hand		391,919		940,468	
		<u>170,058,581</u>		<u>168,263,964</u>	
Creditors: amounts falling due within one year	11	<u>(118,954,721)</u>		<u>(113,557,918)</u>	
Net current assets			<u>51,103,860</u>		<u>54,706,046</u>
Total assets less current liabilities			<u><u>61,167,835</u></u>		<u><u>64,770,021</u></u>
Capital and reserves					
Called up share capital presented as equity	13		91,194,303		91,194,303
Other reserves	14		(103,107)		(103,107)
Profit and loss reserves	15		<u>(29,923,361)</u>		<u>(26,321,175)</u>
Total equity			<u><u>61,167,835</u></u>		<u><u>64,770,021</u></u>

The financial statements were approved by the board of directors and authorised for issue on 21 May 2021 and are signed on its behalf by:


K K Patel
Director


G Hirani
Director

ZYDUS INTERNATIONAL PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital	Other reserves	Profit and loss reserves	Total
	€	€	€	€
Balance at 1 January 2019	91,194,303	(103,107)	(27,729,584)	63,361,612
Year ended 31 December 2019:				
Profit and total comprehensive income for the year	-	-	1,408,409	1,408,409
Balance at 31 December 2019	<u>91,194,303</u>	<u>(103,107)</u>	<u>(26,321,175)</u>	<u>64,770,021</u>
Year ended 31 December 2020:				
Loss and total comprehensive income for the year	-	-	(3,602,186)	(3,602,186)
Balance at 31 December 2020	<u><u>91,194,303</u></u>	<u><u>(103,107)</u></u>	<u><u>(29,923,361)</u></u>	<u><u>61,167,835</u></u>

ZYDUS INTERNATIONAL PRIVATE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020		2019	
		€	€	€	€
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	19	10,073,198		(24,877,491)	
Interest paid		(3,085,906)		(3,850,073)	
Income taxes paid		-		(43,875)	
Net cash inflow/(outflow) from operating activities		6,987,292		(28,771,439)	
Investing activities					
Proceeds on disposal of subsidiaries		-	480,344		
Proceeds from other investments and loans		-	(97)		
Interest received		340	7,741		
Net cash generated from investing activities			340		487,988
Financing activities					
(Repayment)/ Proceeds of borrowings		-	(61,912,341)		
(Repayment)/ Proceeds of bank loans		(7,536,181)	89,698,007		
Net cash (used in)/generated from financing activities		(7,536,181)		27,785,666	
Net decrease in cash and cash equivalents		(548,549)		(497,785)	
Cash and cash equivalents at beginning of year		940,468		1,438,253	
Cash and cash equivalents at end of year		391,919		940,468	

ZYDUS INTERNATIONAL PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Zydus International Private Limited is a limited company domiciled and incorporated in Republic of Ireland. The registered office is FDW House, Blackthorn Business Park, Coes Road, Dundalk, Co. Louth and its company registration number is 285240.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2014.

The financial statements are prepared in euro, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest €.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 300 of the Companies Act 2014 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Zydus International Private Limited is a wholly owned subsidiary of Cadila Healthcare Limited, a company incorporated in India. The results of Zydus International Private Limited are included in the consolidated financial statements of Cadila Healthcare Limited.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

As the company is an investment holding company, its income is comprised of investment income.

Interest Income

Revenue is recognised as interest accrues using the effective interest method.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.5 Cash at bank and in hand

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

ZYDUS INTERNATIONAL PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

Other financial assets

Other financial assets, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting period end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

ZYDUS INTERNATIONAL PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Other financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.9 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All realised differences are taken to profit and loss account.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Accruals

Accruals by their nature are liabilities with an uncertain timing or amount. These accruals require management's best estimate in relation to the future cash outflows likely to arise in connection with obligations existing at the reporting date.

ZYDUS INTERNATIONAL PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2020 €	2019 €
Turnover analysed by class of business		
Interest Income	2,840,734	4,516,163
	<u> </u>	<u> </u>
	2020 €	2019 €
Other significant revenue		
Bank Interest	340	7,741
	<u> </u>	<u> </u>
	2020 €	2019 €
Turnover analysed by geographical market		
Europe	61,237	61,760
Africa	11,553	13,196
South America	18,582	22,173
Middle East	2,749,362	4,419,034
	<u> </u>	<u> </u>
	2,840,734	4,516,163
	<u> </u>	<u> </u>

4 Operating (loss)/profit

	2020 €	2019 €
Operating (loss)/profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	3,315,046	(857,831)
	<u> </u>	<u> </u>

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to €3,315,046 (2019 - €857,831).

5 Interest receivable and similar income

	2020 €	2019 €
Interest income		
Interest on bank balances	340	7,741
	<u> </u>	<u> </u>

6 Interest payable and similar expenses

	2020 €	2019 €
Interest on financial liabilities measured at amortised cost:		
Interest on loans from bank and group undertakings	3,085,906	3,850,073
	<u> </u>	<u> </u>

ZYDUS INTERNATIONAL PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Taxation

The actual charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2020 €	2019 €
(Loss)/profit before taxation	(3,602,186)	1,408,409
Expected tax (credit)/charge based on the standard rate of corporation tax of 12.50% (2019: 12.50%)	(450,273)	176,051
Tax effect of expenses that are not deductible in determining taxable profit	391,027	496,632
Foreign exchange differences	414,380	(107,229)
Deposit interest	(355,134)	(565,454)
Taxation charge for the year	-	-

8 Financial assets

	Notes	2020 €	2019 €
Investments in subsidiaries	9	10,063,975	10,063,975

Movements in fixed asset investments

	Shares in group undertakings €
Cost or valuation	
At 1 January 2020 & 31 December 2020	10,063,975
Carrying amount	
At 31 December 2020	10,063,975
At 31 December 2019	10,063,975

ZYDUS INTERNATIONAL PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Subsidiaries

Details of the company's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
* Zydus Pharmaceuticals Mexico SA de CV	Mexico	Developing, Manufacturing and Marketing a wide range of pharmaceutical products	Ordinary Shares	100.00	-
* Zydus Pharmaceuticals Mexico Service co. SA de CV	Mexico	Render administrative and personnel services to its affiliated company	Ordinary Shares	100.00	-

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	€	€
* Zydus Pharmaceuticals Mexico SA de CV	(25,309,186)	(73,350,761)
* Zydus Pharmaceuticals Mexico Service co. SA de CV	1,488,633	(698,462)

* Including one share each held by a director as a nominee of the company. The beneficial interest lies with the company.

The aggregate capital and reserves and the result for the year are presented in Mexican Pesos.

10 Debtors

	2020	2019
Amounts falling due within one year:	€	€
Amounts owed by group undertakings	169,666,662	167,323,496

11 Creditors: amounts falling due within one year

	Notes	2020	2019
		€	€
Amounts owed to credit institutions	12	82,161,826	89,698,007
Amounts owed to group undertakings		36,038,254	23,618,119
Accruals		754,641	241,792
		<u>118,954,721</u>	<u>113,557,918</u>

ZYDUS INTERNATIONAL PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Loans	2020 €	2019 €
Bank loans	82,161,826	89,698,007
Payable within one year	82,161,826	89,698,007
13 Share capital	2020 €	2019 €
Ordinary share capital		
Authorised equity		
100,000,000 Ordinary shares of €1.462843 each	146,284,300	146,284,300
Issued and fully paid equity		
62,340,458 Ordinary shares of €1.462843 each	91,194,303	91,194,303
Preference share capital		
Authorised equity		
150,000,000 Optionally convertible preference shares of €1 each	150,000,000	150,000,000
14 Other reserves		Foreign exchange reserve €
Balance at 1 January 2019		(103,107)
Balance at 31 December 2019		(103,107)
Balance at 31 December 2020		(103,107)
15 Profit and loss reserves	2020 €	2019 €
At the beginning of the year	(26,321,175)	(27,729,584)
(Loss)/profit for the year	(3,602,186)	1,408,409
At the end of the year	(29,923,361)	(26,321,175)

ZYDUS INTERNATIONAL PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

16 Events after the reporting date

In February 2021, the company passed a resolution to reduce the nominal value of its shares by €0.337743 each. The revised nominal value of shares is €1.1251 each.

17 Related party transactions

Transactions with related parties

The company is availing of the exemption from disclosing transactions with wholly owned group members granted by Section 33 Related Party Disclosures of FRS 102.

	2020 Balance €
Amounts owed by related parties	
Entities over which the entity has control, joint control or significant influence	4,016,534
Other related parties	165,650,128
	<u>169,666,662</u>
	2019 Balance €
Amounts owed in previous period	
Entities over which the entity has control, joint control or significant influence	5,224,492
Other related parties	162,099,004
	<u>167,323,496</u>

18 Ultimate controlling party

The ultimate parent company is Cadila Healthcare Limited, a company incorporated and registered in India.

ZYDUS INTERNATIONAL PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

19 Cash generated from/(absorbed by) operations

	2020 €	2019 €
(Loss)/profit for the year after tax	(3,602,186)	1,408,409
Adjustments for:		
Finance costs	3,085,906	3,850,073
Investment income	(340)	(7,741)
Movements in working capital:		
Increase in debtors	(2,343,166)	(36,687,204)
Increase in creditors	12,932,984	6,558,972
Cash generated from/(absorbed by) operations	<u>10,073,198</u>	<u>(24,877,491)</u>

20 Analysis of changes in net debt

	1 January 2020 €	Cash flows €	31 December 2020 €
Cash at bank and in hand	940,468	(548,549)	391,919
Borrowings excluding overdrafts	(89,698,007)	7,536,181	(82,161,826)
	<u>(88,757,539)</u>	<u>6,987,632</u>	<u>(81,769,907)</u>

21 Approval of financial statements

The directors approved the financial statements on the 21 May 2021

ZYDUS INTERNATIONAL PRIVATE LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

ZYDUS INTERNATIONAL PRIVATE LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	€	€
Turnover		
Interest Income	2,840,734	4,516,163
Other operating income		
Exchange differences arising on trading transactions	(3,315,046)	857,831
Administrative expenses	(42,308)	(123,253)
Operating (loss)/profit	<u>(516,620)</u>	<u>5,250,741</u>
Investment revenues		
Bank interest received	<u>340</u>	<u>7,741</u>
	340	7,741
Interest payable and similar expenses		
Bank interest on loans	(3,085,906)	(3,850,073)
(Loss)/profit before taxation	<u><u>(3,602,186)</u></u>	<u><u>1,408,409</u></u>

ZYDUS INTERNATIONAL PRIVATE LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	€	€
Administrative expenses		
Travelling expenses	-	11,352
Legal and professional fees	32,124	100,432
Consultancy fees	674	2,146
Audit fees	8,011	7,632
VAT	-	139
Bank charges	1,499	1,552
	<u>42,308</u>	<u>123,253</u>
