



R. B. Sharma & Co.

Chartered Accountants

B-2, NEEL SADAN, 1426, GROUND FLOOR,
SADASHIV PETH, PUNE - 411 030.
TEL. : 020 - 24477595 / 24472405
E-mail : rbsharmaandco@gmail.com

Certificate on translated version of material subsidiary audited financial statements

Date: 26 June 2024

To,

The Board of Directors
Emcure Pharmaceuticals Limited
Plot No. P-1 & P-2, IT-BT Park
Phase-II, M.I.D.C.
Hinjawadi, Pune – 411 057
Maharashtra, India

Tillomed Laboratories Limited
220 Butterfield
Great Marlings
Luton
LU2 8DK
United Kingdom

Re: Proposed initial public offering of equity shares (the “Equity Shares”) of Emcure Pharmaceuticals Limited (the “Company” and such offering, the “Offer”)

Dear Sirs,

We have verified the translated version of the audited standalone financial statements of **Tillomed Laboratories Limited**. (the “Company”) for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 (“Financial Years”). These financial statements have been translated by the Company in Indian Rupee in accordance with Ind AS 21, ‘The Effect of Changes in Foreign Currency Rates’. The work carried out by us is in accordance with the Standard on Related Services (SRS) 4400, “Engagements to Perform Agreed-upon Procedures regarding Financial Information” issued by the Institute of Chartered Accountants of India.

As required under Schedule VI Part A item no.(11)(I)(A)(ii)(b) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), we have verified the translated financial information contained in the Annexure attached to this certificate which is proposed to be uploaded on the website of **Emcure Pharmaceuticals Limited** in connection with its proposed initial public offering of equity shares of Rs. 10/- each (the “Offer”).

We did not audit the standalone financial statements of **Tillomed Laboratories Limited**. These financial statements have been audited by other audit firms, whose reports have been furnished to us by the Company.

These translated financials should not in any way be construed as a reissuance or re-dating of any of the previous audit reports, nor should these be construed as a new opinion on any of the audited standalone financial statements referred to herein.

These translated financials are intended solely for use of the management for uploading on website of **Emcure Pharmaceuticals Limited** in connection with its Offer.



Based on our examination, we confirm that the information in this certificate is true, fair, correct, accurate and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.


Restriction on use

This certificate has been provided by M/s. R.B. Sharma and Co., Chartered Accountants, at the request of Emcure Pharmaceuticals Limited and solely for the information of **Kotak Mahindra Capital Company Limited, Axis Capital Limited, Jefferies India Private Limited, J.P. Morgan India Private Limited** and any other book running lead managers appointed by Emcure Pharmaceuticals Limited (collectively referred to as the "Book Running Lead Managers" or the "BRLMs") to assist them in conducting their due-diligence and documenting their investigations of the affairs of Emcure Pharmaceuticals Limited in connection with the proposed Offer. This certificate may be relied on by the BRLMs, their affiliates and legal counsel in relation to the Offer.

This certificate is not intended for general circulation or publication and is not to be reproduced or used for any other purpose without our prior consent in writing, other than for the purpose stated above. We, however, hereby give consent for inclusion of our name and this information (in full or in part) in the Red Herring Prospectus and Prospectus proposed to be filed by Emcure Pharmaceuticals Limited with the Securities and Exchange Board of India ("SEBI"), the stock exchanges where the Equity Shares of Emcure Pharmaceuticals Limited are proposed to be listed (the "Stock Exchanges") and the Registrar of Companies, Maharashtra at Pune ("RoC") and any other material used in connection with the Offer and submission of this certificate to SEBI, Stock Exchanges, or RoC in connection with the proposed Offer, as the case may be. Additionally, we hereby give our consent for the submission of this certificate to any other regulatory authority as may be required under applicable law in connection with the proposed Offer, as the case may be.

Yours Sincerely,

For
M/s R.B. Sharma and Co.
Chartered Accountants
ICAI Firm Registration No:109971W


Madhavan N Iyengar
Partner
Membership No. 044366
UDIN: 24044366BKBPBG2532



CC:

Khaitan & Co
10th & 13th Floors, Tower 1C
One World Centre
841, Senapati Bapat Marg
Mumbai 400 013
Maharashtra, India

Shardul Amarchand Mangaldas & Co
Express Towers
24th Floor, Nariman Point
Mumbai 400 021
Maharashtra, India

Sidley Austin LLP
Level 31
Six Battery Road
Singapore 049909

TILLOMED LABORATORIES LIMITED
Translated Version of Audited Balance Sheet

	Note	GBP			INR (million)		
		31.03.2024	31.03.2023	31.03.2022	31.03.2024	31.03.2023	31.03.2022
Fixed assets							
Intangible assets	14	961,933	795,434	1,160,688	101.22	80.62	115.57
Tangible assets	15	561,723	106,717	108,950	59.11	10.82	10.85
		1,523,656	902,151	1,269,638	160.33	91.44	126.42
Current assets:							
Stocks	16	18,324,087	19,317,528	27,945,887	1,928.09	1,957.96	2,782.55
Debtors: amounts falling due more than one year	17	8,130,135	9,901,518	8,115,000	855.47	1,003.58	808.00
Debtors: amounts falling due within one year	17	43,828,151	48,310,245	33,822,330	4,611.67	4,896.55	3,367.66
Cash at bank and in hand	18	6,535,557	1,328,274	2,428,335	687.68	134.63	241.79
		76,817,930	78,857,565	72,311,552	8,082.91	7,992.72	7,200.00
Creditors: amounts falling due within one year	19	(16,570,286)	(22,622,162)	(34,489,979)	(1,743.55)	(2,292.90)	(3,434.13)
Net current assets		60,247,644	56,235,403	37,821,573	6,339.36	5,699.82	3,765.87
Deferred tax		(128,702)	-	-	(13.54)	-	-
Net assets		61,642,598	57,137,554	39,091,211	6,486.15	5,791.26	3,892.29
Capital and reserves							
Called up share capital	21	20,801,000	20,801,000	20,801,000	2,001.30	2,001.30	2,001.30
Foreign currency translation reserve		-	-	-	449.69	223.65	72.16
Profit and loss account		40,841,598	36,336,554	18,290,211	4,035.16	3,566.31	1,818.83
		61,642,598	57,137,554	39,091,211	6,486.15	5,791.26	3,892.29

The notes form part of these financial statements.

M/s. R.B. Sharma and Co.
Chartered Accountants
ICAI Firm Registration No: 109971W


Madhavan N Iyengar
Partner
Membership No. 044366
Date: 26 June 2024
Place: Pune



For and on behalf of Tillomed laboratories Limited


Tajuddin Shaikh
Authorised Signatory
Date: 26 June 2024
Place : Pune



TILLOMED LABORATORIES LIMITED

Translated Version of Audited Statement Of Comprehensive Income

Statement of Earnings	Note	GBP		
		31.03.2024	31.03.2023	31.03.2022
Turnover	4	99,222,519	96,073,894	70,709,863
Cost of sales		(50,297,092)	(56,459,894)	(49,883,152)
Gross profit		48,925,427	39,614,000	20,826,711
Selling and distribution costs		(2,952,772)	(2,531,331)	(1,874,241)
Administrative expenses		(22,055,538)	(16,108,452)	(11,327,159)
Other operating income	5	817,133	1,191,766	3,518,462
Operating profit		24,734,250	22,165,983	11,143,773
Interest receivable	10	632,441	466,302	123,647
Interest payable	11	(143,865)	(308,930)	(145,489)
Profit/(loss) before tax		25,222,826	22,323,355	11,121,931
Tax on profit/(loss)	12	(6,213,585)	(4,277,012)	(2,132,100)
Profit for the financial year		19,009,241	18,046,343	8,989,831

	INR (million)		
	31.03.2024	31.03.2023	31.03.2022
Turnover	10,325.72	9,303.23	7,198.28
Cost of sales	(5,234.23)	(5,467.25)	(5,078.12)
Gross profit	5,091.49	3,835.98	2,120.16
Selling and distribution costs	(307.28)	(245.12)	(190.80)
Administrative expenses	(2,295.24)	(1,559.85)	(1,153.13)
Other operating income	85.04	115.40	358.18
Operating profit	2,574.01	2,146.41	1,134.41
Interest receivable	65.82	45.15	12.59
Interest payable	(14.97)	(29.91)	(14.81)
Profit/(loss) before tax	2,624.86	2,161.65	1,132.19
Tax on profit/(loss)	(646.61)	(414.17)	(217.05)
Profit for the financial year	1,978.25	1,747.48	915.14

There were no recognised gains and losses for 2024, 2023 or 2022 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2024 (2023: ENIL, 2022: ENIL).

The notes form part of these financial statements.

M/s. R.B. Sharma and Co.
Chartered Accountants
ICAI Firm Registration No: 109971W

Radhika

Madhavan N Iyengar
Partner
Membership No. 044366
Date: 26 June 2024
Place: Pune



For and on behalf of Tillomed laboratories Limited

Tajuddin Shalkh

Tajuddin Shalkh
Authorised Signatory

Date: 26 June 2024
Place : Pune



TILLOMED LABORATORIES LIMITED
Translated Version of Audited Statement Of Changes In Equity

Share capital	GBP		
	31.03.2024	31.03.2023	31.03.2022
Opening	20,801,000	20,801,000	20,801,000
Change during the year	-	-	-
Closing	20,801,000	20,801,000	20,801,000

INR (million)		
31.03.2024	31.03.2023	31.03.2022
2,001.30	2,001.30	2,001.30
-	-	-
2,001.30	2,001.30	2,001.30

Profit and loss account	GBP		
	31.03.2024	31.03.2023	31.03.2022
Opening	36,336,554	18,290,211	9,300,380
Profit for the year	19,009,241	18,046,343	8,989,831
Dividend	(14,504,197)	-	-
Closing	40,841,598	36,336,554	18,290,211

INR (million)		
31.03.2024	31.03.2023	31.03.2022
3,566.31	1,818.83	903.69
1,978.25	1,747.48	915.14
(1,509.40)	-	-
4,035.16	3,566.31	1,818.83

Foreign currency translation reserve	GBP		
	31.03.2023	31.03.2022	31.03.2021
FCTR on Share Capital			
FCTR on Profit and loss account			
Total			

INR (million)		
31.03.2024	31.03.2023	31.03.2022
187.42	107.02	69.84
262.27	116.63	2.32
449.69	223.65	72.16

The notes form part of these financial statements.

M/s. R.B. Sharma and Co.
Chartered Accountants
ICAI Firm Registration No: 109971W

Madhavan N Iyengar

Madhavan N Iyengar
Partner
Membership No. 044366
Date: 26 June 2024
Place: Pune



For and on behalf of Tillomed laboratories Limited

Tajuddin Shaikh

Tajuddin Shaikh
Authorised Signatory

Date: 26 June 2024
Place: Pune



1 General information

Tillomed Laboratories Limited is a limited liability company incorporated in England and Wales. The Company is a 100% owned subsidiary undertaking of Emcure Pharma UK Limited, registered in England and Wales.

The Company's financial and presentational currency is British pound sterling and the financial statements are presented in round pounds.

The registered office and principal place of activity is 220 Butterfield, Great Marlings, Luton, LU2 8DL.

2 Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Emcure Pharmaceuticals Limited as at 31 March 2024, 31 March 2023 and 31 March 2022 which are filed along with this entity's financial statements each year, and these financial statements may be obtained from Companies House online.

2.3 Going concern

The financial statements have been prepared on a going concern basis. The Directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of any subsequent events in making their assessment.

Based on the assessments and having regard to the resources available to the Company, the Directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the financial statements.

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.8 Interest Income

Interest income is recognised in profit or loss using the effective interest method.

2.9 Finance Cost

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.



2.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.13 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful life of licenses and software is 3 years.

2.14 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	over 10 years
Fixtures and fittings	over 10 years
Office equipment	over 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.15 Impairment of non-financial assets

At each balance sheet date non financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication, the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the assets (or asset's cash generating unit) continued use. These cash flows are discounted using a pre tax discount rate that represents the current market risk free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in order comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of impairment loss is recognised in the profit and loss account.

2.16 Impairment of non-financial assets

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.



2.17 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.18 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.19 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.20 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.21 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.22 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.23 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3 Judgments In applying accounting policies and key sources of estimation uncertainty

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

i) Impairment of intangible assets

The Company considers whether intangible assets are impaired at each balance sheet date. The estimation of the recoverable value requires assessment of the recoverable value of each intangible asset. This requires projection of the future cash flows and selection of appropriate discount rates so as to calculate the net present value of those cash flows.

ii) Stock provision

The company considers a provision against stock that has expired or close to expiry at the balance sheet date. The provision is derived by using knowledge and experience from previous years.

iii) Provision for doubtful accounts

The Company considers a provision based on recoverable value of the trade and other debtors. When assessing the impairment of trade and other debtors, management considers factors including the ageing profile of debtors and the use of knowledge and experience from previous years.



4 Turnover

The whole of the turnover is attributable to the sale of pharmaceutical products.

Analysis of turnover by country of destination:

	GBP		
	2024	2023	2022
United Kingdom	84,332,579	71,588,374	43,559,423
Rest of the world	14,889,940	24,485,520	27,150,440
	99,222,519	96,073,894	70,709,863

	INR (million)		
	2024	2023	2022
	8,776.18	6,932.20	4,434.36
	1,549.54	2,371.01	2,761.02
	10,325.72	9,303.23	7,195.38

5 Other operating income

	GBP		
	2024	2023	2022
Intercompany recharges	817,133	843,311	807,013
Sale of licences	-	348,455	2,711,449
	817,133	1,191,766	3,518,462

	INR (million)		
	2024	2023	2022
	85.04	81.66	82.15
	-	33.74	276.03
	85.04	115.40	358.18

6 Operating profit

The operating profit is stated after charging:

	GBP		
	2024	2023	2022
Exchange differences	329,064	(371,063)	455,375
Other operating lease rentals	149,340	73,408	111,906
	478,404	(297,655)	567,281

	INR (million)		
	2024	2023	2022
	34.24	(35.93)	46.36
	15.54	7.11	11.39
	49.78	(28.82)	57.75

7 Auditor's remuneration

	GBP		
	2024	2023	2022
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	46,000	46,108	43,000

	INR (million)		
	2024	2023	2022
	4.79	4.46	4.38

8 Employees

Staff costs, including Directors' remuneration, were as follows:

	GBP		
	2024	2023	2022
Wages and salaries	8,539,684	5,231,727	3,481,836
Social security costs	771,310	573,249	348,807
Cost of defined contribution scheme	236,591	162,270	115,891
	9,547,585	5,967,246	3,946,534

	INR (million)		
	2024	2023	2022
	888.69	506.61	354.45
	80.27	55.51	35.51
	24.62	15.71	11.80
	104.89	71.22	47.31

The average monthly number of employees, including the Directors, during the year was as follows:

	Nu.		
	2024	2023	2022
Marketing and technical	39	39	32
Administration and production	9	9	9
	48	48	41

9 Directors' remuneration

	GBP		
	2024	2023	2022
Directors' remuneration	632,441	1,307,896	629,377
	634,465	1,309,919	631,399

	INR (million)		
	2024	2023	2022
	65.82	126.65	64.07
	65.82	126.65	64.07

The highest paid Director received remuneration of £632,441 [INR 65.82 million] (2023: £1,307,896 [INR 126.65 million], 2022: £629,377 [INR 64.07 million]).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to ENIL (2023 - ENIL, 2022 - ENIL).

10 Interest receivable

	GBP		
	2024	2023	2022
Non bank loan interest receivable	632,441	466,302	123,647

	INR (million)		
	2024	2023	2022
	65.82	45.15	12.59

11 Interest payable and similar expenses

	GBP		
	2024	2023	2022
Bank interest payable	129,072	308,930	145,489
Other interest payable	14,793	-	-
	143,865	308,930	145,489

	INR (million)		
	2024	2023	2022
	13.43	29.91	14.81
	1.54	-	-
	14.97	29.91	14.81



12 Taxation

	2024	GBP 2023	2022
Current tax			
Current tax on profits for the year	6,060,889	4,279,172	2,143,316
Total current tax	6,060,889	4,279,172	2,143,316
Deferred tax			
Origination and reversal of timing differences	152,696	(2,160)	(11,216)
Taxation on profit/(loss) on ordinary activities	6,213,585	4,277,012	2,132,100

	INR (million)		
	2024	2023	2022
Current tax			
Current tax on profits for the year	630.72	414.38	218.19
Total current tax	630.72	414.38	218.19
Deferred tax			
Origination and reversal of timing differences	15.89	(0.21)	(1.14)
Taxation on profit/(loss) on ordinary activities	646.61	414.17	217.05

Factors affecting tax charge for the year

The tax assessed for the year is different than the standard rate of corporation tax in the UK. The differences are explained below:

	2024	GBP 2023	2022
Profit/(loss) on ordinary activities before tax	25,272,826	22,323,355	11,121,931
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2023 - 19%, 2022 - 19%)	6,305,707	4,241,437	2,113,167
Effects of:			
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,182	53,269	30,149
Capital allowances for year in excess of depreciation	(70,201)	(15,534)	-
Movements in deferred tax	152,696	(2,160)	(11,216)
Non-taxable credits	(7,355)	-	-
Group relief	(170,444)	-	-
Total tax charge for the year	6,213,585	4,277,012	2,132,100

	INR (million)		
	2024	2023	2022
Profit/(loss) on ordinary activities before tax	2,624.85	2,161.66	1,132.22
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2023 - 19%, 2022 - 19%)	656.21	410.72	215.12
Effects of:			
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	0.33	5.16	3.07
Capital allowances for year in excess of depreciation	(7.31)	(1.50)	-
Movements in deferred tax	15.89	(0.21)	(1.14)
Non-taxable credits	(0.77)	-	-
Group relief	(17.74)	-	-
Total tax charge for the year	646.61	414.17	217.05

13 Dividend

	2024	GBP 2023	2022
Dividend Paid	14,504,197	-	-
Total tax charge for the year	14,504,197	-	-

	INR (million)		
	2024	2023	2022
Dividend Paid	1,509.40	-	-
Total tax charge for the year	1,509.40	-	-

14 Intangible assets

	Licences	GBP Computer software	Total
Cost			
As at 1 April 2021	1,950,550	153,600	2,104,150
Additions	188,996	-	188,996
Disposal	-	-	-
Foreign currency translation reserve	-	-	-
As at 31 March 2022	2,139,546	153,600	2,293,146
Additions			
Disposal	(18,415)	-	(18,415)
Foreign currency translation reserve	-	-	-
As at 31 March 2023	2,121,131	153,600	2,274,731
Additions			
Disposal	348,078	9,533	357,611
Foreign currency translation reserve	-	-	-
As at 31 March 2024	2,469,209	163,133	2,632,342
Amortisation			
As at 1 April 2021	620,415	153,600	774,015
Charge for the period	358,443	-	358,443
Impairment charge	-	-	-
Foreign currency translation reserve	-	-	-
As at 31 March 2022	978,858	153,600	1,132,458
Charge for the period	280,738	-	280,738
Impairment charge	66,101	-	66,101
Foreign currency translation reserve	-	-	-
As at 31 March 2023	1,325,697	153,600	1,479,297
Charge for the period	-	-	-
Impairment charge	191,112	-	191,112
Foreign currency translation reserve	-	-	-
As at 31 March 2024	1,516,809	153,600	1,670,409
Net Book Value			
As at 31 March 2022	1,160,688	-	1,160,688
As at 31 March 2023	795,434	-	795,434
As at 31 March 2024	952,400	9,533	961,933

	Licences	INR (million) Computer software	Total
Cost			
As at 1 April 2021	196.64	15.48	212.12
Additions	18.82	-	18.82
Disposal	-	-	-
Foreign currency translation reserve	(2.43)	(0.19)	(2.62)
As at 31 March 2022	213.03	15.29	228.32
Additions			
Disposal	(1.87)	-	(1.87)
Foreign currency translation reserve	3.83	0.28	4.11
As at 31 March 2023	214.99	15.57	230.56
Additions			
Disposal	36.22	0.99	37.21
Foreign currency translation reserve	-	-	-
As at 31 March 2024	259.81	17.17	276.98
Amortisation			
As at 1 April 2021	62.55	15.48	78.03
Charge for the period	36.49	-	36.49
Impairment charge	-	-	-
Foreign currency translation reserve	(1.58)	(0.19)	(1.77)
As at 31 March 2022	97.46	15.29	112.75
Charge for the period	27.19	-	27.19
Impairment charge	6.40	-	6.40
Foreign currency translation reserve	3.32	0.28	3.60
As at 31 March 2023	134.37	15.57	149.94
Charge for the period	-	-	-
Impairment charge	19.89	-	19.89
Foreign currency translation reserve	5.34	0.59	5.93
As at 31 March 2024	159.60	16.16	175.76
Net Book Value			
As at 31 March 2022	115.57	-	115.57
As at 31 March 2023	80.62	-	80.62
As at 31 March 2024	100.21	1.01	101.22



15 Tangible fixed assets

	GBP					INR (million)				
	Leasehold Improvement	Plant and machinery	Fixtures and fittings	Office equipment	Total	Leasehold Improvement	Plant and machinery	Fixtures and fittings	Office equipment	Total
Cost										
As at 1 April 2021	-	20,110	183,577	200,465	404,152	-	2.03	18.51	20.21	40.75
Additions	-	-	-	11,839	11,839	-	-	(0.23)	1.18	1.18
Foreign currency translation reserve	-	-	-	-	-	-	(0.03)	(0.23)	(0.25)	(0.51)
As at 31 March 2022	-	20,110	183,577	212,304	415,991	-	2.00	18.28	21.14	41.42
Additions	-	-	-	28,396	28,396	-	-	-	2.88	2.88
Foreign currency translation reserve	-	-	-	-	-	-	0.04	0.33	0.38	0.75
As at 31 March 2023	-	20,110	183,577	240,700	444,387	-	2.04	18.61	24.40	45.05
Additions	468,467	-	-	3,803	472,270	48.75	-	-	0.40	49.15
Transfers between classes	-	-	41,949	-	41,949	-	-	4.37	-	4.37
Foreign currency translation reserve	-	-	-	-	-	0.54	0.08	0.75	0.93	2.30
As at 31 March 2024	468,467	20,110	225,526	244,503	958,606	49.29	2.12	23.73	25.73	100.87
Depreciation										
As at 1 April 2021	-	20,110	75,474	177,507	273,091	-	2.03	7.61	17.90	27.54
Charge for the year	-	-	17,951	15,999	33,950	-	-	1.83	1.63	3.46
Foreign currency translation reserve	-	-	-	-	-	-	(0.03)	(0.14)	(0.26)	(0.43)
As at 31 March 2022	-	20,110	93,425	193,506	307,041	-	2.00	9.30	19.27	30.57
Charge for the year	-	-	17,951	12,678	30,629	-	-	1.74	1.23	2.97
Foreign currency translation reserve	-	-	-	-	-	-	0.04	0.25	0.40	0.69
As at 31 March 2023	-	20,110	111,376	206,184	337,670	-	2.04	11.29	20.90	34.23
Charge for the year	23,423	-	20,048	15,742	59,213	2.44	-	2.09	1.64	6.17
Foreign currency translation reserve	-	-	-	-	-	0.02	0.08	0.45	0.81	1.36
As at 31 March 2024	23,423	20,110	131,424	221,926	396,883	2.46	2.12	13.83	23.35	41.76
Net Book Value										
As at 31 March 2022	-	-	90,152	18,798	108,950	-	-	8.98	1.87	10.85
As at 31 March 2023	-	-	72,201	34,516	106,717	-	-	7.32	3.50	10.82
As at 31 March 2024	445,044	-	94,102	22,577	561,723	46.83	-	9.90	2.38	59.11

16 Stocks

	GBP			INR (million)		
	2024	2023	2022	2024	2023	2022
Raw materials and consumables	539,235	368,668	84,629	56.74	37.37	8.43
Finished goods and goods for resale	17,784,852	18,948,860	27,861,258	1,871.35	1,920.59	2,774.12
	18,324,087	19,317,528	27,945,887	1,928.09	1,957.96	2,782.55

Inventories are stated after provision of £1,918,438 (INR 201.86 million) (2023: £2,458,329 (INR 249.17 million), 2022: £1,930,488 (INR 192.22 million)).

17 Debtors

	GBP			INR (million)		
	2024	2023	2022	2024	2023	2022
Due after more than one year	8,130,135	9,901,518	8,115,000	855.47	1,003.58	808.00
	8,130,135	9,901,518	8,115,000	855.47	1,003.58	808.00
Due within one year						
Trade debtors	23,520,523	21,172,513	15,562,534	2,474.87	2,145.97	1,549.55
Amounts owed by group undertakings	19,046,518	26,625,667	17,899,289	2,004.11	2,698.68	1,782.22
Other debtors	1,107,204	360,500	157,397	116.50	36.54	15.67
Prepayments and accrued income	153,906	127,571	181,276	16.19	12.93	18.05
Deferred taxation	-	23,994	21,834	-	2.43	2.17
	43,828,151	48,310,245	33,822,330	4,611.67	4,896.55	3,367.66

Amounts owed by group undertakings that are due after more than one year are unsecured, interest-bearing and repayable in 2026. Average interest rate was 4.88% (2023: 5.23%). On the other hand, amounts owed by group undertakings that are due within one year are unsecured, interest free and repayable on demand.

18 Cash and cash equivalents

	GBP			INR (million)		
	2024	2023	2022	2024	2023	2022
Cash at bank and in hand	6,535,557	1,328,274	2,428,335	687.68	134.63	241.79



19 Creditors: Amounts falling due within one year

	GBP		
	2024	2023	2022
Bank loans	-	6,032,740	6,016,602
Trade creditors	4,294,759	5,876,296	6,077,422
Amounts owed to group undertakings	63,203	1,540,705	15,561,079
Corporation tax	375,682	589,062	1,051,770
Other taxation and social security	2,782,984	2,659,280	1,339,709
Other creditors	274,380	318,712	702,724
Accruals and deferred income	8,779,278	5,605,367	3,740,673
	16,570,286	22,622,162	34,489,979

Amounts owed to group undertakings are unsecured and repayable on demand.

The bank loan is secured by way of a fixed and floating charge over all assets of the Company.

	INR (million)		
	2024	2023	2022
Bank loans	-	611.46	599.07
Trade creditors	451.90	595.60	605.12
Amounts owed to group undertakings	6.65	156.16	1,549.40
Corporation tax	39.53	59.71	104.72
Other taxation and social security	292.83	269.53	133.39
Other creditors	28.87	32.30	69.97
Accruals and deferred income	923.77	568.14	372.46
	1,743.55	2,292.90	3,434.13

20 Deferred taxation

	GBP		
	2024	2023	2022
At 1-April	23,994	21,834	10,618
Charged to profit or loss	(152,696)	2,160	11,216
Foreign currency translation reserve			
At 31-March	(128,702)	23,994	21,834

The deferred tax asset is made up as follows:

	GBP		
	2024	2023	2022
Tax losses carried forward	(128,702)	23,994	21,834
Short term timing differences			
	(128,702)	23,994	21,834

	INR (million)		
	2024	2023	2022
At 1-April	2.43	2.17	1.07
Charged to profit or loss	(15.89)	0.21	1.14
Foreign currency translation reserve	(0.08)	0.05	(0.04)
At 31-March	(13.54)	2.43	2.17

	INR (million)		
	2024	2023	2022
Tax losses carried forward	(13.54)	2.43	2.17
Short term timing differences			
	(13.54)	2.43	2.17

21 Share capital

	GBP		
	2024	2023	2022
Allotted, called up and fully paid			
Ordinary A shares of £1.00 each	20,800,740	20,800,740	20,800,740
Ordinary B shares of £1.00 each	260	260	260
	20,801,000	20,801,000	20,801,000

	INR (million)		
	2024	2023	2022
Allotted, called up and fully paid			
Ordinary A shares of ₹100 each	2,001.27	2,001.27	2,001.27
Ordinary B shares of ₹100 each	0.03	0.03	0.03
	2,001.30	2,001.30	2,001.30

22 Reserves

Profit and loss account

Profit and loss account - includes all current and previous period retained profits and losses.

23 Pension commitments

The Company operates a defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered in a fund independent from those of the Company.

The pension cost charge represents contributions payable by the Company to the fund and amounted to ₹236,591 [INR 24.62 million] (2023: ₹162,270 [INR 15.71 million], 2022: ₹115,891 [INR 11.80 million]). Contributions totaling ₹23,426 [INR 2.46 million] (2023: ₹23,066 [INR 2.34 million], 2022: ₹20,116 [INR 2.00 million]) were payable to the fund at the balance sheet date and are included in creditors.

24 Commitments under operating leases

The Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	GBP		
	2024	2023	2022
Not later than 1 year	71,843	-	36,675
Later than 1 year and not later than 5 years	276,620	-	-
Later than 5 years	622,963	-	-
	971,426	-	36,675

	INR (million)		
	2024	2023	2022
Not later than 1 year	7.56	-	3.65
Later than 1 year and not later than 5 years	29.11	-	-
Later than 5 years	65.55	-	-
	102.22	-	3.65

25 Controlling party

The immediate parent undertaking of the Company is Emcure Pharma UK Limited. The ultimate parent undertaking and controlling party is Emcure Pharmaceuticals Limited, a Company incorporated in India.

Emcure Pharmaceuticals Limited is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of Emcure Pharmaceuticals Limited are filed along with this entity's financial statements each year, and these financial statements may be obtained from Companies House online.



DETAILED PROFIT AND LOSS ACCOUNT

	GBP			INR (million)		
	2024	2023	2022	2024	2023	2022
Turnover	99,222,519	96,073,894	70,709,863	10,325.72	9,303.23	7,198.28
Cost of sales	(50,297,092)	(56,459,894)	(49,883,152)	(5,234.23)	(5,467.25)	(5,078.12)
Gross profit	48,925,427	39,614,000	20,826,711	5,091.49	3,835.98	2,120.16
Gross profit %	49%	41%	29%			
Other operating income	817,133	1,191,766	3,518,462	85.04	115.40	358.18
Less: overheads						
Selling and distribution expenses	(2,952,772)	(2,531,331)	(1,874,241)	(307.28)	(245.12)	(190.80)
Administration expenses	(22,055,538)	(16,108,452)	(11,327,159)	(2,295.24)	(1,559.85)	(1,153.13)
Operating profit	24,734,250	22,165,983	11,143,773	2,574.01	2,146.41	1,134.41
Interest receivable	632,441	466,302	123,647	65.82	45.15	12.59
Interest payable	(143,865)	(308,930)	(145,489)	(14.97)	(29.91)	(14.81)
Tax on profit/(loss) on ordinary activities	(6,213,585)	(4,277,012)	(2,132,100)	(646.61)	(414.17)	(217.05)
Profit for the year	19,009,241	18,046,343	8,989,831	1,978.25	1,747.48	915.14
Turnover						
Sales - United Kingdom	84,332,579	71,588,374	43,559,423	8,776.18	6,932.20	4,434.36
Sales - Rest of the world	14,889,940	24,485,520	27,150,440	1,549.54	2,371.03	2,763.92
	99,222,519	96,073,894	70,709,863	10,325.72	9,303.23	7,198.28
Cost of sales						
Purchases - raw materials	-	1,414,660	-	-	136.99	-
Opening stocks	19,317,528	27,945,887	19,603,734	1,957.96	2,782.55	1,976.32
Purchases	49,303,651	46,416,875	58,225,305	5,204.36	4,505.67	5,884.35
Closing stocks	(18,324,067)	(19,317,528)	(27,945,887)	(1,928.09)	(1,957.96)	(2,782.55)
	50,297,092	56,459,894	49,883,152	5,234.23	5,467.25	5,078.12
Other operating income						
Intercompany recharges	817,133	843,311	807,013	85.04	81.66	82.15
Sundry income	-	348,455	2,711,449	-	33.74	276.03
	817,133	1,191,766	3,518,462	85.04	115.40	358.18
Selling and distribution expenses						
Postage	796,426	667,717	431,723	82.88	64.66	43.95
Commissions payable	1,140,799	512,051	472,679	118.72	49.58	48.12
Advertising and promotion	42,867	82,760	26,736	4.51	3.17	2.77
Inventory handling and warehouse costs	972,180	1,318,813	943,103	101.17	127.71	96.01
	2,952,772	2,531,331	1,874,241	307.28	245.12	190.80
Administration expenses						
Directors salaries	2,268,761	1,307,896	629,377	236.10	126.65	64.07
Staff salaries	6,270,923	3,923,831	2,852,459	652.59	379.96	290.38
Staff national insurance	771,310	573,249	348,807	80.27	55.51	35.51
Staff pension costs - defined contribution schemes	236,591	162,270	115,891	24.62	15.71	11.80
Staff training	66,475	35,059	38,863	6.92	3.39	3.96
Staff welfare	(1,135)	200,170	72,910	(0.12)	19.38	7.42
Motor running costs	16,265	11,941	13,149	1.69	1.16	1.34
Entertainment	12,726	14,876	6,652	1.32	1.44	0.68
Hotels, travel and subsistence	339,500	264,021	98,046	35.33	25.57	9.98
Printing and stationery	9,413	11,583	8,907	0.98	1.12	0.91
Postage	29,359	22,612	9,934	3.06	2.19	1.01
Telephone and fax	125,850	80,098	54,709	13.10	7.76	5.57
Computer costs	114,321	39,430	67,915	11.90	3.82	6.91
General office expenses	85,488	56,858	64,529	8.90	5.51	6.57
Trade subscriptions	398,096	295,101	308,464	41.43	28.58	31.40
Legal and professional	3,468,692	2,776,326	2,874,238	360.97	268.84	292.60
Auditors' remuneration	74,613	46,108	43,214	7.76	4.46	4.40
Bank charges	199,750	117,098	104,551	20.79	11.34	10.64
Bad debts	178,689	638,528	2,177	18.60	61.83	0.22
Difference on foreign exchange	329,064	(871,063)	455,375	34.24	(95.93)	46.36
Rent - operating leases	149,340	73,408	111,906	15.54	7.11	11.39
Rates	56,515	30,939	30,406	5.88	3.00	3.10
Water	277	408	152	0.03	0.04	0.02
Insurances	63,823	216,227	214,196	6.64	20.94	21.81
Repairs and maintenance	20,600	16,305	21,545	2.14	1.58	2.19
Sundry establishment expenses	16,089	20,401	2,349	1.67	1.98	0.24
Depreciation - other fixed assets	25,521	-	-	2.66	-	-
Depreciation - computer equipment	15,742	12,678	-	1.64	1.23	-
Depreciation - office equipment	-	-	15,999	-	-	1.63
Depreciation - fixtures and fittings	17,951	17,951	17,951	1.87	1.74	1.83
Amortisation - intangible fixed assets	193,997	280,738	358,443	20.19	27.18	36.49
Profit/loss on sale of tangible assets	-	150	-	-	0.01	-
Product development and related charges	4,200,128	3,648,383	1,650,090	437.09	353.29	167.98
Intercompany recharges	2,065,287	1,171,892	710,955	214.93	113.48	72.38
Laboratory testing and charges	-	128,884	184	-	12.48	0.02
PPRS fees	-	65,000	-	-	6.29	-
Waste disposal charges	-	1,072	14,091	-	0.10	1.43
License fees	235,517	218,024	8,725	24.51	21.11	0.89
	22,055,538	16,108,452	11,327,159	2,295.24	1,559.85	1,153.13



TILLOMED LABORATORIES LIMITED
Translated Version of Notes to Financial Statement

Interest receivable	GBP		
	2024	2023	2022
Bank interest receivable	6,12,441	466,302	123,647

Interest receivable	GBP		
	2024	2023	2022
Non - bank loan interest payable	129,072	308,930	145,489
Other interest - on overdue tax	14,793	-	-
	143,865	308,930	145,489

2024	INR (million)	
	2023	2022
65.82	45.15	12.59

2024	INR (million)	
	2023	2022
13.43	29.91	14.81
1.54	-	-
14.97	29.91	14.81

26 Foreign Currency translation

Monetary Assets and liabilities of the Company have been translated to the Indian currency using exchange rates prevailing on the balance sheet date. Statement of profit and loss has been translated using average exchange rates. Share capital and Long term Investments are translated into Indian currency at exchange rate prevalent on the date of transaction. Translation adjustments have been reported as foreign currency translation reserve in the other comprehensive income which is presented within equity.

M/s. R.B. Sharma and Co.
Chartered Accountants
ICAI Firm Registration No: 109971W

Madhavan N Iyengar

Madhavan N Iyengar
Partner
Membership No. 044366
Date: 26 June 2024
Place: Pune



For and on behalf of Tillomed laboratories Limited

Tajuddin Shariq

Tajuddin Shariq
Authorised Signatory

Date: 26 June 2024
Place : Pune

