

DIRECTORS' REPORT

To
The Members,
ZIMMER INDIA PRIVATE LIMITED

Your Directors' are pleased to present the twenty-ninth (29th) annual report of your Company together with the audited financial statement for the financial year ended March 31, 2025.

Financial summary and highlights

The financial highlights of the Company's operation for the financial year ended on 31st March, 2025, are as follows:

(Amount in INR in Lakhs)

Particulars	FY 2024-25	FY 2023-24
Total income	33,974.15	30,594.54
Total expenditure including depreciation	32,107.22	28,824.26
Add: Exceptional items	98.63	-
Profit/ (Loss) before tax	1,965.56	1,770.28
Current tax	570.27	473.61
Deferred tax	(27.43)	(12.82)
(Excess)/ Short provision for tax in respect of earlier years	-	(222.60)
Profit/ (Loss) after tax	1,422.72	1532.09

State of Company's affairs

The Company is engaged in the business of importing, marketing and distributing Zimmer Biomet Orthopedic implants, instruments and robotics to customers in India through direct sales and network of dealers.

During the year under review, the Company has earned a profit of INR 1,422.72 Lakhs as compared to a profit of INR 1532.09 Lakhs in the previous financial year.

The Board of Directors is confident in the Company's ability to maintain its positive growth trajectory, supported by a solid financial foundation. The Company will continue to monitor any material changes in the broader economic environment and adjust its strategies as necessary to sustain growth and profitability.

Change in the nature of business, if any

There was no change in the nature of the business of the Company during the financial year ended on March 31, 2025.

Web address

The annual return has been uploaded on the website of the Company and can be accessed at the following link: <https://www.zimmerbiomet.in/en>

Board Meetings

During the year under review, the Board of Directors of the Company met 5 (five) times, the details of which are as follows:

<i>Number of Board Meeting</i>	<i>Date of Board Meeting</i>	<i>No. of Directors Attended</i>
200	11-06-2024	2
201	04-09-2024	3
202	23-09-2024	3
203	12-11-2024	2
204	26-02-2025	3

The meetings convened during the financial year 2024-25 were in compliance with the provisions of the Companies Act, 2013 (“Act”) read with the rules made thereunder and Secretarial Standard – 1 on Meetings of Board of Directors. Further, the intervening period between any two meetings did not exceed 120 days as prescribed in the Act read with the Secretarial Standard – 1 issued by the Institute of Company Secretaries of India.

Board Committee and number of meetings

The Company is not required to have a Board committee.

Directors’ responsibility statement

The Company has taken utmost care in its operations, compliance, transparency, financial disclosures and the financial statements have been made to give a true and fair view of the state of affairs of the Company. In terms of the provisions of section 134(3)(c) and section 134(5) of the Act, the Board of Directors of the Company to the best of their knowledge and belief hereby confirms-

- a. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanations relating to material departures;
- b. that they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c. that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that they have prepared the annual accounts of the company on a going concern basis; and
- e. that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Reporting of frauds by auditors

During the year under review, the Statutory Auditor have not reported any instances of fraud committed against the Company by its officers or employees or otherwise under section 143(12) of the Companies Act, 2013 during the course of performance of their duties during the period under review.

Declaration of independence given by independent Directors

The provisions for appointment of independent Director are not applicable on the Company.

Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178

The Company is not required to constitute a nomination and remuneration committee and hence, is not under obligation to disclose its policy on the director's appointment and remuneration.

AUDITORS

Statutory auditors

M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountants (Firm Registration No. 012754N/N500016) appointed as statutory auditor of the Company, hold office for a period of 5 (five) years i.e. until the conclusion of the annual general meeting to be held in the year 2029.

Internal auditors

Pursuant to section 138 of the Companies Act, 2013 read with rule 13 of Companies (Accounts) Rules, 2014, the Board of Directors appointed M/s Jaikumar Tejwani & Co LLP, Chartered Accountants firm, as an internal auditor of the Company for the financial year 2024-25.

Cost auditors

Pursuant to section 148 of the Companies Act, 2013, the Board of Directors appointed M/s Ravi Sahni & Associates, Cost Accountants (Firm Registration No. 000383), as cost auditor of the Company for the financial year 2024-25.

Explanation or comments on auditors' report

With respect to the auditor's remarks in its report regarding overdue foreign currency and INR payable balances aggregating to INR 22,586.61 Lakhs and receivable balances aggregating to INR 17,044.83 Lakhs relating to non-resident group companies, the Board states as under:

The Company has already initiated discussions with its Authorised Dealer (AD) Bank in this regard and is in the process of collating and furnishing the requisite documents for submission. The management is closely engaging with the AD Bank for the settlement of such overdue balances in compliance with the Reserve Bank of India's Master Directions on Import and Export of Goods and Services.

At present, the Company is unable to reasonably estimate whether all required approvals/extensions would be granted by the AD Bank or whether the matter would require further approval from the Reserve Bank of India. Consequently, the potential financial impact, if any, on account of penalties cannot be determined as of the date of this Report.

The Board, however, affirms that necessary steps are being taken on priority to regularise the matter and ensure due compliance with applicable regulatory requirements. Further, the observations/ comments of the auditors in their report are self-explanatory and therefore, in the opinion of the Directors, do not call for further comments.

Particulars of loans, guarantees or investments

During the year under review, the Company has not extended any loans, guarantees or investments under section 186 of the Companies Act, 2013 (“Act”).

Dividend and transfer to reserves

During the year under review, the Directors did not recommend payment of any dividend and also, no amount has been transferred to reserves during the financial year under review.

Material changes and commitments, if any affecting financial position of the company which have occurred between the end of the financial year to which the financial statements relate and date of the report

There are no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year to which the financial statement relate and the date of this report.

Risk management in terms of section 134(3)(n) of the Act

The phenomenon of the risk management is an integral part of the Company. Business risk evaluation and management is an ongoing process within the organization. During the year under review, the Board has taken adequate steps to mitigate the risk foreseen by the Company.

Corporate social responsibility

The annual report on CSR as required under section 135(2) read with rule 8(1) of the Companies (Corporate Social Responsibility) Rules, 2014 is annexed herewith (Annexure – 1).

The provision of section 135 of the Act pertaining to the constitution of Corporate Social Responsibility Committee and framing of Corporate Social Responsibility Policy are not applicable on the Company.

Conservation of energy, research and development, technology absorption, foreign exchange earnings and outgo

A. Conservation of energy:

The Company has taken possible necessary energy conservation measures, wherever possible.

B. Technology absorption:

There are no matters to be reported under this head as the Company has not entered into any technical collaboration agreements during the year nor has absorbed any new technology in any way.

C. Research and development:

The Company has not undertaken any research and development activity in any specific area during the period under review and hence no amount has been incurred towards the same.

D. Foreign exchange earnings and outgo

The foreign exchange earnings and outgo during the financial period under review are as follows:

Earnings: Note no. 28

Outgo: Note no. 27

Disclosures relating to holding, subsidiaries, associate and joint ventures companies

a. Holding company

M/s Zimmer Switzerland Holdings LLC having 99.997% stake in the Company on fully diluted basis continues to be a Holding Company pursuant to Section 2(46) of the Companies, 2013.

b. Subsidiary company

Your Company does not have any subsidiary company and there was no change in this position during the Financial Year 2024-25.

c. Associate Ccompany

Your Company does not have any associate company and there was no change in this position during the Financial Year 2024-25.

d. Joint venture company

Your Company does not have any joint venture company and there was no change in this position during the financial year 2024-25.

Statement regarding integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year

During the financial year, no independent Director has been appointed on the Board of the Company.

Internal financial control and its adequacy

The Company has adequate system of internal control commensurate with its size, scale, nature, and complexity of business to safeguard and protect from loss, unauthorized use or disposition of its assets except for material weakness identified by M/s Price Waterhouse Chartered Accountants LLP, Chartered Accountant, statutory auditors of the Company in the report on the internal financial controls, which is annexed to the audit report on the financial statements of the Company.

Cost records

The Company engaged in the activities as prescribed under Sub-Section (1) of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014. Thus, the Company is maintaining proper cost records as specified by the Central Government.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016, during the year along with their status as at the end of the Financial Year

During the year under review, no application was made nor any proceeding was pending under the Insolvency and Bankruptcy Code, 2016.

Details of difference between the amount of valuation at the time of one-time settlement and the valuation done at the time of taking a loan from the banks or financial institutions along with the reasons thereof.

During the financial year under review, the Company has not taken any loan from the bank or financial institutions which require one-time settlement. Thus, there was no instances of one-time settlement with any bank or financial institutions and, the disclosures under this provision is not applicable on the Company.

Directors and key managerial personnel

During the year under review, no Directors or key managerial personnel have been appointed or resigned from the Board of the Company.

The Board of the Company comprises of following Directors as on date of this report-

S. No.	Name of the Director	DIN	Designation
1.	Ajay Bagga	07972681	Managing Director
2.	Himanshu Paliwal	10656954	Director & CFO
3.	Sang Uk Yi	01181916	Director

Deposits

The Company has not invited/ accepted any deposits from the public/ shareholders under Chapter V of the Act and, as such, no amount on account of principal or interest on public deposits was outstanding on the date of the Balance Sheet.

Details of significant and material orders passed by the regulators, Courts and Tribunal

During the financial year under review, there has been no significant and material orders passed by the regulators, Courts and Tribunals impacting the going concern status and Company's operations in future.

Annual evaluation of performance of the Board

The provisions related to the evaluation of performance of the Board are not applicable to the Company.

Disclosure for the compliances with other statutory laws

a. Under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company always endeavours to create and provide an environment that is free from discrimination and harassment including but not limited to sexual harassment. The Company has zero tolerance towards sexual harassment at the workplace and is committed to provide safe and conducive work environment to its employees.

The Company has formulated and circulated to all the employees, a policy on prevention of sexual harassment at workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment.

The Company has also constituted the Internal Complaints Committee under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to hear and address the complaints of sexual harassment.

The following is a summary of sexual harassment complaints received and disposed off during the financial year 2024-25:-

- No. of complaints received – Nil
- No. of complaints disposed off – Nil

b. Under Maternity Benefit Act

During the financial year under review, Company has duly complied with the provision of the Maternity Benefit Act.

Number of employees as on the closure of financial year:-

- a. Female: 21
 - b. Male: 76
 - c. Transgender: NIL
- TOTAL: 97

Particulars of contracts or arrangements made with related parties

The Company is registered as a private limited company and by virtue of notification issued by MCA, G.S.R. 464(E) dated June 5, 2015, section 188 of the Act is not applicable to the transactions entered between a private limited company, its Holding Company and fellow subsidiary, incorporated outside India.

Secretarial Standards

During the year under review, the Company has complied with the provisions of the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India. The Company has devised proper systems to ensure compliance with all the provisions and such systems are adequate and operating effectively.

Vigil mechanism

The provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of the Board and its Powers) Rules, 2014 with respect to establishment of Vigil mechanism are not applicable to the Company.

Particulars of employees and related disclosures

Disclosures pertaining to remuneration and other details as required under section 197(12) of the Act read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

Additional matters:

- a. Update on compliance-related complaint:** The members are informed that the compliant pertaining compliance related matters which remained ongoing during the financial year 2024-25 has been resolved and all the remedial actions in relation thereto have been completed.
- b. Extra duty deposit (EDD) provision:** The long - term loans and advances amounting to INR. 502.95 lakhs in note 12 of the financial statement represents the deposits with the special valuation branch (SVB) of the customs authorities in relation to Extra duty deposit (EDD) at 1% of assessable value of imports for the period between May 8, 2017 and June 30, 2017. The Company expects to receive the aforesaid amount from the Government; hence, the auditors have correspondingly adjusted the amount through long term provisions in note no. 6 and 34 (c) of the financial statement

Acknowledgements

The Directors wish to convey their appreciation to all the employees for their individual and collective contribution to your Company's performance. The Board is also thankful to promoters, its bankers, shareholders, vendors, clients and all business associates for their continued support, co-operation, and assistance rendered to the Company during the year.

For and on behalf of the Board of Directors of

ZIMMER INDIA PRIVATE LIMITED

Himanshu Paliwal
(CFO & Director)
DIN: 10656954

Ajay Bagga
(Managing Director)
DIN: 07972681

Date: September 29, 2025

Place: Gurugram

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”) ACTIVITIES
*[Pursuant to Section 134 and Section 135 of the Companies Act, 2013 read with Companies
 (Corporate Social Responsibility Policy) Rules, 2014, as amended]*

1. Brief outline on CSR Policy of the Company

The Company is committed towards sustainable development and inclusive growth and has been focusing on issues relating to water, environment, education, health, hunger eradication, social advancement, promotion of gender equality, empowerment of women and ultimately overall development of village and local area in which it operates. The Company will continue to support activities as per Schedule VII of the Act, excluding activities undertaken in pursuance of normal course of business.

2. Composition of CSR Committee

Pursuant to section 135(9) of the Companies Act, 2013, in case the amount to be spent by a company towards CSR does not exceed INR 50 Lakhs, CSR committee is not required to be formed. Hence, the functions of the CSR committee are being discharged by the Board of Directors.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The updated CSR policy of the Company is available at the website:

<https://www.zimmerbiomet.in/en>

4. Provide the executive summary along with the web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not applicable.

5. (a) Average net profit of the Company as per section 135(5)

Sl. No.	Particulars	Amount (INR)
1.	Net Profit of the Company for financial year 2023-24	17,70,28,000
2.	Net Profit of the Company for financial year 2022-23	10,71,66,975
3.	Net profit of the Company for financial year 2021-22	13,53,43,885
	Total (A)	41,95,38,860
	Average Net Profit for the last three financial year (A/3 = B)	13,98,46,287

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: INR 27,96,926/-

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil

(d) Amount required to be set-off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: INR 27,96,926 /-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): INR 27,96,926 /-

(b) Amount spent in Administrative Overheads: NIL

(c) Amount spent on Impact Assessment, if applicable: NIL

(d) Total amount spent for the Financial Year [(a) + (b) + (c)]: INR 27,96,926/-

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in INR)	Amount Unspent (in INR)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer.
27,96,926/-	Nil	N.A.	N.A.	Nil	N.A.

(f) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in INR)
(i)	Two percent of average net profit of the company as per section 135(5)	27,96,926
(ii)	Total amount spent for the Financial Year	27,96,926
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

7. Details of Unspent CSR amount for the preceding three financial years

Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in INR)	Balance amount in Unspent CSR Account under subsection (6) of section 135 (in INR)	Amount spent in the reporting Financial Year (in INR)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in INR)
				Name of the Fund	Amount (in INR)	Date of transfer.	

