

September 05, 2022

To,
The Manager,
Listing Department,
The National Stock Exchange of India limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E), Mumbai- 400051

Dear Sir/Madam,

Trading Symbol: ZOTA

Sub: Annual Report 2021-22

Ref: Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the captioned subject and further to our letter dated September 02, 2022; we, Zota Health Care Limited (the "Company") are submitting herewith enclosed the Annual Report of the Company for the financial year 2021-22.

This is for your information and record.

Thanking you,

Yours faithfully,

For **Zota Health Care Limited**

Ashvin Variya
(Company secretary & Compliance Officer)
Place: Surat

Encl: a/a

Registered Office:

Zota House, 2/896, Hira Modi Street,
Sagrampura, Surat-395002 Ph: +91 261 2331601
Email: info@zotahealthcare.com
Web: www.zotahealthcare.com

CIN: L24231GJ2000PLC038352

Shaping a healthier tomorrow





Read more about our Company on
<https://www.zotahealthcare.com/>



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Forward Looking Statement

This document contains statements about expected future events, financial and operating results of Zota Health Care Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications, and risk factors referred to in the management's discussion and analysis of Zota Health Care Limited's Annual Report, FY2022.

ABOUT THE COMPANY

Shaping a healthier tomorrow

As human progress leapfrogs several years against the backdrop of a global pandemic, we at Zota Health Care are catalyzing the nation's healthcare by exploring emerging opportunities in the generic pharmaceutical landscape, thus truly enabling affordable healthcare.

FY22 HIGHLIGHTS

Financial

₹13,153
LAKHS
Revenue from Operations

₹1,700
LAKHS
EBITDA

₹1,058
LAKHS
Net Profit

With our focus on high-quality and affordable medication, we are consolidating our leadership position in India's generic pharmacy space. By leveraging our expertise in the healthcare space and prudently deploying resources, we have evolved with the changing dynamics to emerge as a dominant force. During the last two year, we crossed the mark of 500 operational stores and further intensified our efforts to create awareness and deepen our penetration. Our robust performance in such a disruptive environment reflects our inherent strength & agility and demonstrates our ability to absorb external shocks.

As India and the world build back into the new normal, we remain committed to playing a pivotal role in powering the nation's aspirational journey of building a healthier and prosperous future.



MISSION

Our goal is to establish ourselves as a globally recognised pharmaceutical company by introducing a diverse portfolio of pharmaceutical formulations, nutraceuticals, and ayurvedic products into key global markets.



VISION

Our vision is to become a global healthcare organisation driven by people, research, and technology and to be known as an integrated healthcare and pharmaceutical company, domestically and internationally, through innovation, quality, and competence.

VALUES

• Innovate And Excel

Our people are our greatest asset. We encourage our team to strive for innovation and go above and beyond the call of duty. Every job opportunity at Zota is accompanied by enthusiasm, devotion, and a desire to succeed.

• Integrity And Transparency

At Zota, we have fostered a culture of complete transparency between all our stakeholders in all functions. We do our business with the utmost honesty and integrity, thus, garnering trust from our stakeholders.

• Quality And Safety

As a special healthcare company, we put an emphasis on quality in all of our manufacturing processes. We have created a best-in-class working environment and maintain adequate internal controls and policies to achieve excellence in quality.

Operational

189
New Davaindia
stores rolled out

213
New Davaindia
SKU's launched

31
New export
dossiers registered



CORPORATE PORTRAIT

Affordable healthcare for all

Zota Health Care Limited is a renowned pharmaceutical Company that manufactures, markets, and exports pharmaceutical, ayurvedic, nutraceutical, and over-the-counter (OTC) products. Through its chain, Davaindia, the largest private-sector generic pharmacy chain, the Company is making solid inroads into the generic retail pharmacy business.



Based out of Surat, Gujarat, Zota Health Care Limited (“Zota”, “ZHCL”, or “the Company”) was founded in 2000 with a sincere desire to provide affordable healthcare to all. Zota fulfils the needs of millions of people by advancing access to high-quality, affordable medicines for chronic illnesses, including heart disease, diabetes, and thyroid disease, among others, providing extra mileage to India’s healthcare sector. The Company is known for its hallmark of delivering high-quality generic pharmaceuticals at an affordable price.

The Company’s business model comprises three verticals, namely Domestic, Exports and Retail Pharmacy Chain (Davaindia). All of these verticals function independently but work towards Zota’s overarching principle of affordable healthcare for all.

The Company’s state-of-the-art manufacturing facility at Sachin SEZ serves Export customers in more than 30 countries. In the generic Retail Pharmacy vertical, Davaindia has been a front runner operating more than 500 stores across 25 states.

The Company believes Davaindia will be a critical enabler of affordable access to medicines, keeping itself aligned with the needs of 1.3 billion Indians. Zota stands by its philosophy of providing affordable healthcare to the masses by keeping customers at the centre of our operations. Its passion for making a difference in the world’s healthcare needs has enabled it to touch the lives of millions. The Company remains committed to making a positive impact on people’s lives around the world in the years to come.

PRESENCE & DISTRIBUTION

4,000+

Products in Domestic Marketing Portfolio

30+

Exports markets served

1,644

SKU’s in Davaindia portfolio

PRODUCT PORTFOLIO

1,050+

Distributors covering all states of India

250+

Formulations manufactured for exports

514

Operational Davaindia stores

Domestic

Exports

Davaindia

MILESTONES

A journey of constant evolution

Over the years, Zota Health Care has evolved into a better version of itself in each step of its journey. While it started as a domestic pharmaceutical branding and marketing business, it soon ventured into manufacturing &

exports quality medicines the world over, and finally bloomed into India's largest private-sector generic pharmacy chain that delivers affordable healthcare solutions directly to its customers through its 500+ locations.



Early history and establishing domestic marketing business

- 2000**
Incorporation of Zota Health Care Private Limited
- 2004**
Acquired all brand names of Sayona Medicare Private Limited through an MOU
- 2007**
Mexon Health Care Limited's trademark and brand name, as well as its new divisions, Health Park Laboratories and Aaron Biotech, were acquired

Setting up formulations export business and progressing from merchant to branded exports

- 2010**
Inaugurated export-oriented formulations manufacturing unit in Sachin, SEZ
- 2011**
Exports commenced, and the company expanded its business beyond India by working in African countries
- 2012**
The manufacturing unit at SEZ gets WHO-GMP approval
- 2013**
Acquired trademark and brand names of Redix Lifecare
- 2014**
Received Kenya (PPB) regulatory and Sri Lanka (CDDA) regulatory approval for Sachin SEZ plant
- 2015**
Received approval from Ethiopia (FMHACA) regulatory body

Launching Davaindia into a hyper growth mode

- 2019**
 - The Company opened a total of ~150 Davaindia outlet
 - The company migrated to the Main Board of NSE
- 2020**
With over 250 outlets, Davaindia became the largest and fastest-growing private sector generic pharmacy chain
- 2022**
Davaindia strengthens its position as India's largest private sector generic pharmacy, with over 500 locations across the country

Strengthening the core, and establishing new age businesses like Davaindia

- 2017**
 - Came out with an Initial Public Offering on NSE Emerge
 - Davaindia, a private-sector generic pharmacy, was launched with three trial outlets
- 2018**
Crossed the benchmark of ₹10+ Crore Export Sales

BUSINESS VERTICALS (CONTINUED)

01 Domestic

Domestic marketing has been the oldest business vertical for the Company and has remained its mainstay in the past. Until 2017, this vertical contributed most of the Company’s revenues. This business vertical directly distributes generic drugs, OTC products, and other pharmaceutical products through the Company’s distribution network spread across India.



MARKETING VALUE CHAIN



FDF Manufacturers

WHO-GMP certified manufacturing partners



Branding

Quality check, packaging and branding under the umbrella of Zota brands



Distribution

Direct distribution to 1,050+ distributors spread across the country



Retail Pharmacies

Ethical marketing, sales distribution and promotional activities undertaken by distributors

Revenue Contribution

(in %)

FY22 49

FY21 49

1,050+ Distributors spread across India

4,000+ Products in the portfolio

02 Exports



Our Exports business vertical, which started in 2010, serves clients in over 30 countries, mainly in the CIS, Latin America, Africa, and Asia. At its plant in Sachin, SEZ, the Company manufactures generic formulations for the dossiers it has registered in foreign markets. At present, the Company has registered over 284 dossiers, while another 302 dossiers have been filed and are awaiting approval from the relevant regulatory agencies.

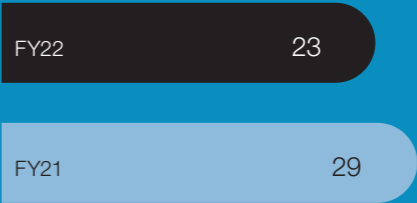


COUNTRIES EXPORTED TO –

- | | | | |
|----------------|------------------|------------------|-----------|
| 1. Benin | 9. Kenya | 17. Tanzania | 25. Libya |
| 2. Bolivia | 10. Mali | 18. Turkmenistan | 26. Yemen |
| 3. Cambodia | 11. Myanmar | 19. Uganda | |
| 4. Cameroon | 12. Nepal | 20. Ukraine | |
| 5. Costa Rica | 13. Nigeria | 21. Uzbekistan | |
| 6. Ethiopia | 14. South Africa | 22. Vietnam | |
| 7. Georgia | 15. Sri Lanka | 23. Zambia | |
| 8. Ivory coast | 16. Swaziland | 24. Kyrgyzstan | |

30
Countries
exporting to

Revenue Contribution
(in %)



250+
Products
manufactured

284
Dossiers
registered

302
Dossiers
pending approval

BUSINESS VERTICALS (CONTINUED)

03 Retail Pharmacy Chain



Davaindia is India’s largest private-sector retail generic pharmacy chain whose core value proposition is providing quality generic medicines at substantial discounts, i.e. 30% to 90%, compared to their branded equivalents. Davaindia focuses exclusively on private- label products in the medicinal, OTC, and ayurvedic categories, with a significant emphasis on chronic therapies and ailments. This one-of-its-kind concept that started with 3 stores in 2017 has scaled up to become the largest private-sector generic pharmacy chain with 514 active stores as of March 2022.

514

Stores across 25 States

1,644

SKU's








5.29 MILLION

Customers served till date

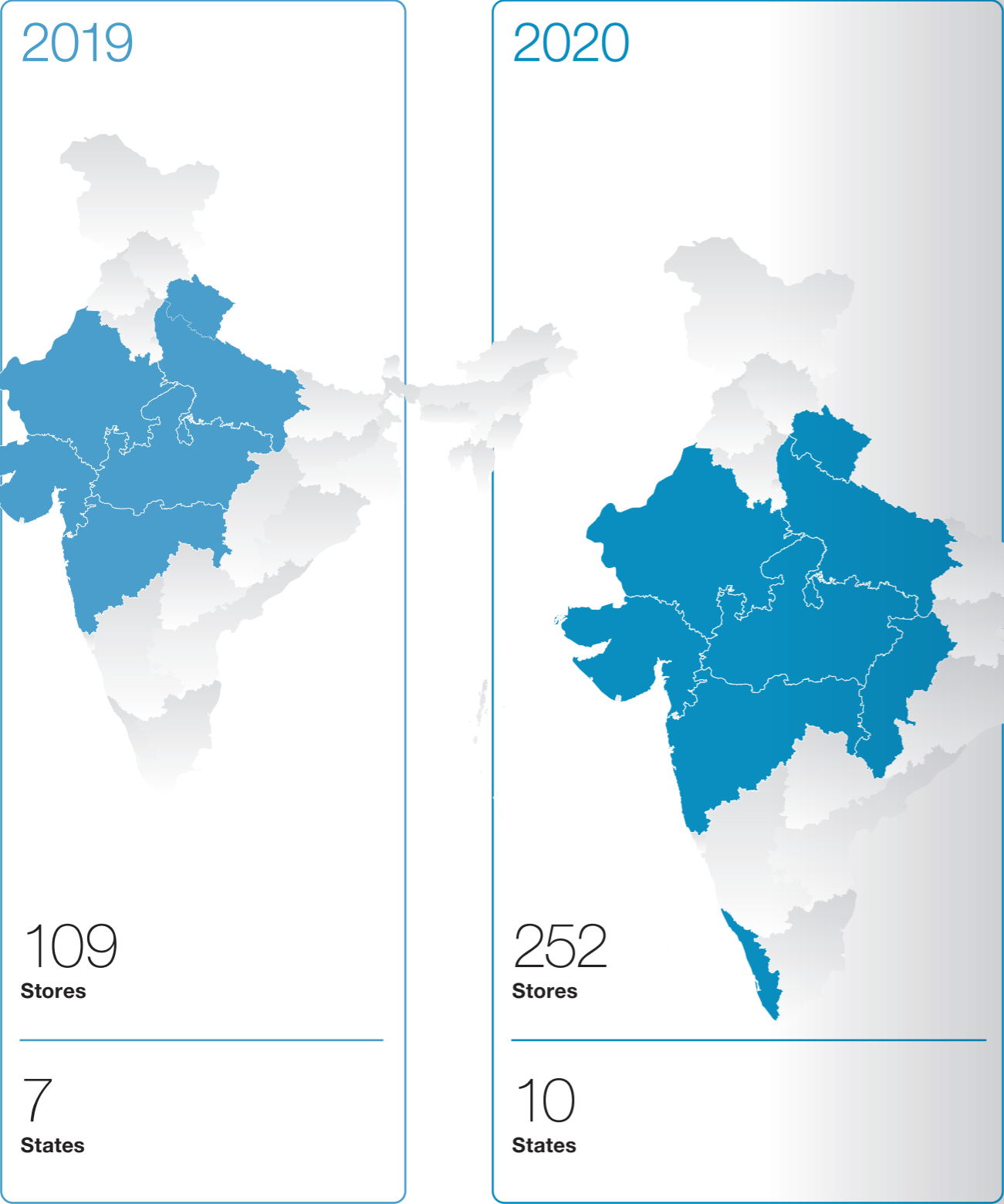
Revenue Contribution (in %)

FY2223

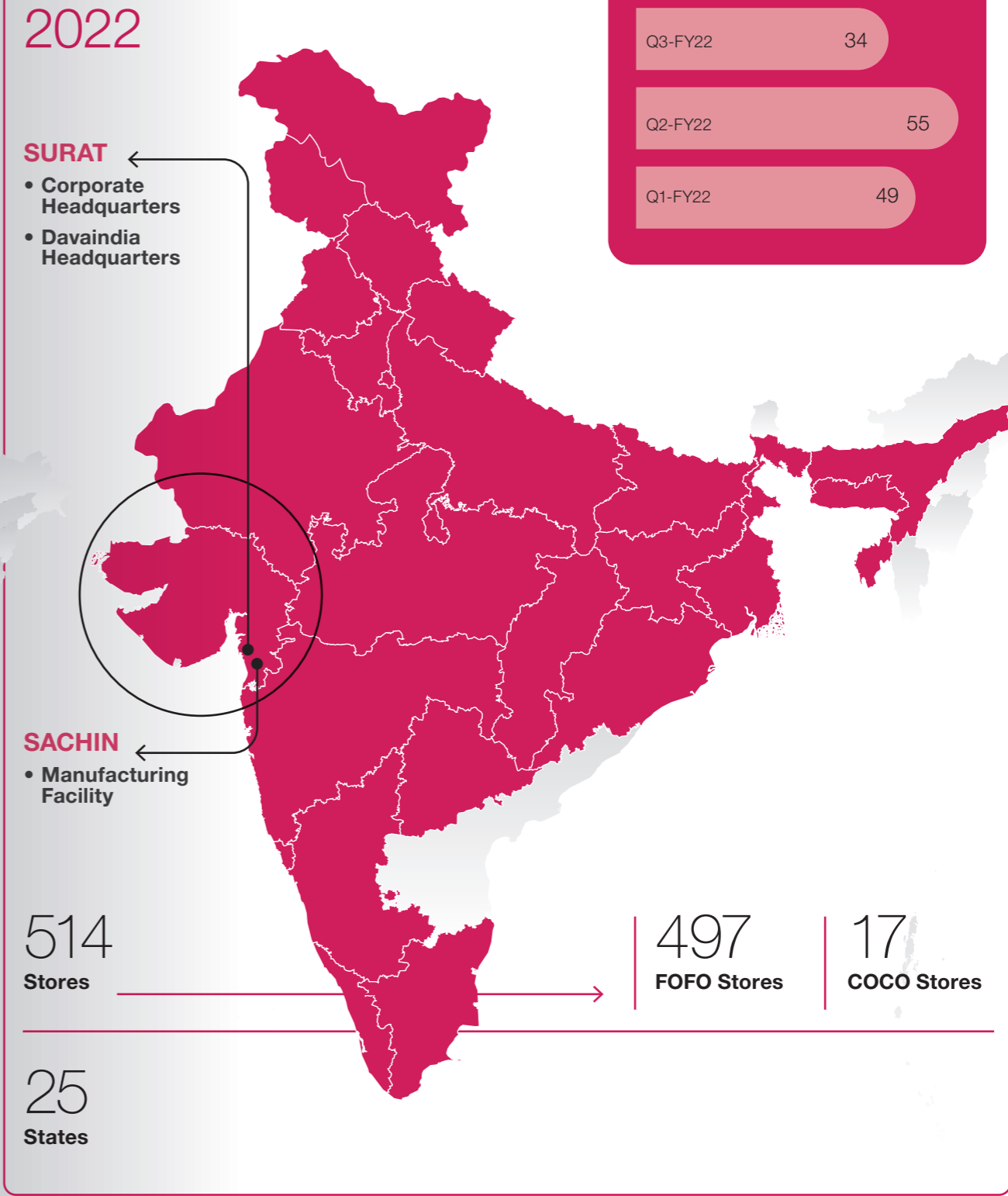
FY2128

OPERATING MODEL						
						
Franchise Model	Exclusive sale of Davaindia Products	Comprehensive portfolio	Brand building	Techonology -based model	New format stores'	Hyperlocal model
Asset-light franchise model for the majority of stores.	Exclusive sales of private- label generic medicines, OTC, and ayurvedic products. 95% of the product portfolio is private-label brands.	1,644 SKUs with 70% Medicinal products and 30% OTC products, with a special emphasis on chronic ailments such as cardiac, diabetic and thyroid.	Brand building and consumer- facing advertisement and promotional campaigns with Mr Kapil Dev as the brand ambassador undertaken by Davaindia.	Cloud-based software and AI-based tools for real-time supply chain and operations management. Other ongoing initiatives include mobile applications for different stakeholders of Davaindia.	Large-format, walk-in, company-owned and company-operated stores in key metropolitans & cities across the country.	Implementing a hyperlocal model with on-demand delivery of medicines at consumers' homes.

An ambition to cover each district of India



Map not to scale



Note - In Q2FY22, the Company did a one-time readjustment of store count by closing inactive/low-volume stores. Thus the store count as of FY22 reflects only actively operational stores.

BRAND BUILDING EFFORTS

Strengthening our brand recall

Brand Building Approach


The Company has launched audacious and aggressive marketing and promotion initiatives across all platforms and media, including radio, TV advertising, print, internet & social media, and more, with a clear objective of generating top-of-the-mind brand memory for Davaindia.

Davaindia has taken on the mantle of spreading awareness about generic medicines, promoting its virtues, and dispelling myths. As a result, prospective franchisees and potential customers are responding well to its marketing efforts.

With aggressive marketing initiatives, the Company has seen a significant boost in average wallet spend, footfall at stores, and the number of inquiries for new franchisees.

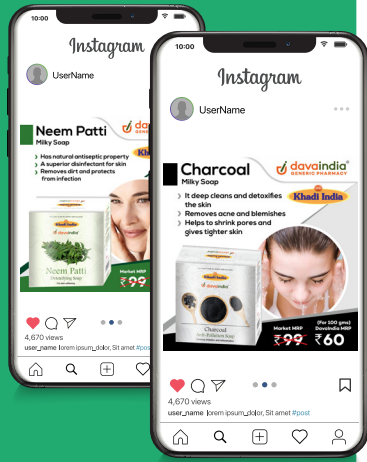
TELEVISION COMMERCIALS

In National New Channels, Regional Channels in Bengali, Marathi, Odhia, and Assamese



SOCIAL MEDIA PROMOTIONS

On all prominent platforms including Facebook, Instagram, Twitter.



RADIO ADVERTISEMENTS

On Channels such as My Fm and Big FM



HOARDING & OUTDOOR ADVERTISEMENT

In cities where Davaindia has a significant presence



An Iconic Brand Ambassador

As a brand ambassador, Davaindia has partnered with Mr Kapil Dev, a renowned and acclaimed former Indian cricket player and captain of the Indian cricket team. Mr Kapil Dev endorses Davaindia's products and brands prominently. Davaindia has started running several promos, including TV and online ads that feature Mr Kapil Dev. The Company firmly believes that Mr Kapil Dev, an icon who represents honesty, excellence, and willpower, is the ideal candidate to support the culture and spirit of Davaindia and Zota Health Care Limited.



Good governance in action



**Mr. Ketankumar
Chandulal Zota**
Chairman and
Non-Executive Director

Mr Ketankumar Zota is the Company's Promoter, Chairman, and Non-Executive Director. He began his career in 1984 with a modest retail medical business, and in 1995, he founded Zota Pharmaceuticals, a proprietorship concern that is now Zota Health Care Limited. He holds a D-Pharmacy from Gujarat University and has worked in the pharmaceutical industry for over 37 years. His energetic leadership propelled Zota Health Care Limited to prominence in the sector, and he is now in charge of developing and implementing the Company's new marketing strategies and projects. He won the 'Lifetime Achievement Award' from the Drug Controller General of India for his outstanding contributions to the pharmaceutical business. At Pharma Ratan Universe – 2019, he was also given the title of 'Pharma Ratna Asia'.



**Mr. Himanshu
Muktilal Zota**
Whole Time Director

Mr Himanshu Zota is a Promoter and Whole-time Director of the Company. He has a Diploma in Pharmacy from the Board of Technical Examinations on behalf of the Government of Maharashtra. He also has a Bachelor in Computer Application from Aptech Computer Education, Surat. He began his career as a Retail Pharmacist and a Distributor of a Medical Agency; subsequently, he has been associated with the Company since the time of its incorporation, thus having an aggregate experience of around 29 years in the Pharmaceutical Industry. He is entrusted with responsibilities like strategy formulation, finance, taxation and accounting, Information-technology related matters, overall management, planning and implementation of new projects, and forecasting upcoming changes in pharma sectors. He is also playing a vital role in the planning and implementation of the Company's esteemed Davaindia project.



**Mr. Manukant
Chandulal Zota**
Whole Time Director

Mr Manukant Zota is a Promoter and Whole-time Director of the Company. He earned his master's degree in mathematics from Gujarat's Sardar Patel University. He has been with the Zota Group since 1995 and has been with the Company since its inception, with roughly 25 years of experience in the pharmaceutical industry. He has been charged with overseeing the Company's accounting operations. He's also in charge of the Company's overall management and CSR operations and implementation.



**Mr. Kamlesh
Rajnikant Zota**
Whole Time Director

Mr Kamlesh Zota is a Promoter and Whole-time Director of the Company. He holds a bachelor's degree in pharmacy from Gujarat Technological University and has aggregate work experience of over 26 years. He began his career as a Senior Technical Assistant at Torrent Pharma Limited, then moved on to Unique Pharmaceuticals Laboratories as a Production Officer before joining the Company at its inception. He has played a critical role in obtaining regulatory permission for various facilities, including NAFDAC, TFDA, FMHACA, PPD, NMRA, and others. In addition, he is in charge of the Company's different business affairs, such as factory management, FDCA work for domestic and export products, WHO certification, trademark and patent registration, customs and export documentation, pharmaceutical-related regulatory compliances, and so on.



**Mr. Moxesh
Ketanbhai Zota**
Managing Director

Mr Moxesh Zota is the Company's Managing Director. He holds a bachelor's degree in pharmacy from Gujarat Technological University and a master's degree in international marketing and business management from BPP University in the United Kingdom. Under his guidance, the organisation has established a global presence in more than 30 countries. He has pushed for more product registrations in foreign countries, with a total of 280+ products registered in various countries and another 310+ products in the process of being registered. He is in charge of overall management, export business, strategy design for new project implementation, research on future pharmaceutical market scenarios, international business development, and product registration.

BOARD OF DIRECTORS**Mr. Dhiren Prafulbhai Shah**

Independent Director

Mr Dhiren Shah earned his bachelor's and master's degrees in pharmacy from Ahmedabad's L. M. College of Pharmacy. He also holds a Master of Business Administration from IGNOU in the subject of "Market Study for Intra Ocular Lens" and a Ph. D. from Gujarat University in the subject of "Exploitation of Natural Product in Formulation Design of a Model Drug." In his professional capacity, he has worked with companies such as Cipla. He also lectured at Bardoli's Maliba Pharmacy College, Shree Dhanvantary Pharmacy College, and C K Pithawalla Institute of Pharmaceutical Science and Research. He works at Shree Naranjibhai Lalbhai Patel College of Pharmacy as a Professor and Principal. He's also co-authored "Establishment of Herbal Monograph," "Pharmaceutical Industrial Management," and "A Text Book of Pharmacognosy," as well as "Exploitation of Natural Product in Formulation Design of a Model Drug." In addition, he is the Editor-in-Chief of the "International Journal of Pharmaceutical Research."

Mrs. Bhumi Maulik Doshi

Independent Director

Mrs Bhumi Doshi holds a bachelor's degree in business and is now pursuing Chartered Accountancy from the Institute of Chartered Accountants of India (ICAI) and a master's degree in commerce from Veer Narmad South Gujarat University. Currently, she has been working in the accounting department of D.D. Constructions Pvt. Ltd. for the past four years, and she has been practising in the domain of Goods and Service Tax (GST) for the last three years.

Mrs. Jayshree Nileshkumar Mehta

Independent Director

Mrs Jayshree Mehta is originally from Varahi, Patan, then shifted to Surat. She completed a Diploma in Pharmacy with first class from M.N. College of Pharmacy, Gujarat University, Ahmedabad, in 1988. She is working as a homemaker as well as a retail pharmacist.

Mrs. Varshaben Gaurang Mehta

Independent Director

Mrs Varshaben Mehta serves on the Company's board of directors as a Non-executive Independent Director. She earned a Bachelor of Ayurvedic Medicine and Surgery (BAMS) degree from Surat's O.H. Nazar Ayurvedic University (Gujarat). She is a General Physician in Surat, where she runs her own clinic, Shreeji Clinic.

Mr. Vitrag Sureshkumar Modi

Independent Director

Mr Vitrag Modi is a chartered accountant in practice and a fellow member of the Indian Institute of Chartered Accountants (ICAI). He also possesses a bachelor's degree in commerce from Surat's Veer Narmad South Gujarat University. He established his firm in 2017. Among his primary areas of competence are direct and indirect taxes, bank audits, management and system audits, accounting, and corporate services.



Advancing the cause of accessible and affordable healthcare



Dear Shareholders,

It is my utmost pleasure to be presenting our 22nd annual report to you, my dear shareholders. As we all are aware, the last two years have been nothing short of dystopia, with the pandemic wreaking havoc in our lives. However, ZHCL, a Healthcare company, had a critical role to play amidst this chaos. As a Company that is determined to further the cause of affordable healthcare through India's largest private sector generic pharmacy chain, these two years have been the most crucial ones in our journey so far. In this context, I am glad to reiterate that Davaindia, our generic pharmacy chain, maintained its number one position as the country's largest private-sector generic pharmacy chain, with 514 operational stores across 25 states of India. We hope to build on this and keep leading going forward as we gear to make necessary adaptations, if and when required.

FY22, the year that was

Our performance last year was a mixed bag. To begin with, let me first walk you through the performance of our driving businesses, i.e. Davaindia and Exports. Our performance in the Exports business remained volatile and subdued across the year on the back of ongoing supply-chain issues such as increasing lead times, container shortages and a massive increase in ocean freight costs. Resultantly, it did impact the profitability of our Exports vertical, and on a full-year basis, we witnessed a marginal decrease in sales of 1% YoY. In FY22, our revenues from our Exports business stood at ₹ 3,014 Lakhs as compared to ₹ 3,047 Lakhs in FY21.

As for our Davaindia business vertical, we witnessed significant growth this year, mainly because of increasing active store count, higher footfalls, and growing average wallet spends across the year. It is pertinent to note that in Q2FY22, we took an important decision to do a one-time readjustment of our operational store count by shutting down low-volume and inactive stores.

We rolled out about 50 stores each

quarter in FY22, which included an increasing number of COCO-format stores. However, as of FY22, we had 514 active stores, which previously stood at 591 stores as of FY21 on account of shutting inactive stores. Of the 514 stores operational, 497 are FOFO-format stores, and 17 are COCO-format stores.

Building on this trend, the number of COCO-format stores stands doubled in Q1FY23, as we are pursuing aggressive growth in this store format. As far as the Average Wallet Spend goes, Davaindia witnessed a steady increase from ₹ 204 in Q4FY21 to ₹ 267 in Q4FY22, which is attributable to a more comprehensive product portfolio (i.e. higher SKUs) and increasing focus on large-format COCO stores, where the Company witnesses higher non-medicine sales. What is important to note here is that Davaindia progressed well in FY22 despite the Company rejigging some of its operational processes, including shutting down inactive stores and shifting to a new central warehouse between Q4FY22 and Q1FY23. We are inspired by the performance of this vertical and are confident that our prowess in this business will continue to grow as we go ahead.

Now moving on to our Domestic sales vertical, the Company did witness decent progress in FY22. Our revenues for this vertical stood at ₹ 6,469 Lakhs this year compared to ₹ 5,229 Lakhs in FY21, albeit a smaller base due to Covid-19-related disruptions.

Overall, due to subdued performance in the Export business, the contribution from our driving businesses stood at 51%, the same as last year. The total Revenue from Operations for FY22 was ₹ 13,153 Lakhs in comparison to ₹ 10,684 Lakhs in FY21, marking a growth of 23%. On the profitability front, the Company witnessed a significant comeback despite the higher RM prices impacting the Exports profitability, which was offset by better performance on the Davaindia front. The increasing scale of operations coupled with optimised costs allowed for an EBITDA margin of 12.9% in FY22, compared to 1.8% in FY21 and 6.3% in pre-Covid FY20. Subsequently, our PAT for the year stood at ₹ 1,058 Lakhs compared to a loss of ₹ 16 Lakhs in the previous year.

51%

Business Contribution from Driving Businesses

Building a resolute Davaindia

While our financial performance is one aspect, we have also made significant progress operationally, especially in our Davaindia business. For starters, we shifted our central warehouse (for both Davaindia and Domestic Marketing verticals) and dispatching unit in Surat to a completely automated state-of-the-art facility, which is set up under a strategic partnership for an asset-light model for the Company. This facility will be able to handle a significantly higher number of dispatches in an improved and efficient manner. At present, this facility will handle the dispatches to all our 514 operational stores from across the country. However, based on the success of this model, ZHCL will evaluate opportunities of opening up more such facilities across different regions, following the same asset-light approach.

The other important element in our operational performance has been the early success of our COCO-format stores, which are functioning under our wholly-owned subsidiary Davaindia Health Mart Limited. In the early roll-outs of COCO stores across Gujarat, Rajasthan and Maharashtra, we have witnessed higher footfalls and better Average Wallet Spend, which is certainly an affirmation for us. What is working for this format is its larger walk-in area, around 1,000 to 1,500 sq.ft., which uplifts the customer experience. Further, our FOFO stores, which are predominantly smaller and over-the-counter format stores wherein the customers cannot see and experience the full range of our 1,600+ SKUs, limits discretionary sales. In the same context, our COCO stores promote higher sales of the non-medicine portfolio consisting of Cosmetic and Nutraceutical products, which is a much better model as we have realised. Although COCO stores involve certain upfront investments in renting the stores, furniture & fixtures and initial stock, the Company plans on rolling out these stores more aggressively owing to their quicker gestation period to reach a decent amount of sales and a better customer experience in the days ahead.

Apart from this, we are also excited about continuing our push on Advertisement & Promotional activities. While we will lay a higher focus on Television commercials in the coming year, we will also continue to strengthen our advertising through mediums such as Social Media, Radio advertisements and Outdoor media. I am happy to share that our partnership with ZHCL's brand ambassador Mr Kapil Dev, has gained an outstanding response from our stakeholders, and we are looking at building on this further.

"I must also take a moment to reinstate that our mission of ensuring affordable medicines for all and of advancing the cause of accessible and affordable healthcare remains undeterred."

I must also take a moment to reinstate that our mission of ensuring affordable medicines for all and of advancing the cause of accessible and affordable healthcare remains undeterred. In this context, we strongly feel that Davaindia will prove to be a revolutionary effort in the Indian healthcare landscape, generating mainstream acceptance of quality generic medicines delivered directly to the consumer without any intermediaries. We believe that in a country like India, where millions are driven towards poverty each year due to a lack of affordable healthcare, Davaindia presents an unmatched opportunity to serve the underserved Indian people. Consumers must be made aware of the equivalence between brand and generic pharmaceutical drugs, and misconceptions surrounding generic medicinal products must be ward off. While our journey with Davaindia only started a few years ago, we are proud of our 500+ store presence today, which covers almost all of India.

Overlooking the immediate hurdles, we will continue to pursue growth in our Exports and Davaindia business verticals while maintaining the status quo in our Domestic business. We are confident that by keeping a long-term view of India's healthcare landscape in mind and leveraging technology and efficient infrastructure in our operations, we will succeed in both our driving businesses.

In closing, I must thank my shareholders, team members and other stakeholders for your consistent trust and support of Zota. I am every bit confident that together we will be able to contribute to India's growth story in the years ahead, just as we have in the past.

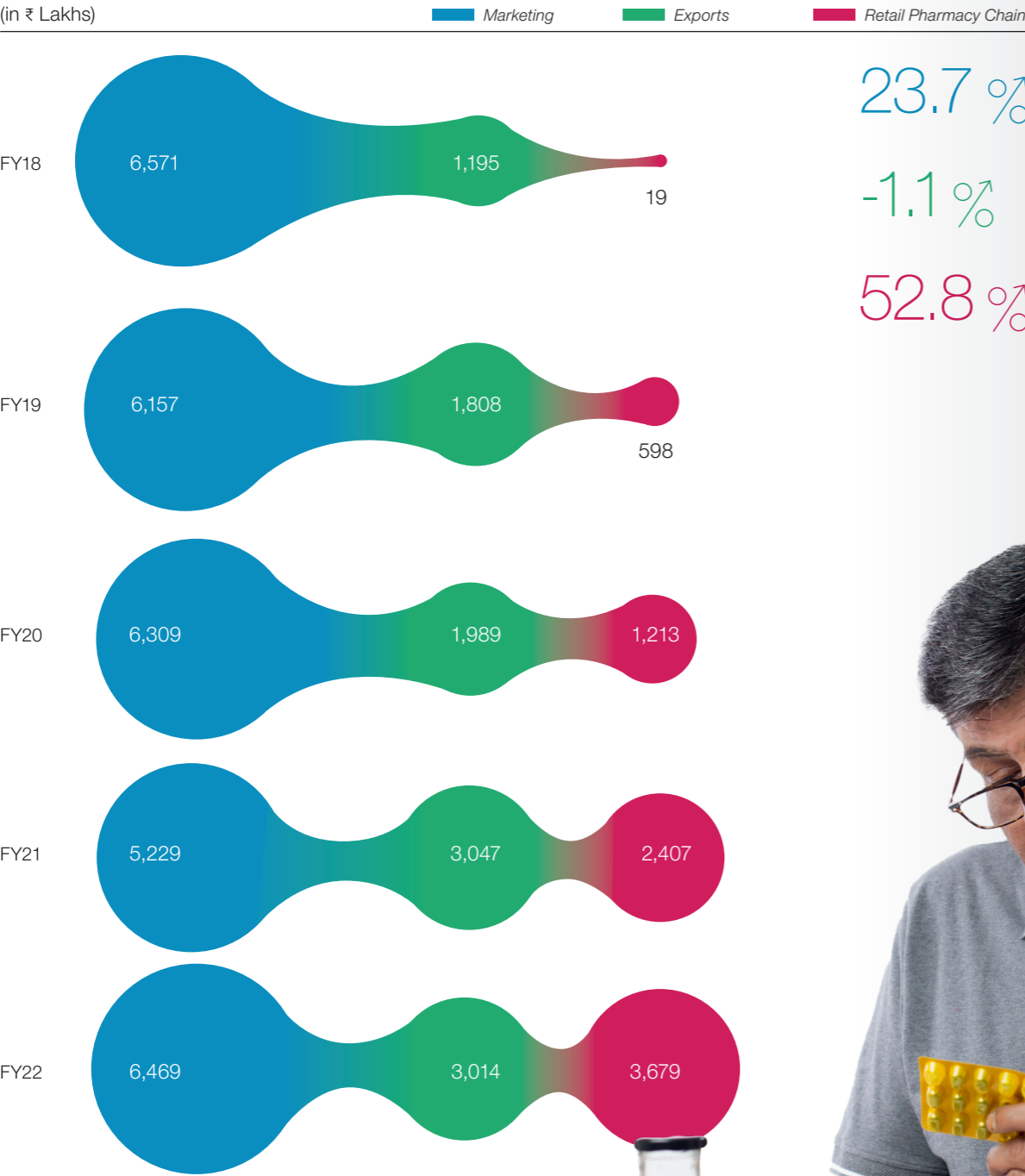
**Yours Sincerely,
Ketan Zota**

KEY PERFORMANCE INDICATORS

Measuring Our Progress

Revenue Mix

(in ₹ Lakhs)



23.7 %

-1.1 %

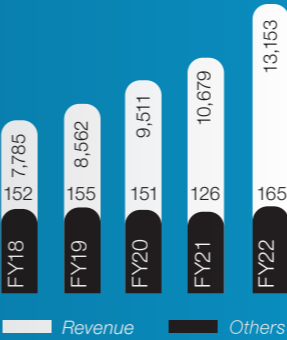
52.8 %

Y-O-Y growth

Revenue from Operations & Other Income

(in ₹ Lakhs)

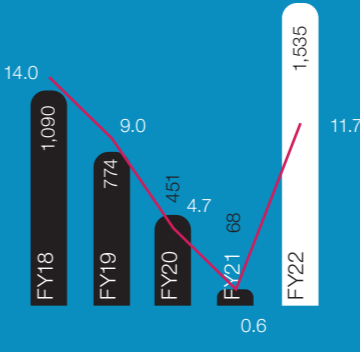
31% 23.2 %



Operating Profit & Operating Profit Margin

(in ₹ Lakhs & %)

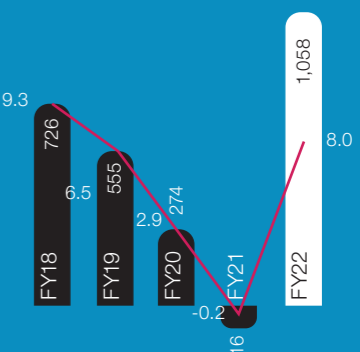
2157.3%



Profit after Tax & Profit after Tax Margin

(in ₹ Lakhs & %)

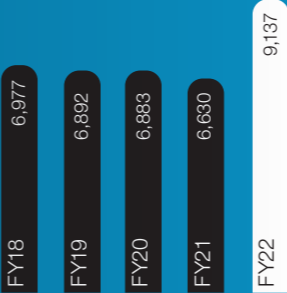
6712.6%



Shareholders' Funds

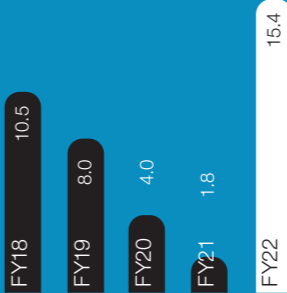
(in ₹ Lakhs)

52.8 %



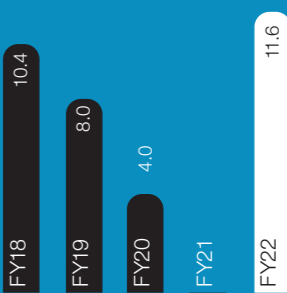
ROCE

(in %)



ROE

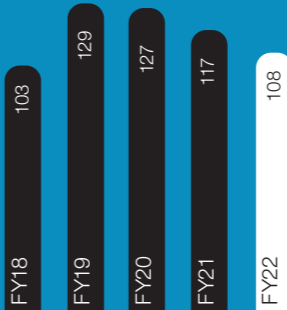
(in %)



Working Capital Days

(in Days)

(9 Days)



26 Management Discussion & Analysis

GLOBAL PHARMACEUTICAL INDUSTRY

In 2021, global spending on medications exceeded USD 1.4 trillion. It is anticipated that this figure will surpass USD 1.8 trillion by 2026, growing at a compound annual growth rate (CAGR) of 3-6%, taking into account higher vaccine demand as a result of the Covid-19 epidemic. The global pharmaceutical markets would be led by developed markets like the USA, Europe, and Japan, as well as emerging markets, with emerging markets ranking the highest in terms of growth rate. The primary growth driver in developed countries will be led by the introduction of new items, particularly specialised and innovative medications and goods. While several reasons, including-growing per capita income, rising volumes of branded generics, expanding healthcare awareness, improving insurance penetration, ageing population, and increasing prevalence of chronic illnesses, are anticipated to fuel the growth of the emerging market. Furthermore, emerging technologies are enabling healthcare providers to innovate and engage better with key stakeholders.

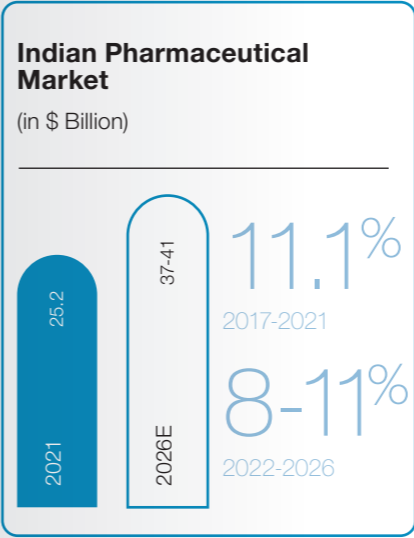
INDIAN PHARMACEUTICAL INDUSTRY

With a significant presence across in the global pharmaceutical industry, India is a vital player in the global pharmaceutical value chain. India continues to play a crucial role in the domain of high-quality, low cost pharmaceuticals for both the domestic and international markets. In terms of size, globally the Indian pharmaceutical industry ranks 11th in terms of value and 3rd in terms of volume, and it remains the world's largest provider of generics, accounting for 20% of all international pharmaceutical exports (volumes). On the back of India's growing pharmaceutical industry and government boost, the country is expected to secure the 9th position in terms of value by 2026. India is the country with the largest proportion of USFDA approved pharmaceutical manufacturing facilities outside of the United States. It meets more than half of the world's demand for different vaccinations and more than 40% of the demand for generic products in the United States. The Indian pharmaceutical industry currently exports its products to more than

11th

Rank of Indian pharmaceutical industry in terms of value and 3rd in terms of volume

200 nations throughout the world. Indian pharmaceutical companies have played a significant role in supplying the world with therapeutic medicines, COVID-19 vaccinations, and other medical supplies since the outbreak of COVID-19 began in 2020. The ability of the Indian pharmaceutical industry to align its product portfolios with chronic therapeutic segments will play a role in the country's pharmaceutical growth for the coming decade. It is also pertinent to note that India has among the lowest spends on healthcare, at about 4.5% of the GDP against the global average of 9%. This gap, along with the recent pandemic, has prompted the Government of India to actively focus on policies that provide impetus to the healthcare sector.



OUTLOOK

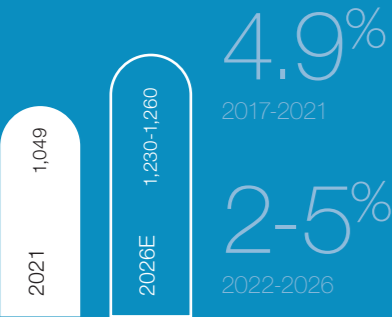
According to various industry projections, Indian pharmaceutical spending would reach US\$37-41 billion by 2026, with a CAGR ranging between 8% to 11%. It will place India in the top ten nations in terms of pharmaceutical spending. Further, after the Covid-19 pandemic hit, India has emerged as one of the largest vaccine manufacturers in the world. In the future, the capability of the industry to orient its product portfolio towards chronic therapies for diseases such as cardiovascular disease, anti-diabetes, anti-depressants, and anti-cancer would also be critical in achieving superior growth in domestic sales. The Indian government has made several efforts to make healthcare affordable and lower the overall expenditure on an individual level. In recent years, there has been a renewed

emphasis on the rapid entry of generic pharmaceuticals into the market, likely to help the Indian pharmaceutical industry. Another positive development for pharmaceutical companies is the increased emphasis on rural health initiatives, lifesaving medicines, and preventative vaccinations.

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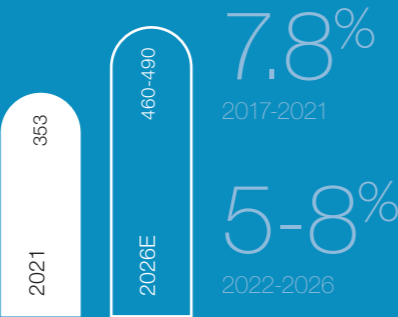
Developed Markets

(in \$ Billion)



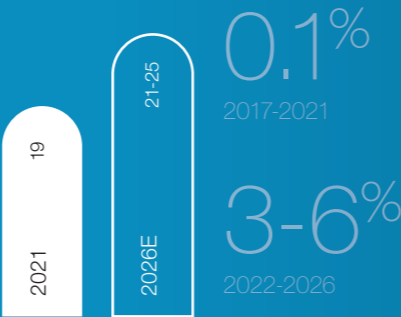
Pharmerging Markets

(in \$ Billion)



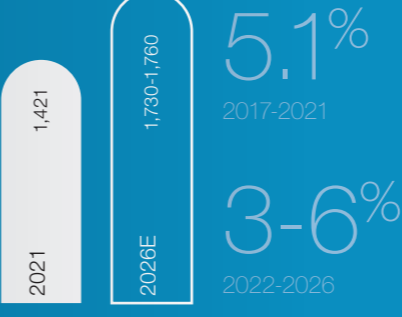
Other Markets

(in \$ Billion)



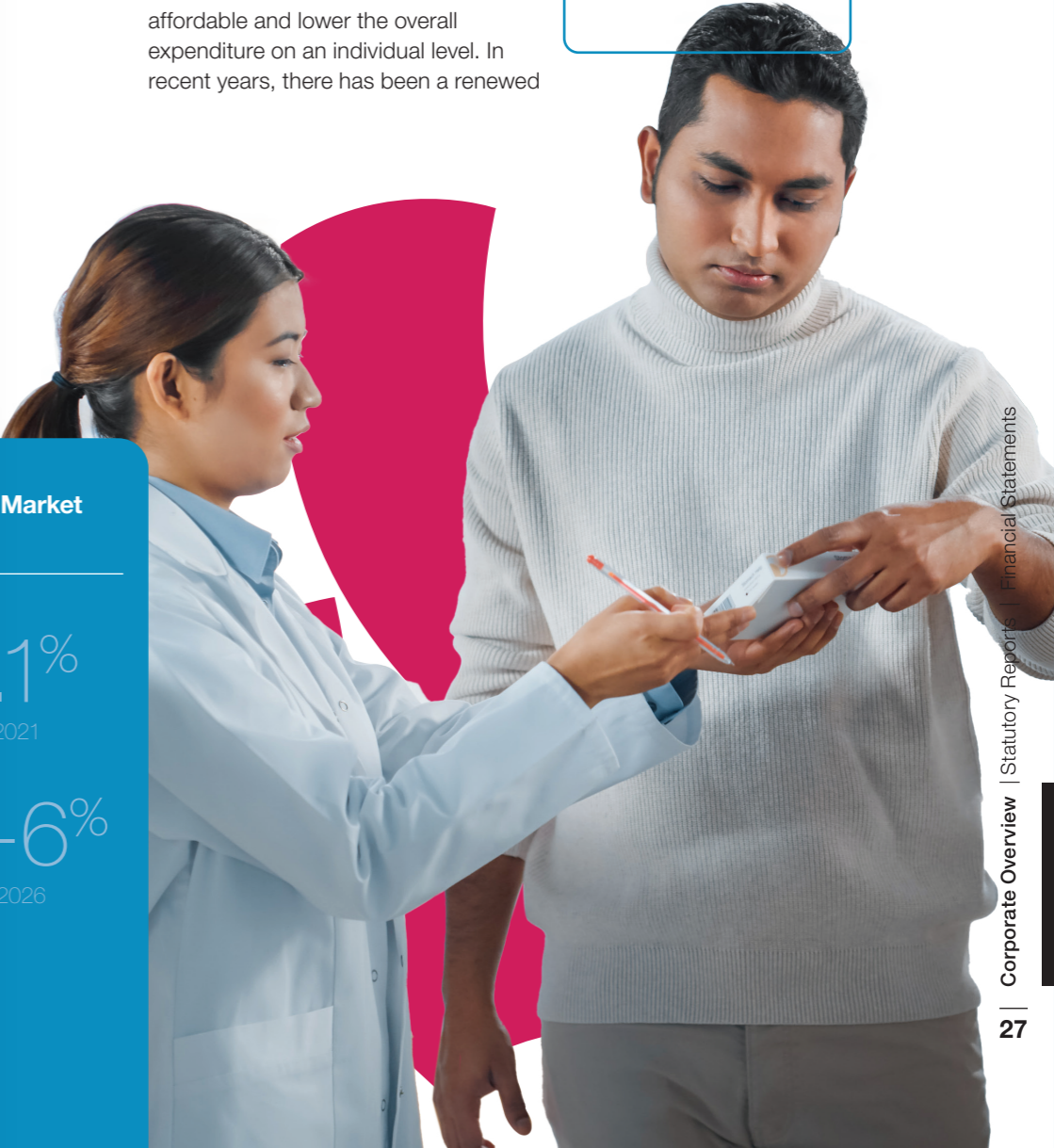
Global Pharmaceutical Market

(in \$ Billion)

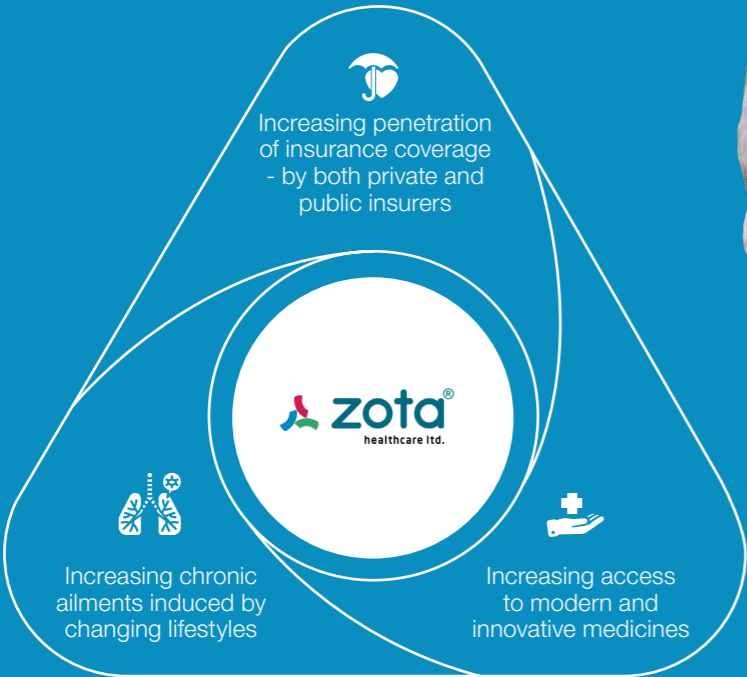
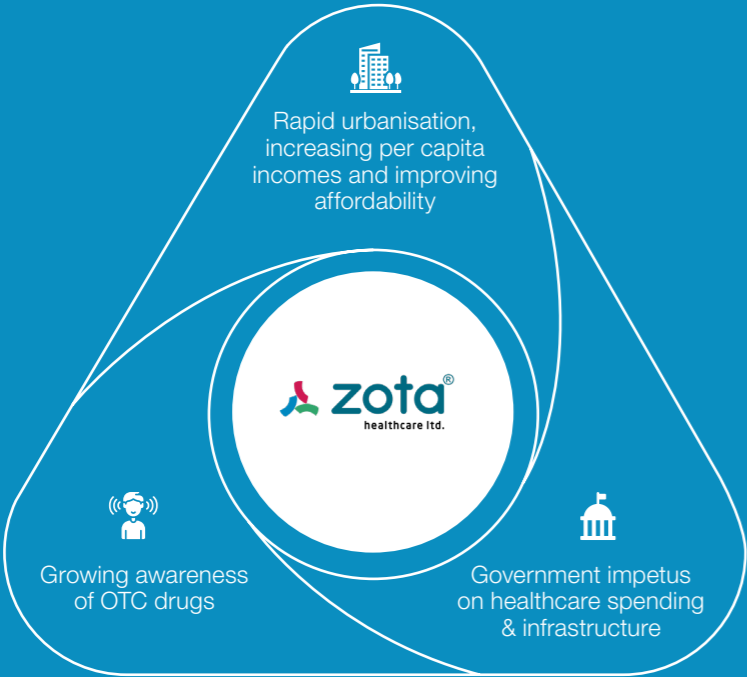


Source: IQVIA Institute

CAGR



GROWTH DRIVERS



INDIA'S GENERIC MEDICINE LANDSCAPE

Need

Despite being one of the world's top exporters of generic drugs, most of the Indian population lacks access to inexpensive healthcare. A recent study article based on a cross-sectional analysis of NSSO data estimates that 38 million Indians fell below the poverty line in a year because they could not afford healthcare bills. Additionally, in the rural and urban sectors, respectively, 72% and 68% of the total expenditure were devoted to the purchase of medications for illnesses that did not even require hospitalisation.



PMBJP - Background

Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP) was launched by the Department in the year 2008, to make quality generic medicines available at affordable prices to all, especially for the poor and the deprived. Under this scheme, dedicated outlets

known as Pradhan Mantri Bhartiya Janaushadhi Kendras (PMBJK) are opened all over the country to provide generic medicines to the masses at a substantial discount compared to their branded counterparts.



Objective

- To ensure easy availability of menstrual health services to all women across India
- To make available quality medicines, consumables, and surgical items at affordable prices for all
- Reduce out-of-pocket expenditure of consumers/ patients
- To popularize generic medicines among the masses and dispel the prevalent notion that low-priced generic drugs are of inferior quality or less effective
- Generate employment by engaging individual entrepreneurs in the opening of PMBJP Kendras

COMPANY OVERVIEW

Based out of Surat, Gujarat, Zota Health Care Limited (“Zota”, “ZHCL”, or “the Company”) was founded in 2000 with a sincere desire to provide affordable healthcare to all. Zota fulfils the needs of millions of people by advancing access to high-quality, affordable medicines for chronic illnesses, including heart disease, diabetes, and thyroid disease, among others, providing extra mileage to India’s healthcare sector. The Company is known for its hallmark of delivering high-quality generic pharmaceuticals at an affordable price.

The Company’s business model comprises three verticals, namely Domestic, Exports and Retail Pharmacy Chain (Davaindia). All of these verticals function independently but work towards Zota’s overarching principle of affordable healthcare for all. The Company’s state-of-the-art manufacturing facility at Sachin SEZ serves Export customers in more than 30 countries. In the generic retail pharmacy vertical, Davaindia has been a front runner operating more than 500 stores across 25 states. The Company believes Davaindia will be a critical enabler of affordable access to medicines, keeping itself aligned with the needs of 1.3 billion Indians. Zota stands by its philosophy of providing affordable healthcare to the masses by keeping customers at the centre of our operations. Its passion for making a difference in the world’s healthcare needs has enabled it to touch the lives of millions. The Company remains committed to making a positive impact on people’s lives around the world in the coming years.

The Company is known for its hallmark of delivering high-quality generic pharmaceuticals at an affordable price.

BUSINESS VERTICALS

Domestic

Our Marketing business vertical involves the direct distribution of generic drugs, OTC products, and other pharmaceutical products through the Company’s distribution network across India. Marketing remains our largest business vertical and has singlehandedly driven the Company’s growth in the past. In our domestic Marketing business, we procure finished dosage forms (FDFs) from domestic formulation manufacturers and then market them under our portfolio of brands. We have a set of manufacturing partners recognised by the WHO with a rigorous focus on product quality. With a portfolio of more than 3,000 products in various categories, such as generics, OTC products, allopathic, ayurvedic, etcetera, we cater to a wide variety of ailments. Our business model for this vertical is built on direct distribution to our distributors spread throughout the country, which in turn market products to retail pharmacies in their respective areas. Currently, we have over 1050 distributors spread around the country. Our exclusive distributors are located in each district to retain exclusivity while minimising unhealthy competition across our value chain. Instead of the Company directly engaging in sales, distribution, and promotion activities, our distributors engage in ethical marketing or other sales, distribution, and promotion activities on their own. As a result, several intermediaries in our distribution chain, such as stockists, super-stockists, carrying and forwarding agents, and wholesalers, have been eliminated from the value chain. Instead, we provide our distributors directly with incentives to help them sell our products more effectively.

Exports

Our export business vertical started in 2010, following the establishment of our formulations manufacturing facility in the Sachin SEZ. We currently have product approvals in 30 countries, particularly in the semi-regulated and regulated markets in the African, Asian, CIS, and Latin-American countries. We make around 250 formulations in this facility for direct exports and contract manufacturing. During the last five years, the Company has significantly increased its efforts and investments toward product registration, which are now apparent in the form of product approvals and the expansion of export operations. Currently, the Company has 284 dossiers approved across multiple countries, and another 302 dossiers have been filed and are pending approval. Several factors, such as the backlog in product approvals, the increase in direct exports over merchant exports, and the use of exclusive distributors in international markets, have contributed to the performance of this vertical over the last few years. Off-last in the last financial year, the Export vertical has been facing some temporary challenges and setbacks on account of rising lead times, ocean freights and container shortages, thus impacting growth in the business vertical in FY22. However, the Company expects to come back on the performance on this front once these temporary challenges subside.

Retail Pharmacy Chain

In the Retail Pharmacy Chain business vertical, the Company operates a chain of pharmacy stores under the brand - Davaindia. Davaindia is India’s largest private-sector retail generic pharmacy chain whose core value proposition is providing quality generic medicines at substantial discounts, i.e. 30% to 90%, compared to their branded equivalents. Davaindia focuses exclusively on private-label products in the medicinal, OTC, and ayurvedic categories, with a significant emphasis on chronic therapies and ailments. This

one-of-its-kind concept that started with 3 stores in 2017 has scaled up to become the largest private-sector generic pharmacy chain with 514 active stores as of March 2022. Davaindia operates on a unique asset-light franchise model for the majority of its stores. In addition, the Company is also rolling out company- owned, company-operated (COCO) format stores that are larger-format, walk-in stores operated by the Company’s wholly-owned subsidiary, i.e. Davaindia Health Mart Limited. These stores are engaged in exclusive sales of Davaindia products, with more than 95% of products being private- label. Through Davaindia, the Company has been a front runner in generic retail pharmacy, which it believes will be a critical enabler of affordable access to medicines— keeping itself aligned with the needs of 1.3 billion Indians; the Company stand by our philosophy of providing affordable healthcare to the masses by keeping customers at the centre of our operations.

FINANCIAL PERFORMANCE

Overview

On a standalone basis, Revenue from Operations for FY22 was ₹ 13,153 Lakhs compared to ₹ 10,684 Lakhs in FY21, which marked 23% year on year. On the profitability front, the Company witnessed a significant comeback despite the higher RM prices & substantially higher ocean freight impacting the Exports profitability & volumes, as this was offset by better performance on the Davaindia & Domestic sales front. The increasing scale of operations coupled with optimised costs allowed for an EBITDA margin of 12.9% in FY22, compared to 1.8% in FY21 and 6.3% in pre-Covid FY20. Subsequently, our PAT for the year stood at ₹1,058 Lakhs compared to a loss of ₹ 16 Lakhs in the previous year. On the consolidated front, our profitability stood slightly lower at ₹ 905 Lakhs due to an aggressive roll- out & higher operating expenses of COCO format stores in the Company’s wholly-owned subsidiary, i.e. Davaindia Health Mart Limited.

Business Verticals



Marketing

The Domestic marketing business vertical witnessed a decent comeback in FY22, as revenues for this business vertical stood at ₹ 6,469 Lakhs this year compared to ₹ 5,229 Lakhs in FY21, albeit a smaller base due to Covid-19 -related disruptions. Going forward, the Company expects to maintain similar growth levels in this vertical as it has previously delivered.

Exports

The Exports business vertical had volatile and subdued performance throughout FY22 on account of container shortages, increasing lead times, and substantially higher ocean freights; further, higher RM prices also impacted the profitability of this vertical. As a result, revenues from our Exports business stood ₹ 3,014 Lakhs compared to ₹ 3,047 Lakhs in FY21, a marginal decrease of 1%.



Retail Pharmacy Chain

The Company’s Retail Pharmacy Chain vertical performed well during the year under review, as Revenues grew from ₹ 2,407 Lakhs in FY21 to ₹ 3,679 Lakhs in FY22, thus registering a growth of 53% year on year. This performance was mainly on account of increasing active

store count, higher footfalls, and growing average wallet spends across the year. On average, the Company rolled out about 50 stores each quarter in FY22, which included an increasing number of COCO- format stores.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FINANCIAL RATIOS

Pursuant to Schedule V (B) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended:

Ratios	FY21	FY22	% Change	Remarks
Total Debt to Equity	0	0	NA	NA
Current Ratio	3.36	2.29	-32%	Increase in loans (assets), advances from customers and provisions
Interest Coverage	-11.25	194.87	1,832%	Significant increase in EBIT
Debtors Turnover	3.69	3.92	6%	NA
Inventory Turnover	4.00	4.69	17%	NA
Operating Profit Margin	0.6%	11.7%	1,850%	Due to better scale of operations & gross profit margins
Net Profit Margin	-0.2%	8.0%	4,100%	Due to better scale of operations & gross profit margins

THREATS, RISKS AND CONCERNS

- Pharmaceutical & health care is one of the most regulated industries in the world. Being a pharmaceutical company, we have to adhere to various rules and regulations prescribed by respective authorities
- Changes in the regulatory norms of India or the exporting countries may affect the operations of our Company
- Malpractices by some of the players in the industry may affect the overall performance of emerging players
- Our business is working capital intensive, and our inability to manage the same may adversely affect our business
- Our retail pharmacy business is brand-centric. Therefore, any malpractices or dissatisfaction with our products may harm our brand and, subsequently, our business
- Our export business exposes us to the risk of currency fluctuations. Any unhedged exposures may lead to future losses

INTERNAL CONTROLS AND ADEQUCY

The Company has, in place, an adequate internal control system commensurate with the size and nature of its business. These systems have been designed to provide reasonable assurance that all assets are safeguarded and protected against loss from unauthorised use or disposition and that all transactions are authorised, recorded and reported correctly, and the business operations are conducted as per the prescribed policies and procedures of the Company. The Audit Committee and the management have reviewed the adequacy of the internal control systems, and suitable steps are taken to improve the same.

HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS

Your Company firmly believes that its human resources are the key enablers for the growth of the Company and an important asset. Hence, the Company’s success is closely aligned with the goals of the Company’s human resources. Taking into this account, your Company continues to invest

in developing its human capital and establishing its brand on the market to attract and retain the best talent. As a result, employee relations during the period under review continued to be healthy, cordial and harmonious at all levels, and your Company is committed to maintaining good relations with the employees.

CAUTIONARY STATEMENT

The Management Discussion and Analysis statements describing the Company’s objective, projections, estimates, and expectations may be forward-looking statements. Actual results may differ materially from those expressed or implied due to various risks and uncertainties. Important factors that could make a difference to the Company’s operations include economic and political conditions in India and other countries in which the Company operates, volatility in interest rates, changes in government regulations and policies, tax laws, statutes, and other incidental factors. The Company does not undertake to update these statements.

Corporate Information

BOARD OF DIRECTORS

- Mr. Ketankumar Chandulal Zota, *Non-Executive Chairman*
- Mr. Moxesh Ketanbhai Zota, *Managing Director*
- Mr. Himanshu Muktilal Zota, *Whole-Time Director*
- Mr. Manukant Chandulal Zota, *Whole-Time Director*
- Mr. Kamlesh Rajanikant Zota, *Whole-Time Director*
- Mrs. (Dr.) Varshabahen Gaurang Mehta, *Non-Executive Independent Director*
- Mrs. Bhumi Maulik Doshi, *Non-Executive Independent Director*
- Mr. (CA) Vitrag Sureshkumr Modi, *Non-Executive Independent Director*
- Mr. (Dr.) Dhiren Prafulbhai Shah, *Non-Executive Independent Director*
- Mrs. Jayshreeben Nileshkumar Mehta, *Non-Executive Independent Director*

COMPANY SECRETARY & COMPLIANCE OFFICER

CS Ashvin Variya

STATUTORY AUDITOR

M/s SHIVANGI PAREKH & CO.,
Chartered Accountants
302, Sai Bhavan, Nr. New Saibaba Temple,
Opp. SMC Multilevel Parking, Shahpore, Surat - 395002
Email: shivangica@yahoo.co.in

REGISTRAR & TRANSFER AGENT

Satellite Corporate Services Pvt. Ltd.
Category I Registrar to Issue & Share Transfer Agents
Office No. A/106-107, Dattani Plaza
East West Compound, Andheri Kurla Road,
Sakinaka, Mumbai-400072
Ph. No.: 02228520461/462
Tele Fax: 022 28511809

REGISTERED OFFICE

“ZOTA HOUSE”, 2/896, Hira Modi Street,
Sagrampura, Surat– 395002
Ph. No.: 0261 2331601
Email: info@zotahealthcare.com
Website: www.zotahealthcare.com

AUDIT COMMITTEE

- Vitrag Sureshkumr Modi, *Chairman*
- Varshabahen Gaurang Mehta, *Member*
- Himanshu Muktilal Zota, *Member*
- Bhumi Maulik Doshi, *Member*

NOMINATION & REMUNERATION COMMITTEE

- Varshabahen Gaurang Mehta, *Chairman*
- Dhiren Prafulbhai Shah, *Member*
- Jayshreeben Nileshkumar Mehta, *Member*

STAKEHOLDER'S RELATIONSHIPCOMMITTEE

- Jayshreeben Nileshkumar Mehta, *Chairman*
- Himanshu Muktilal Zota, *Member*
- Manukant Chandulal Zota, *Member*

CORPORATE SOCIAL RESPONSIBILITYCOMMITTEE

- Himanshu Muktilal Zota, *Chairman*
- Ketankumar Chandulal Zota, *Member*
- Varshabahen Gaurang Mehta, *Member*

INTERNAL AUDITOR'S

Pradeep K. Singhi & Associates

BANKER TO THE COMPANY

- Axis Bank Limited
- State Bank of India
- Yes Bank Ltd

22ND ANNUAL GENERAL MEETING

Date: September 27, 2022

Time: 11:00 A.M.

Venue: Through Video Conferencing (VC) or Other Audio Visual Means (OAVM) (deemed venue of the AGM would be the registered office of the Company i.e. Zota House, 2/896, Hira Modi Street, Sagrampura, Surat – 395002, Gujarat)

Notice of Annual General Meeting

Notice is hereby given that the 22nd Annual General Meeting of the members of Zota Health Care Limited ('the Company') will be held on Tuesday, the 27th day of September, 2022 at 11.00 A.M. through Video Conferencing (VC) or Other Audio Visual Means (OAVM), to transact the following businesses:

The venue of the meeting shall be deemed to be the Registered Office of the Company at Zota House, 2/896, Hira Modi Street, Sagrampura, Surat – 395002, Gujarat, India.

ORDINARY BUSINESSES:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the company for the financial year ended on March 31, 2022, together with the Reports of the Board of Directors and Auditors thereon.
2. Declaration of final dividend on equity shares @15% i.e. ₹1.50/- per Equity share for the financial year 2021-22.
3. To appoint a Director in place of Mr. Ketankumar Chandulal Zota, Director (Holding DIN-00822594), who retire by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.

By order of the Board
for **ZOTA HEALTH CARE LIMITED**

Place: Surat
Date: September 2, 2022

Sd/-
Ashvin Variya
Company Secretary & Compliance Officer

Notes

- a. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs (MCA) followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and Circular No. 21/2021 dated December 14, 2021 and 02/2022 dated May 05, 2022 ("MCA Circulars") and the Securities and Exchange Board of India (SEBI) Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/DDHS/P/ CIR/2022/0063 dated May 13, 2022 issued by the Securities Exchange Board of India ("SEBI Circular") and all other relevant circulars issued from time to time by MCA and SEBI, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
- b. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Accordingly, the facility for appointment of proxies under section 105 of the Act by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
- c. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- d. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- e. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
- f. In line with the aforementioned MCA Circulars and SEBI Circulars, the Notice calling the AGM along with Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/RTA/Depositories and has also been uploaded on the website of the Company at www.zotahealthcare.com. The same can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at www.nseindia.com and is also available on the website of NSDL (agency for providing the Remote e-voting facility) i.e. www.evoting.nsdl.com.
 - a. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
 - b. Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company/RTA in case the shares are held by them in physical form.
 - c. Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, the 21st day of September, 2022 to Tuesday, the 27th day of September, 2022 (both day inclusive) for determining the names of Members eligible for dividend on Equity Shares, if any, declared at the meeting and for the Annual General Meeting.
 - d. Members seeking any information/document as referred in the notice are requested to write to the Company on or before September 17, 2022 through email at cszota@zotahealthcare.com. The same will be addressed by the Company suitably.
 - e. The dividend on Equity Shares of the Company as recommended by the Board of Directors of the Company, when approved at the Annual General Meeting of the Company, will be made payable within 30 days of the date of declaration i.e. Tuesday, the September 27, 2022 to the Company's Equity Shareholders, whose names stand registered on the Company's Register of Members:
 - a. As Beneficial Owners as at the end of business hours on September 20, 2022 as per the list provided by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in the electronic form and
 - b. As Members in the Register of Members of the Company after giving effect to valid deletion of name /transmission (As per SEBI circular, as of now no physical transfer of shares are permitted) in physical form lodged with the Company before September 20, 2022".
 - f. In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from April 1, 2020, dividend declared and paid by the Company is taxable

- in the hands of shareholders and the Company is required to deduct tax at source (TDS) from dividend paid to the shareholders at the applicable rates. The shareholders are requested to update their PAN with the Company/ RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). A separate communication in this regards shall be forwarded to all the shareholders to their registered e-mail addresses.
- g. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investors Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.
- h. Members holding shares in demat form are hereby informed that the bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts; will be used by the Company for the payment of dividend. The Company or its registrar cannot act on any request received directly from the Members holding in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in demat form are requested to intimate any change in their address and/or bank mandate immediately to their Depository Participants.
- i. Members holding shares in physical form are requested to notify following details to the Registrar and Transfer Agent (RTA) of the Company Satellite Corporate Services Pvt. Ltd. having registered address A/106-107, Dattani Plaza MTNL Lane, East West Compound, Andheri Kurla Road, Sakinaka, Mumbai-400072
- Bank details for receiving dividend in bank accounts (for those shareholder who have not given bank details to the Company)
 - E-mail id (for receiving notices and annual reports through e-mail id.)
 - Any change in address
 - PAN card copy for the record of the Company as required under the Guidelines of the SEBI.
- The above mentioned all details could be updated/ changed by filing form ISR-1 with the RTA/ Company. The same is available at website of the Company www.zotahealthcare.com under investor relation tab)
- j. Members who are having shares in physical mode and want to register their nominee as per Section 72 of the Companies Act, 2013 are requested to send form SH-13 for nomination or form SH-14 for cancelation of nomination. Form SH-13 and SH-14 are available on Company's website www.zotahealthcare.com under investor relation tab.
- k. The details of directors appointment or re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as below:

Particulars	Mr. Ketankumar Chandulal Zota
DIN No.	00822594
Date of Birth	07/10/1966
Date of Appointment on current position	01/10/2016
Qualification	D-Pharmacy from Gujarat University
Expertise in specific functional areas	Mr. Ketankumar Chandulal Zota holds a D-Pharmacy from Gujarat University and has worked in the pharmaceutical industry for over 38 years. His energetic leadership propelled Zota Health Care Limited to prominence in the sector, and he is now in charge of developing and implementing the Company's new marketing strategies and projects. He has won the 'Lifetime Achievement Award' from the Drug Controller General of India for his outstanding contributions to the pharmaceutical business. At Pharma Ratan Universe – 2019, he was also given the title of 'Pharma Ratna Asia'.
Relationship between Directors inter-se and with Manager and other KMPs	Father of Mr. Moxesh Ketanbhai Zota (Managing Director) Brother of Mr. Manukant Chandulal Zota (Whole-Time Director)
Names of listed entities including this entity in which the person also holds the directorship	Zota Health Care Limited
Names of listed entities including this entity in which the person also holds the membership of Committees of the board	Zota Health Care Limited:- (i) Corporate Social Responsibility Committee – Member
No. of Shares Held	30,51,363
No. of Board Meeting attended during last Financial Year	09
Remuneration drawn during last Financial Year	₹ 0.53 Lakhs

I. E-voting:

- i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 issued by the Ministry of Corporate Affairs ('MCA') and SEBI circulars as issued from time to time; the Company is providing facility of remote e-voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as voting during the AGM will be provided by NSDL.
- ii) The members who are entitled to vote and participate in the AGM through VC / OAVM, and have not cast their vote on the resolutions through remote e-voting shall be eligible to vote through e-voting system during the AGM.
- iii) The members who have voted through e-voting are also entitled to attend/ participate in the AGM through VC / OAVM but not entitled to cast their vote during the meeting.
- iv) The Board of Directors of the Company has appointed Mr. Ranjit Binod Kejriwal, Practicing Company Secretary as a scrutinizer to scrutinize the e-voting during the Annual General Meeting and the remote e-voting process in a fair and transparent manner.
- v) The Cut-off date for the purpose of e-voting is Tuesday, the 20th day of September, 2022. Members whose names are appearing on Register of Members on Tuesday, the 20th day of September, 2022 are entitled to vote through e-voting.
- vi) The e-voting facility will be start from Saturday, the 24th day of September, 2022 at 9:00 a.m. and will end on Monday, the 26th day of September, 2022 on 5:00 p.m.
- m. Since this AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Saturday, the 24th day of September, 2022 at 09:00 A.M. and ends on Monday, the 26th day of September, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, the 20th day of September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, the 20th day of September, 2022.

How do I vote electronically using NSDL e-voting system?

The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-voting system

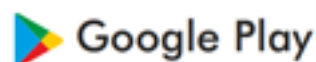
A) Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:

- a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-voting system.

How to cast your vote electronically and join General Meeting on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to rbksurat@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go

through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Pallavi Mhatre at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cszota@zotahealthcare.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cszota@zotahealthcare.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the EGM/AGM.
3. Members who have voted through Remote e-voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS

UNDER:

1. Member will be provided with a facility to attend the EGM/ AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for Access to NSDL e-voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cszota@zotahealthcare.com. The same will be replied by the company suitably.

Director's Report

Your directors are glad to present the Annual Report of the Company, accompanying the Audited statement of Accounts for the financial year ended March 31, 2022.

CORPORATE INFORMATION

Our Company having been incorporated under the provisions of the Companies Act, 1956 and having the permanence presence in India since the year 2000. The Company's business vertices includes Manufacturing, Trading and Export of the Pharmaceutical Products. The Company caters both the domestic and the international markets.

FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	For the yearended March 31, 2022	For the yearended March 31, 2022	For the yearended March 31, 2022	For the yearended March 31, 2022
Revenue from operations	13153.33	10684.12	13119.31	10678.92
Other Income	164.56	125.66	163.04	125.97
Profit/ (loss) before tax and Exceptional Items	1419.14	(134.42)	1243.48	(139.42)
Exceptional Items	-	102.88	-	102.88
Profit/ (loss) before Taxation	1419.14	(31.54)	1243.48	(36.54)
Income Tax	368.84	1.55	368.85	1.55
Deferred Tax	7.71	16.85	16.13	(17.20)
Profit after Taxation	1058.01	(16.24)	890.76	(20.89)

DIVIDEND

The Board of Directors are gratified to recommend the final dividend at the rate of 15% i.e. ₹1.50/- per equity share for the financial year 2021-22. The dividend will be paid to all the entitled members within the time frame as specified in the Companies Act, 2013; if the same be approved in this Annual General Meeting.

INVESTOR EDUCATION AND PROTECTION FUND:

During the financial year ended March 31, 2022; the Company has transferred ₹ 13,800/- to the Investor and Education Protection Fund ('IEPF') in respect of the unclaimed dividend of Company for financial year 2013-14. Further, there were no shares on which dividend has been unclaimed/unpaid for seven consecutive years; hence no shares were liable to be transferred to the IEPF Authority.

TRANSFER TO RESERVE

Considering the financial position of the company; company has not transferred any amount to its General Reserve for the financial year 2021-22.

STATEMENT OF COMPANY'S AFFAIRS

The fiscal year 2021-22 has been started with the second wave of Covid-19 pandemic, the more severe than the first wave. However, the Company was well prepared to tackle with this pandemic. Despite of challenging external environment, the Company's overall performance has been improved.

The Revenues from operations in financial year 2021-22 grew by 23.11% YoY driven by higher revenue growth of Davaindia and Domestic business. During the year, Revenues from Davaindia has been grew by 52.84% YoY and Revenues from Domestic business has been grew by 23.53% on YoY basis. Revenue of Export business has remained flattish. During the year, EBITDA

stood at ₹ 1699.51 lakhs increased by 779.57% on YoY and PAT stood at ₹ 1058.01 lakhs increased by 6614.83% on YoY basis due to optimization of operational expenses on Davaindia which has been further aided by healthy margins on Export business. Performance of various business verticals of the Company during financial year 2021-22 is as below:

Domestic Business*:

During the year, the Company has witnessed a strong demand of prescription based drugs resulted in increased sales of Domestic business of the Company. Further, with ever increasing awareness of generic drugs and larger network of Davaindia Generic Pharmacy Chain have pushed sales of Davaindia. Henceforth, in FY22 domestic Revenue was up by 32.77% on YoY basis at ₹ 10139.11 lakhs. EBITDA was at ₹ 1168.19 Lakhs due to optimized operational expenses of Davaindia and PAT was up by at ₹ 526.69 lakhs in FY22.

*Here, Domestic business includes operations of DAVAINDIA.

Export Business:

During the year, the revenue from Export business remains flattish due to container shortages, logistic challenges and rising lead time. In FY 22 Exports Revenues decreased by 1.09% at ₹ 3014.23 Lakhs. EBITDA at ₹ 531.32 lakhs with healthy margins of 17.27% and PAT at ₹ 353.51 lakhs for FY22

Davaindia:

- During the FY22 Revenues from Davaindia operations has been grew 52.84% on YoY at ₹ 3679.06 lakhs.
- Davaindia has led the revolution of patients opting for generic medicines against branded counterparts. As of FY22, Davaindia has catered to more than 5.29 million happy customers.

- Davaindia expansions continues, inFY22 taking the total operational Franchisee Owned Franchisee Operated (FOFO) stores count to 497.
- A higher number of ~ 1,644 SKU's with around 95% of Private Label Products has enabled Davaindia to better serve customers across all segments.
- The company has adopted various marketing and communication channels like print, T.V and other mediums to increase top of the mind brand recall in the minds of the customers. This exercise that begun to gain traction and has witnessed wallet share increase among its users. Thus increasing its customer spends across varied price points. Quarter-wise number of customers severed and the average wallet spends have been increased QoQ basis during the FY22 are as below.

Particulars	Quarter Ended			
	Q1-FY22	Q2-FY22	Q3-FY22	Q4-FY22
No. of Customers Served	4,73,181	5,40,924	5,68,183	6,41,172
Average Wallet Spends (₹)	220	229	237	267

COVID-19 IMPACT ON BUSINESS

The Company has made assessment of the possible effects of COVID-19 pandemic on its current and future operations, liquidity position and cash flow using internal and external sources of information. The Company is continuously monitoring the impact of COVID-19 and does not see any significant impact on its operations and financial position as at March 31, 2022.

MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR

There are no Material changes occurred between the end of the financial year of the company to which the financial statements related and the date of the report, which is affecting the financial position of the company.

ANNUAL RETURN

The draft of the Annual Return as required under Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 in Form MGT-7 is available on the Company's website viz. www.zotahealthcare.com

COMMENTS ON AUDITOR'S REPORT

The notes referred to in the Auditor's Report are self-explanatory and they do not call for any further explanation, as required under Section 134 of the Companies Act, 2013.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company comprises of ten (10) directors; one Non-Executive Chairman, one Managing Director, three Whole-Time Directors and remaining five being the Independent Directors. As on the date of this report, the composition of the Board of the company as follows:

Name of Directors	Category & Designation
Mr. Ketankumar Chandulal Zota	Non-Executive Chairman
Mr. Moxesh Ketanbhai Zota	Executive Managing Director
Mr. Himanshu Muktilal Zota	Executive Whole-Time Director
Mr. Manukant Chandulal Zota	Executive Whole-Time Director
Mr. Kamlesh Rajanikant Zota	Executive Whole-Time Director
Mrs. Varshababen Gaurang Mehta	Non-Executive Independent Director
Mrs. Bhumi Maulik Doshi	Non-Executive Independent Director
Mr. Vitrag Sureshkumar Modi	Non-Executive Independent Director
Mr. Dhiren Prafulbhai Shah	Non-Executive Independent Director
Mrs. Jayshreeben Nileshkumar Mehta	Non-Executive Independent Director

Pursuant to Sections 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of the directors of the company

are liable to retire by rotation, and if eligible, they can offer themselves for the re-appointment. In this Annual General Meeting Mr. Ketankumar Chandulal Zota, Director of the Company is liable to retire by rotation and being eligible to offer himself for re-appointment.

As per Section 2(51) and 203 of the Companies Act, 2013; the Key Managerial Personnel (KMP) of the Company are as follows:

Name of Directors	Category & Designation
Mr. Moxesh Ketanbhai Zota	Managing Director
Mr. Himanshu Muktilal Zota	Whole-Time Director
Mr. Manukant Chandulal Zota	Whole-Time Director
Mr. Kamlesh Rajanikant Zota	Whole-Time Director
Mr. Viral Mandviwala	Chief Financial Officer
Mr. Ashvin Variya	Company Secretary

MEETING OF THE BOARD OF DIRECTORS:

The Board of Directors of the company have met Nine (9) times during the year. Details of the same are stated as below:

Sr. No.	Date of Meeting	Board Strength	No. of Director Present
1	25/06/2021	10	10
2	30/07/2021	10	10
3	11/08/2021	10	10
4	02/09/2021	10	10
5	16/09/2021	10	9
6	24/09/2021	10	9
7	01/11/2021	10	10
8	12/02/2022	10	10
9	14/02/2022	10	10

DEPOSITS

During the year, the Company has not accepted any deposits from public within the meaning of the Section 73 of the Companies Act, 2013.

RELATED PARTY TRANSACTION

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188 of the Companies Act, 2013 read with Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; entered by the Company during the financial year, were in ordinary course of business and at arm's length basis. Details of the related party transactions made during the year are attached as Annexure-1 in form AOC-2 for your kind perusal and information.

LOANS, GUARANTEES AND INVESTMENT

With reference to Section 134(3)(g) of the Companies Act, 2013; loans, guarantees and investments made by the company under Section 186 of the Companies Act, 2013 are furnished in the financial statements of the Company.

CORPORATE SOCIAL RESPONSIBILITY

Since applicability of Corporate Social Responsibility, the Company has makes continuous endeavor to cover maximum programs/ initiatives for discharging the social responsibility. Over the years, under various Corporate Social Responsibility initiatives; the Company has mainly covered three main pillars of balanced social growth of the people that are Health, Education and Environment.

On the basis of receipt of recommendations from the Corporate Social Responsibility ('CSR') Committee, the Board has framed the Corporate Social Responsibility Policy and adopted the same. The detailed CSR policy of the Company is available on the link:

http://www.zotahealthcare.com/wp-content/uploads/2019/08/Corporate_Social_Responsibility_Policy.pdf

The company has carried out varied CSR activities during the financial year 2021-22, the details of the same are as per Annexure -2. Corporate Social Responsibility Committee of the Board has met two (2) times during the last year. Details of the CSR committee

meetings are stated as below:

Sr. No.	Date of Meeting	Strength of Committee	No. of Members Present
1	16/06/2021	3	3
2	13/07/2021	3	3

DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors of the Company have given their duly signed declarations affirming that they have met the criteria's of independence as specified under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of Board, the Independent Directors of the company possess the integrity, requisite experience and expertise, relevant for the industry in which the company operates. All the Independent Directors of the Company have successfully registered with the Independent Director's Databank of the Indian Institute of Corporate Affairs. Apart from Mrs. Varshababen Gaurang Mehta, Independent Director of the Company, who has got exemption from clearing the proficiency self- assessment test; the online proficiency self- assessment test as conducted by the said institute has been cleared by all the remaining Independent Directors.

NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; the Company has formulated nomination and remuneration committee comprising of three non-executive independent directors Composition of the Committee is as follows:

Mrs. Varshababen Gaurang Mehta	- Chairman & Member
Mr. Dhiren Prafulbhai Shah	- Member
Mr. Jayshreeben Nileshkumar Mehta	- Member

During the year, two (2) meeting of the nomination and remuneration committee was held. Details of the Meetings are stated as below:

Sr. No.	Date of Meeting	Strength of Committee	No. of Members Present
1	06/04/2021	3	3
2	17/06/2021	3	3

Terms of Reference of the Committee

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
 - » the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - » relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - » remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- Regularly review the Human Resource function of the Company.

- Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.
- Make reports to the Board as appropriate.
- Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.
- Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.
- Any other terms of reference as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under other applicable rules and regulations, if any.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Remuneration to Executive Directors:

The Board of Directors in its duly held meeting, after considering the recommendations received from Company's Nomination and Remuneration Committee, approve the remuneration to be payable to the executive directors of the Company. The remuneration of the executive directors is approved by considering varied norms like qualification, experience, responsibilities, value addition to

the Company and financial position of the Company. The Board of Directors takes the permission of the members, if required, for payment of remuneration to the aforesaid directors.

• Remuneration to Non-Executive Directors:

During the year, apart from sitting fees Company has not paid any remuneration to the Non-Executive and Independent Directors.

The detailed policy on directors' appointment and remuneration is available on the below link: http://www.zotahealthcare.com/wp-content/uploads/2019/08/Policy_on_Appointment_and_Remuneration_for_Directors_Key_Management_Personnel_and_Senior_Management_Employee.pdf

AUDIT COMMITTEE:

Pursuant to requirement of Section 177(1) of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; the Company has formulated Audit Committee. The composition of the Audit Committee as on date is as follows:

Mr. Vitrag Sureshkumar Modi	- Chairman & Member
Mrs. Varshababen Gaurang Mehta	- Member
Mrs. Bhumi Maulik Doshi	- Member
Mr. Himanshu Muktilal Zota	Member

During the year, Audit Committee has met five (5) times, details of the same are as stated below:

Sr. No.	Date of Meeting	Strength of Committee	No. of Members Present
1	31/05/2021	4	4
2	25/06/2021	4	4
3	30/07/2021	4	4
4	01/11/2021	4	4
5	12/02/2022	4	4

The Whole term of references of audit committee are to recommend for appointment of the Statutory Auditor, Internal Auditor and Chief Financial Officer, approve related party transactions, examination of financial statements and auditor's report, scrutinize inter corporate loans and investments, evaluation of Internal Financial Control and Risk Management, review and monitor auditors independence and performance and effectiveness of audit process, review Internal Audit Reports, monitor and review compliances of the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, monitor and review the utilization of fund raised through IPO, FPO, Right Issue and Preferential Issues and any other terms of reference as prescribed under Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under other applicable rules and regulations, if any.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and to solve the investor's grievances, the Company has formulated the Stakeholder Relationship Committee; the composition of the Committee is as follows:

Mr. Jayshreeben Nileshkumar Mehta	- Chairman & Member
Mr. Manukant Chandulal Zota	- Member
Mr. Himanshu Muktilal Zota	- Member

During the year, Stakeholders Relationship Committee has met one (1) time, details of the meetings are as follows:

Sr. No.	Date of Meeting	Strength of Committee	No. of Members Present
1	24/03/2022	3	3

INDEPENDENT DIRECTORS' MEETING

The Independent Directors met on March 24, 2022, without the attendance of Non-Independent Directors. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole along with the performance of the Chairman of the Company, taking into account the views of Executive Directors and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIGIL MECHANISM/ WHISTLE BLOWER

The Company has established a Vigil Mechanism & a Whistle Blower System to deal with instances of fraud and mismanagement, if any. The policy has a systematic mechanism for directors and employees to report concerns about unethical

behavior, actual or suspected fraud or violation of the Company's Code of Conduct or policy. The detailed Whistle Blower Policy & Vigil Mechanism available on below link:

http://www.zotahealthcare.com/wp-content/uploads/2019/11/VIGIL_MECHANISM.pdf

RISK MANAGEMENT

Risks are events, situations or circumstances which may lead to negative consequences on the Company's business. Risk Management is a structured approach to manage uncertainty. An enterprise wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Policy and Guidelines, and make use of these in their decision making. Key business risks and their mitigation are considered in the

annual/strategic business plans and in periodic management reviews. The risk management process over the period of time will become embedded into the Company's business system and processes, such that our responses to risk remain current and dynamic.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, your directors hereby confirm:

- A. That in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departments;
- B. That the directors have selected such accounting policies and applied them consistently and made judgments 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 the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities;
- D. That the directors had prepared the annual accounts on a going concern basis;
- E. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- F. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD EVALUATION

The performance evaluation of the Board, its Committees and the Independent Directors of the company were evaluated by the Board after obtaining inputs from all the directors on the fixed benchmark for the performance evaluation such as participation in strategy formulation and decision making; participation in Board and Committee meetings; Directions, views and recommendations given to the Company, etc.

The Board reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. The Performance evaluations of the Independent directors were done by the entire board, excluding the independent directors who were being evaluated did not participate in the same.

INTERNAL FINANCIAL CONTROL SYSTEM

The Company has a well-placed, proper and adequate internal financial control system which ensures that all the assets are safeguarded and protected and that the transactions are authorized recorded and reported correctly. The internal audit covers a wide variety of operational matters and ensures compliance with specific standard with regards to availability

and suitability of policies and procedures. During the year no reportable material weakness in the design or operation were observed.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS

No significant and material orders were passed by the regulators or the courts or tribunals impacting the going concern status and Company's operations in future.

REPORTING OF FRAUD BY AUDITOR'S

During the year under review, neither the Statutory Auditor nor the Secretarial Auditor has reported to the Audit Committee any instances of fraud committed against the Company by its Officers or Employees; the details of the same would need to be mentioned, if any, in the Director's Report.

CORPORATE GOVERNANCE:

Your Company has incorporated the appropriate standards for the corporate governance. The Company has filed all the quarterly compliance reports on corporate governance within the due time line to the Stock Exchange, as specified in Regulation 27(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other Corporate Governance norms mentioned under the said regulation duly complied by the Company. Moreover, as per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 company gives the Corporate Governance Report in its Annual Report. Corporate Governance Report is as per **Annexure - 3**.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING

With reference to Section 134(3) (m) of the Companies Act, 2013, the details of conservation of energy, technology absorption and foreign exchange earnings are as per **Annexure - 4**.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in a separate section and forms an essential part of this Report.

SECRETARIAL AUDITOR

Your Board has appointed the PCS Ranjit Binod Kejriwal, as Secretarial Auditor of the Company for the period of 5 consecutive years starting from financial year 2016-17. The Secretarial Audit Report for the financial year 2021-22, which has been received from the PCS Ranjit Binod Kejriwal is attached as **Annexure - 5**. Report of the Secretarial Auditor is self-explanatory and need not any further clarification.

COST AUDITOR

During the year, as per the provisions of Section 148(1) of the Companies Act, 2013, the Company has maintained and prepared the cost records. However, as the manufacturing unit of the Company is situated in Special Economic Zone, so the requirement of appointment of the Cost Auditor is not applicable to the Company.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

There was no employee drawing remuneration in excess of limits prescribed under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The

Disclosure pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are as per **Annexure - 6**.

CEO/ CFO CERTIFICATION

In terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015; the CFO has certified to the Board of Directors of the Company with regard to the financial statements and other matters specified in the said regulation for the financial year 2021-22. The certificate received from CFO is attached herewith as per **Annexure - 7**.

CODE OF CONDUCT

The Board of Directors has formulated and adopted the Code of Conduct for Board of Directors and Senior Management Personnel from May 30, 2018. During the year, Board of Directors and Senior Management Personnel has complied with general duties, rules, acts and regulations. In this regard the Board has received a certificate from the Managing Directors as required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; the same is attached herewith as per **Annexure - 8**.

Code of Conduct for Board of Directors and Senior Management Personnel being effective from May 30, 2018 is available on below link:

http://www.zotahealthcare.com/wp-content/uploads/2019/08/Code_of_Conduct_for_Board_Members_and_Senior_Management_Personnel.pdf

CERTIFICATE ON CORPORATE GOVERNANCE

Corporate Governance is a set of process, practice and system which ensure that the Company is managed in a best interest of stakeholders. The key fundamental principles of corporate governance are transparency and accountability. At Zota, Company's core business objective is to achieve growth with transparency, accountability and with independency. Company has adopted various corporate governance standard and doing business in ethical way by which Company has enhance stakeholders trust, shareholders wealth creation by improving shares valuation, market capitalization, etc.

A certificate received from M/s Shivangi Parekh & Co., Chartered Accountants, Statutory Auditors of the Company regarding compliance of the conditions of Corporate Governance, as required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached herewith as per **Annexure - 9**.

SHARE CAPITAL

During the year, on September 16, 2021; the Company has issued and allotted 6,00,000 equity shares on preferential basis to the persons covered under non-promoter group category at the rate of ₹ 280 per equity shares, which included premium of ₹ 270/- per equity share. Apart from this the Company has not issued any shares including shares with different rights, sweat equity shares or employee stock options. As on the date of this report the paid up Share Capital of the Company stood at ₹ 25.16 crores.

UTILISATION OF FUNDS

The details of utilization of funds raised through preferential allotment as at March 31, 2022 are as below:

Original Object	Original allocation (₹ in Lakhs)	Funds Utilised (₹ in Lakhs)
Expansion of DAVAINdia Project	1500.00	428.69
Working capital requirement	150.00	130.78
General Corporate Purpose	30.00	30.00

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES

During the year, no Company has become Subsidiary, Joint Venture and Associate Company of the Company and no Company has ceased as the Subsidiary, Joint Venture and Associate Company of the Company.

As at March 31, 2022; The Company has two Wholly Owned Subsidiary Companies as below:

- 1) M/s Zota Healthcare Lanka (Pvt) Ltd (incorporated in Sri Lanka)
- 2) M/s Davaindia Health Mart Limited

PERFORMANCE OF SUBSIDIARY COMPANIES

Zota Healthcare Lanka (Pvt) Ltd

During the year under review Zota Healthcare Lanka (Pvt) Ltd has not commenced any commercial operations in Sri Lanka and the financial performance of the same are as below:

Particulars	Amount (₹ in Lakhs)
Total Assets	0.50
Total Revenues	0.27
Total Net Profit	0.10

Davaindia Health Mart Limited

Davaindia Health Mart Limited (WOS) is engaged in the business of retail trading of pharmaceutical, nutraceutical, OTC, ayurvedic and cosmetic products. For the business purpose as stated above, the WOS has launched the Company Owned Company Operated (COCO) stores of Davaindia – a retail generic pharmacy chain. The financial performance of the WOS for the financial year ended March 31, 2022 are as below:

Particulars	Amount (₹ in Lakhs)
Total Assets	2046.04
Total Revenues	159.85
Total Net Loss	150.79

CONSOLIDATED FINANCIAL STATEMENTS

The Statutory Auditor of the Company have provided the Consolidated Financial Statements of the company and the same is forming a part of this Report. The Consolidated Financial Statements includes financial statements of the following companies:

M/s Zota Health Care Limited – Parent Company

M/s Zota Healthcare Lanka (Pvt) Ltd – Wholly Owned Subsidiary Company

M/s Davaindia Health Mart Limited – Wholly Owned Subsidiary Company

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries is given in Form AOC-1 which forms an essential part of this Report and is attached herewith as per **Annexure – 10**.

MATERIAL SUBSIDIARY

The Company has formulated the Policy on Material Subsidiary, indicating therein the threshold limit of Material Subsidiary as specified under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year, the Company does not have any Material Subsidiary. The Policy on Material Subsidiary is available on the Company's website and can be accessed from following link:

http://www.zotahealthcare.com/wp-content/uploads/2019/08/Policy_on_Material_Subsiadiary.pdf

BUSINESS RESPONSIBILITY REPORT

As stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective is attached as a part of the Annual Report as an **Annexure – 11**

SEXUAL HARASSMENT OF WOMEN

The constitution of the Internal Complaints Committee of the company is in accordance with the provisions relating to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, there were no cases filed pursuant to the aforesaid Act.

ACKNOWLEDGEMENT

We hereby sincerely recognize and admire the comprehensive support and cooperation of our Bankers, Auditors, RTA and members during the year.

By order of the Board
for **ZOTA HEALTH CARE LIMITED**

Sd/-

Moxesh Ketanbhai Zota

Managing Director

DIN:07625219

Sd/-

Himanshu Muktilal Zota

Whole-Time Director

DIN:01097722

Place: Surat

Date: September 2, 2022

Annexure-1

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advance, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL								

2. Details of material contracts or arrangement or transactions at arm's length basis (₹ in Lakhs)

Sr. No.	Name(s) of the related party and nature of relationship	Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements / transactions	Salient term of the contracts or arrangements or transactions including the value, if any	Date(s) if approval by the Board, if any	Amount paid as advance, if any
1	Niral M. Zota	Director's relative	Salary	N.A.	0.45 lakhs per month	30.09.2014	NIL
2	Viren M. Zota	Director's relative	Salary	N.A.	0.45 lakhs per month	30.09.2014	NIL
3	Niral M.Zota	Director's relative	Commission	N.A.	Commission on sales	30.09.2014	NIL
4	Viren M. Zota	Director's relative	Commission	N.A.	Commission on sales	30.09.2014	NIL
5	Himanshu M. Zota	Whole-Time Director	Remuneration	N.A.	1.5 lakhs per month	21.08.2019	NIL
6	Kamlesh R. Zota	Whole-Time Director	Remuneration	N.A.	1.5 lakhs per month	21.08.2019	NIL
7	Manukant C. Zota	Whole-Time Director	Remuneration	N.A.	1.5 lakhs per month	21.08.2019	NIL
8	Moxesh K. Zota	Managing Director	Remuneration	N.A.	1.5 lakhs per month	25.06.2021	NIL
9	Ashvin Variya (CS)	Company Secretary & Compliance Officer	Salary	N.A.	N.A	01.09.2015	NIL
10	Viral A. Mandviwala (CFO)	CFO	Salary	N.A	N.A	21.09.2020	NIL
11	HeliRitesh Shah	Director's relative	Salary	N.A.	0.15 lakhs per month	12.10.2018	NIL
12	Himanshu M. Zota	Whole-Time Director	Commission	N.A.	Commission on sales, 0.1% of annual turnover	21.08.2019	NIL
13	Kamlesh R. Zota	Whole-Time Director	Commission	N.A.	Commission on sales, 0.1% of annual turnover	21.08.2019	NIL
14	Manukant C. Zota	Whole-Time Director	Commission	N.A.	Commission on sales, 0.1% of annual turnover	21.08.2019	NIL
15	Moxesh K. Zota	Managing Director	Commission	N.A.	Commission on sales, 0.1% of annual turnover	25.06.2021	NIL
16	Mr. Ketankumar C. Zota	Non-executive Chairman	Sitting Fees	N.A	₹ 0.05 lakhs per meeting	^	N.A.

Sr. No.	Name(s) of the related party and nature of relationship	Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements / transactions	Salient term of the contracts or arrangements or transactions including the value, if any	Date(s) if approval by the Board, if any	Amount paid as advance, if any
17	Mr. Moxesh K. Zota	Executive Managing Director	Sitting Fees	N.A	₹ 0.05 lakhs per meeting	^	N.A.
18	Mr. Himanshu M. Zota	Executive Whole Time Director	Sitting Fees	N.A	₹ 0.05 lakhs per meeting	^	N.A.
19	Mr. Manukant C. Zota	Executive Whole Time Director	Sitting Fees	N.A	₹ 0.05 lakhs per meeting	^	N.A.
20	Mr. Kamlesh R. Zota	Executive Whole Time Director	Sitting Fees	N.A	₹ 0.05 lakhs per meeting	^	N.A.
21	Mrs. Varshabehn Gaurang Mehta	Non-Executive Independent Director	Sitting Fees	N.A	₹ 0.05 lakhs per meeting	^	N.A.
22	Mrs. Bhumi Maulik Doshi	Non-Executive Independent Director	Sitting Fees	N.A	₹ 0.05 lakhs per meeting	^	N.A.
23	Mr. Vitrag Sureshkumar Modi	Non-Executive Independent Director	Sitting Fees	N.A	₹ 0.05 lakhs per meeting	^	N.A.
24	Mr. Dhiren Prafulbhai Shah	Non-Executive Independent Director	Sitting Fees	N.A	₹ 0.05 lakhs per meeting	^	N.A.
25	Mrs. Jayshreeben Nileshkumar Mehta	Non-Executive Independent Director	Sitting Fees	N.A	₹ 0.05 lakhs per meeting	^	N.A.
26	Davaindia Health Mart Limited	Wholly Owned Subsidiary Company	Interest	Unsecured loan for the tenure of three years	Interest of 6% per annum	12.02.2022	N.A.
27	Davaindia Health Mart Limited	Wholly Owned Subsidiary Company	Revenue from sale of Goods	N.A.	N.A.	N.A.*	N.A.

^ Board of Directors of the Company in its meeting held on June 25, 2021 fixed to pay sitting fees of ₹ 0.05 lakhs per meeting.

* Omnibus approval by the Audit Committee of the Board of Directors of the Company.

By order of the Board
for **ZOTA HEALTH CARE LIMITED**

Sd/- Sd/-
Moxesh Ketanbhai Zota Himanshu Muktilal Zota
Managing Director Whole-Time Director
DIN:07625219 DIN:01097722

Place: Surat
Date: September 2, 2022

Annexure-2

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2021-22

1. Brief outline on CSR Policy of the Company:

At Zota, we believe that Health, Education, Water, Livelihood, Environment and Disaster Relief are some of our Key priorities in the area of Corporate Social Responsibility (CSR).

We strive to make good health accessible to the local communities and society at large. With intensive efforts of people who worked behind the scenes to combat diseases by means of active field work and dedicated research and recognition; we help people achieve their rights to good health.

Major areas in which CSR activities are planned:

- Promoting Health care
- Environment protection
- Promoting Education
- Eradicating Hunger, Poverty and Malnutrition
- Promoting gender equality and empowering women
- Rural development projects
- Such other activities as prescribed under Schedule VII of the Companies Act, 2013

Corporate Social Responsibility of the Company shall be conducted as following:

- a) By the Company itself with Zota foundation (yet to be formed); or
- b) Through a company registered under section 8 of the Companies Act, 2013 (corresponding section 25 of the Companies Act, 1956) ; or
- c) Through a Registered public trust or a registered Society registered under section 12A and 80 G of the Income Tax Act, 2016 established by the company itself or along with other company or either formed by the Central Government or State Government; or
- d) Through an entity established under an Act of Parliament or a State legislature.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Nature of Directorship	Status in Committee	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Himanshu Muktilal Zota	Whole-Time Director	Chairman	2	2
2	Mr. Ketankumar Chandulal Zota	Non- Executive Chairman	Member	2	2
3	Mrs. Varsababen Gaurang Mehta	Non – Executive Independent Director	Member	2	2

3. 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:

<http://www.zotahealthcare.com/wp-content/uploads/2021/07/CSR-PolicyV2.pdf>

4. The details 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:

The obligation under sub-rule (3) of rule 8 of the Companies CSR Policy Rules 2014 is not applicable to the company.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	2020-21	0.41	0.41

6. Average net profit of the company in last three years

Profit calculated as per the provisions of Section 198 of the Companies Act, 2013 for last three years:

(in ₹ Lakhs)

Financial Year	Profit as per Section 198
2018-19	785.92
2019-20	388.02
2020-21	(134.42)
Total Profit during last three years	1039.52
Average Profit during last three years	346.51

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 6.93 Lakhs
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- (c) Amount required to be set off for the financial year, if any: 0.41
- (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 6.52 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	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
6.52			NIL		

- (b) Details of CSR amount spent against ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.

NIL

- (c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1	Animal Welfare	IV	No	Gujarat	Patan	6.52	No	Jivdaya Gaushala Charitable Trust, Varahi	CSR00008951

- (d) Amount spent in Administrative Overheads: NIL
- (e) Amount spent on Impact Assessment: NIL
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 6.52 Lakhs
- (g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹ Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	6.52
(ii)	Total amount spent for the Financial Year	6.52
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

*Note: After setting off of surplus profit of previous year of 0.41 (In ₹ Lakhs)

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

(a) Date of creation or acquisition of the capital asset(s): NIL

(b) Amount of CSR spent for creation or acquisition of capital asset: NIL

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NIL

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NIL

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not applicable

By order of the Board
for **ZOTA HEALTH CARE LIMITED**

Sd/-

Moxesh Ketanbhai Zota

Managing Director

DIN:07625219

Sd/-

Himanshu Muktilal Zota

Whole-Time Director

DIN:01097722

Place: Surat

Date: September 2, 2022

Annexure-3

CORPORATE GOVERNANCE REPORT

In terms of Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the report containing details of corporate governance systems and processes at Zota Health Care Limited is as under:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company is committed to apply the core principles of good Corporate Governance and has benchmarked itself against the prescribed standards. The fundamental objective of Corporate Governance is to enhance the shareholders' value and protecting the interest of the stakeholders. Your Company's philosophy of Corporate Governance aimed at facilitating the management in conducting its business operations in an efficient manner and to meet the obligations towards its shareholders and other stakeholders.

2. BOARD OF DIRECTORS

The Company have the optimal combination of Board of Directors of Executive and Non-Executive Directors inclusive of the four (4) Executive Directors and six (6) Non-

Executive Directors. None of the Directors of the Company holds directorship in more than seven listed entities nor is a member of more than ten committees or chairman of more than five committees across all listed entities in which they are Directors. None of the independent directors serving as an independent director in more than seven listed entities and none of the whole time directors or managing director of the Company serving as an independent director in more than three listed entities.

(a) Board Strength and representation:

As on date the company's Board strength comprises of ten (10) directors which includes one (1) Non-Executive Chairman, one (1) Managing Director, three (3) Whole-Time Directors and remaining five (5) Non-Executive Independent Directors. As on date of this report Board of Directors of the company are as follows:

Name of Directors	Category & Designation
Mr. Ketankumar Chandulal Zota	Non-Executive Chairman
Mr. Moxesh Ketanbhai Zota	Executive Managing Director
Mr. Himanshu Muktilal Zota	Executive Whole-Time Director
Mr. Manukant Chandulal Zota	Executive Whole-Time Director
Mr. Kamlesh Rajanikant Zota	Executive Whole-Time Director
Mrs. Varshababen Gaurang Mehta	Non-Executive Independent Director
Mrs. Bhumi Maulik Doshi	Non-Executive Independent Director
Mr. Vitrag Sureshkumar Modi	Non-Executive Independent Director
Mr. Dhiren Prafulbhai Shah	Non-Executive Independent Director
Mrs. Jayshreeben Nileshkumar Mehta	Non-Executive Independent Director

The Details of Directorship held by the Directors as on 31st March, 2022 and their attendance at the Board meetings during the year are as follows:

Name of the Directors	Category of Director	Directorships in other Indian Public Limited Company(ies)	No. of Membership(s)/ Chairmanship(s) of committees in other Company(ies)		Other listed entities (including debt listed) where Directors of the Company held directorships	Attendance at last AGM	Attendance at Board Meetings	No. of Shares held as on 31.03.2022
			Member	Chairman				
Mr. Ketankumar Chandulal Zota	Chairman/ PD/NED	NIL	NIL	NIL	NIL	YES	9	3051363
Mr. Moxesh Ketanbhai Zota	MD/ED	1	NIL	NIL	NIL	YES	9	494150
Mr. Himanshu Muktilal Zota	WTD/PD/ED	1	NIL	NIL	NIL	YES	9	3277280
Mr. Manukant Chandulal Zota	WTD/PD/ED	NIL	NIL	NIL	NIL	YES	7	2182070
Mr. Kamlesh Rajanikant Zota	WTD/PD/ED	1	NIL	NIL	NIL	YES	9	1991103
Mrs. Varshababen Gaurang Mehta	ID/NED	NIL	NIL	NIL	NIL	YES	9	4838
Mrs. Bhumi Maulik Doshi	ID/NED	Nil	Nil	Nil	NIL	YES	9	1400

Name of the Directors	Category of Director	Directorships in other Indian Public Limited Company(ies)	No. of Membership(s)/ Chairmanship(s) of committees in other Company(ies)		Other listed entities (including debt listed) where Directors of the Company held directorships	Attendance at last AGM	Attendance at Board Meetings	No. of Shares held as on 31.03.2022
			Member	Chairman				
Mr. Vitrag Sureshkumar Modi	ID/NED	Nil	Nil	Nil	NIL	YES	9	704
Mr. Dhiren Prafulbhai Shah	ID/NED	Nil	Nil	Nil	NIL	YES	9	0
Mrs. Jayshreeben Nileshkumar Mehta	ID/NED	Nil	Nil	Nil	NIL	YES	9	1700

PD – Promoter Director, NED – Non Executive Directors, MD – Managing Directors, ED – Executive Director, WTD – Whole-Time Director, ID – Independent Director

Note:

- Mr. Moxesh Ketanbhai Zota, Managing Director of the Company is son of Mr. Ketankumar Chandulal Zota, Chairman of the Company;
- Mr. Ketankumar Chandulal Zota, Chairman of the Company and Mr. Manukant Chandulal Zota, Whole-Time Director of the Company are brothers.

(b) Details of number of Board Meetings held in the financial year.

There were Nine (9) Board Meetings held during the financial year 2021-22; the details of the same are as follow:

25/06/2021 30/07/2021 11/08/2021 02/09/2021 16/09/2021
 24/09/2021 01/11/2021 12/02/2022 14/02/2022

(c) Familiarization to Independent Directors:

All independent directors of the Company have been made familiarized with the various aspects of the Company like overview of Company's business model, Strategy, Operations and functions of the Company, Roles, Rights and Responsibilities of the independent director, Term of reference of different Committees of Board of Directors, Duties of the Independent Director, Statutory Policies of the Company, Off-site visit to plant and other important regulatory aspects as relevant for the directors. The Company, through its Company Secretary, Executive Directors or Manager as well as other Senior Managerial Personnel, conducts presentations/ programs to familiarize the Independent Directors with the strategy, operations and functions of the Company inclusive of important developments in business. The details of the number of programmes attended and the cumulative hours spent by an independent director are uploaded on the website of the company. The web link is as follow:

<http://www.zotahealthcare.com/wp-content/uploads/2021/03/Familiarization-program-for-IDs.pdf>

(d) Key Board Qualifications:

The Board of Directors of the Company possesses requisite skills, knowledge and experience of various aspects which brings effective contribution to the Board which enhances the decision making process. The details of key qualifications of individual Board members are as mentioned in below table. However, all the Board members possess skills and knowledge as required for the industry in which the Company operates.

Director	Qualifications						
	Knowledge about Pharmaceutical Industry	Finance	Sales	Accounting	Import/Export	Regulatory	Diversity
Mr. Ketankumar Chandulal Zota Chairman	√	√	√		√	√	√
Mr. Moxesh Ketanbhai Zota Managing Director	√	√	√		√	√	√
Mr. Himanshu Muktilal Zota Whole-Time Director	√	√	√	√	√	√	√
Mr. Manukant Chandulal Zota Whole-Time Director	√	√	√		√	√	√
Mr. Kamlesh Rajanikant Zota Whole-Time Director	√	√	√		√	√	√
Mrs. Varshabhen Gaurang Mehta Independent Director	√	√	√	√		√	√
Mrs. Bhumi Maulik Doshi Independent Director		√		√		√	√

Director	Qualifications						
	Knowledge about Pharmaceutical Industry	Finance	Sales	Accounting	Import/Export	Regulatory	Diversity
Mr. Vitrag Sureshkumar Modi Independent Director		√		√	√	√	√
Mr. Dhiren Prafulbhai Shah Independent Director	√	√	√			√	√
Mrs. Jayshreeben Nileshkumar Mehta Independent Director	√	√	√			√	√

(e) Independent Directors confirmation by the Board:

The Company has received the declaration from all the Independent directors under provisions of section 149(7) of the Companies Act, 2013 ('the Act') and under provisions of regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; confirming that they are satisfying the criteria of independence as prescribed under the provisions of section 149(6) of the Act & Regulation 16(1) (b) of the aforesaid Regulations. The Board of Directors of the Company confirm that all the directors satisfy the criteria of Independence as prescribed under provisions of section 149(6) of the Companies Act, 2013 and under provisions of regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(f) Separate Meeting of the Independent Directors

The Independent Directors met on March 24, 2022, without the attendance of Non-Independent Directors. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole alongwith the performance of the Chairman of the Company, taking into account the views of Executive Directors and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

3. AUDIT COMMITTEE

The Audit Committee of the Company comprises of four members inculcating three Independent Directors and One Executive Director of the Company. All the Members of the committee possess sound knowledge in Finance, Accounts and Law. The Members of the Audit Committee are as follows:

Name	Categories	Nature of Directorship
Mr. Vitrag Sureshkumar Modi	Chairman	Non-Executive Independent Director
Mrs. Varshababen Gaurang Mehta	Member	Non-Executive Independent Director
Mrs. Bhumi Maulik Doshi	Member	Non-Executive Independent Director
Mr. Himanshu Muktilal Zota	Member	Executive Director

The Audit Committee has met Five (5) times during the financial year 2021-22; the details of the same are as follows:

31/05/2021 25/06/2021 30/07/2021 01/11/2021 12/02/2022

Attendances of members for the meetings of Audit Committee held during the year 2021-22 are as below:

Name	Categories	No. of Meeting Attended
Mr. Vitrag Sureshkumar Modi	Chairman	5
Mrs. Varshababen Gaurang Mehta	Member	5
Mr. Himanshu Muktilal Zota	Member	5
Mrs. Bhumi Maulik Doshi	Member	5

The term of reference of Audit Committee is as below:

- Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Examination of the financial statement and auditor's report thereon.
- Approval or any subsequent modification of transactions of the company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Monitoring the end use of funds raised through public offers and related matters.
- The Audit Committee may call for the comments of the auditors about internal control system, the scope of audit, including

- the observations of the auditors and review of the financial statement before their submission to the Board and may also discuss any related issue with the internal and statutory auditors and the management of the company.
- (x) The Audit Committee shall have authority to investigate into any matter in relation to the items specified above in (i) to (iv) or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company.
 - (xi) The auditors of a company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.
 - (xii) The Board's report under sub-section (3) of section 134 shall disclose the composition of Audit Committee and where the Board had not accepted any recommendation of the Audit Committee, the same shall be disclosed in such report along with the reasons thereof.
 - (xiii) The victims/persons who use vigil mechanism can direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.
 - (xiv) Any other terms of reference as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under other applicable rules and regulations, if any.

4. NOMINATION AND REMUNERATION COMMITTEE

Company has formulated Nomination and Remuneration Committee comprising three non-executive directors Composition of the Committee is as follows:

Name	Categories	Nature of Directorship
Mrs. Varshababen Gaurang Mehta	Chairman	Non-Executive Independent Director
Mr. Dhiren Prafulbhai Shah	Member	Non-Executive Independent Director
Mrs. Jayshreeben Nileshkumar Mehta	Member	Non-Executive Independent Director

The Nomination and Remuneration Committee has met Two (2) time during the financial year 2021-22; the details of the same are as follows:

06/04/2021 17/06/2021

Attendances of members for the meetings of Nomination & Remuneration Committee held during the year 2021-22 are as below:

Name	Categories	No. of Meeting Attended
Mrs. Varshababen Gaurang Mehta	Chairman	2
Mr. Dhiren Prafulbhai Shah	Member	2
Mrs. Jayshreeben Nileshkumar Mehta	Member	2

The term of reference of Nomination & Remuneration Committee is as below:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
 - To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
 - The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
 - (1) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - (2) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (3) remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay
- reflecting short and long-term performance objectives appropriate to the working of the company and its goals:
- Regularly review the Human Resource function of the Company.
 - Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.
 - Make reports to the Board as appropriate.
 - Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.
 - Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.
 - Any other terms of reference as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under other applicable rules and regulations, if any.
- The Performance evaluation criteria for Independent directors of the company are mentioned in the Directors Report, kindly refer the same.

5. REMUNERATION OF DIRECTORS

During the year company has paid following remuneration and setting fees to the directors as follows:

Name	Category	Remuneration (₹ In Lakhs)		
		Salary	Commission	Sitting Fess
Mr. Ketankumar Chandulal Zota	Non-executive Chairman	-	-	0.53
Mr. Moxesh Ketanbhai Zota	Executive Managing Director	18	12.83	0.45
Mr. Himanshu Muktilal Zota	Executive Whole Time Director	18	12.83	0.79
Mr. Manukant Chandulal Zota	Executive Whole Time Director	18	12.83	0.40
Mr. Kamlesh Rajanikant Zota	Executive Whole Time Director	18	12.83	0.45
Mrs. Varshababen Gaurang Mehta	Non-Executive Independent Director	-	-	0.85
Mrs. Bhumi Maulik Doshi	Non-Executive Independent Director	-	-	0.71
Mr. Vitrag Sureshkumar Modi	Non-Executive Independent Director	-	-	0.71
Mr. Dhiren Prafulbhai Shah	Non-Executive Independent Director	-	-	0.56
Mrs. Jayshreeben Nileshkumar Mehta	Non-Executive Independent Director	-	-	0.61

Remuneration to Non-Executive Directors:

During the year, Company has paid only sitting fees to the Non-Executive and Independent Directors of the Company; apart from this no profit related commissions have been paid to any of the Non-Executive Directors of the company.

The detailed remuneration policy of the Company is available on the below link:

http://www.zotahealthcare.com/wp-content/uploads/2019/08/Policy_on_Appointment_and_Remuneration_for_Directors_Key_Manage_rial_Personnel_and_Senior_Management_Employee.pdf

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

To resolve the investors grievances Company has formulated Stakeholder's Relationship Committee. Composition of the Committee is as follows:

Name	Categories	Nature of Directorship
Mrs. Jayshreeben Nileshkumar Mehta	Chairman	Non-Executive Independent Director
Mr. Himanshu Muktilal Zota	Member	Executive Whole Time Director
Mr. Manukant Chandulal Zota	Member	Executive Whole Time Director

The Stakeholders Relationship Committee has met one (1) time during the financial year 2021-22 on 24/03/2022.

Attendance of members for the meeting of Stakeholder's Relationship Committee held during the year 2021-22 is as below:

Name	Categories	No. of Meeting Attended
Mrs. Jayshreeben Nileshkumar Mehta	Chairman	1
Mr. Himanshu Muktilal Zota	Member	1
Mr. Manukant Chandulal Zota	Member	1

The term of reference of Stakeholders Relationship Committee is as below:

- To resolve the various grievances of the shareholders of the Company including complaints related to issue of duplicate share certificates, handling of demat and/ or remat requests, transmission of shares, non-receipt of annual report, non-receipt of dividends warrants or dividend in bank accounts, etc.
- To review the measures taken for effective exercise of voting rights by the shareholders.
- To review the adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- To review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Name & Designation and address of the Compliance Officer

CS Ashvin Variya

Zota Health Care Ltd.
Zota House, 2/896, Hira Modi Street,
Sagrampura, Surat – 395002, Gujarat

Pursuant to the Regulation 13(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015; the details regarding investor's complaints are as follows:

Status of Complaints pending, received, disposed and unresolved:

Number of Shareholders' Complaints Pending at the end of the year	NIL
Number of Shareholders' Complaints received during the year	NIL
Number of Shareholders' Complaints disposed during the year	NIL
Number of Shareholders' Complaints remain unresolved during the year	NIL

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has formulated Corporate Social Responsibility (CSR) Committee comprising one Executive director and two Non-executive directors, Composition of the Committee is as follows:

Name	Categories	Nature of Directorship
Mr. Himanshu Muktilal Zota	Chairman	Executive Whole Time Director
Mr. Ketankumar Chandulal Zota	Member	Non-Executive Director
Mrs. Varshababen Gaurang Mehta	Member	Non-Executive Independent Director

The Corporate Social Responsibility Committee has met two (2) times during the financial year 2021-22; the details of the same are as follows:

16/06/2021 13/07/2021

Attendance of members for the meeting of Social Responsibility Committee held during the year 2021-22 is as below:

Name	Categories	No. of Meeting Attended
Mr. Himanshu Muktilal Zota	Chairman	2
Mr. Ketankumar Chandulal Zota	Member	2
Mrs. Varshababen Gaurang Mehta	Member	2

The terms of reference of the CSR Committee include the following:

- To formulate and recommend to the Board, a CSR policy.
- To prepare Annual Action Plan on CSR and recommend to the Board; which will indicate the activities to be undertaken by the Company as well as the amount of expenditure to be incurred on the activities referred to in the CSR policy, manner of implementation of CSR activities and monitoring the same.
- To prepare a transparent monitoring mechanism for ensuring implementation of the projects / programmes activities proposed to be undertaken by the Company.
- To report the details of CSR activities undertaken and carried out by the Company in Directors Report and display the same on the website of the Company.

8. GENERAL BODY MEETING

a) The details of Annual General Meetings held during the last three years are as follows:

Year	Day, Date and Time	Venue
------	--------------------	-------

2018-19	Saturday, 21 st day of September, 2019 at 11:00 A.M.	The Southern Gujarat chamber of Commerce & Industry, 1 st Floor, 'Samruddhi Hall', Makkai Pool, Nanpura, Surat – 395001, Gujarat
2019-20	Saturday, 26 th day of September, 2020 at 11:00 A.M.	The AGM was held through Video Conferencing (VC) or Other Audio Visual Means (OAVM) The registered office of the company i.e. Zota House, 2/896, Hira Modi Street, Sagrampura, Surat – 395002, Gujarat was considered as the deemed venue for the meeting.
2020-21	Thursday, 30 th day of September, 2021 at 11:00 A.M.	The AGM was held through Video Conferencing (VC) or Other Audio Visual Means (OAVM) The registered office of the company i.e. Zota House, 2/896, Hira Modi Street, Sagrampura, Surat – 395002, Gujarat was considered as the deemed venue for the meeting.

The details of Resolution(s) which were passed in the last three Annual General Meetings (“AGM”) of the Company along with details of Postal Ballot & voting pattern are as follows:

Date of AGM	Resolution	Ordinary/ Special	Favor		Against	
			Ballot	e-voting	Ballot	e-voting
21 st September, 2019	Adoption of Annual Accounts, Auditor's & Director's Report	Ordinary	95763	4111271	0	0
	Declaration of dividend at the rate of 10%	Ordinary	94201	4111271	0	0
	Re-appointment of Mr. Ketankumar Chandulal Zota (DIN: 00822594), as a director, retire by rotation	Ordinary	94000	4111271	1400	0
	Appointment of M/s Shivangi Parekh & Co., Chartered Accountant, as a statutory auditor	Ordinary	95763	4109871	0	1400
	Appointment of Mrs. Bhumi Maulik Doshi, as an Independent Non-Executive Director of the Company	Ordinary	95763	4109871	0	1400
	Appointment of Mr. Vitrag Sureshkumar Modi, as an Independent Non-Executive Director of the Company	Ordinary	95763	4111271	0	0
	Re-appointment of Mr. Kamlesh Rajnikat Zota, as a Whole-Time Director of the Company	Special	95763	4111271	0	0
	Re-appointment of Mr. Himanshu Muktilal Zota, as a Whole-Time Director of the Company	Special	92403	302819	0	0
	Re-appointment of Mr. Manukant Chandulal Zota, as a Whole-Time Director of the Company	Special	95763	4075431	0	0
	Appointment of Mr. Dhiren Prafulbhai Shah, as an Independent Non-Executive Director of the Company	Ordinary	94363	4109871	1400	1400
	Appointment of Mrs. Jayshreeben Nileshkumar Mehta (DIN: 08536399), as an Independent Non-Executive Director of the Company	Ordinary	94363	4111271	1400	0
	Approve Related Party Transactions	Ordinary	95763	266979	0	0

Date of AGM	Resolution	Ordinary/ Special	Favor		Against	
			Ballot	e-voting	Ballot	e-voting
26 th September, 2020	Adoption of Annual Accounts, Auditor's & Director's Report	Ordinary	N.A.*	15618652	N.A. *	0
	Declaration of dividend at the rate of 10%	Ordinary	N.A.*	15618652	N.A. *	0
	Re-appointment of Mr. Himanshu Muktilal Zota, Whole-Time Director (DIN-01097722), as a director, retire by rotation	Ordinary	N.A.*	12452622	N.A. *	0
30 th September, 2021	Adoption of Annual Accounts, Auditor's & Director's Report	Ordinary	N.A.*	9649605	N.A.*	0
	Declaration of dividend at the rate of 10%	Ordinary	N.A.*	9649605	N.A.*	0
	Re-appointment of Mr. Kamlesh Rajnikant Zota, Whole-Time Director (DIN-00822705), as a director, retire by rotation	Ordinary	N.A.*	9125765	N.A.*	0
	Re-appointment of Mr. Moxesh Ketanbhai Zota (DIN-07625219), as the Managing Director of the Company	Special	N.A.*	9125683	N.A.*	82
	Re-appointment of Mrs. Varshababen Gaurang Mehta (DIN-07611561), as Non-Executive Independent Director of the Company	Special	N.A.*	9649605	N.A.*	0
	To approve related party transaction of the Company	Ordinary	N.A.*	183634	N.A.*	0

*As the 20th & 21st AGM of the Company were held through Video Conferencing (VC) / Other Audio Visual Means (OAVM); No votes were casted through Ballot Papers.

b) Extra Ordinary General Meeting

During the year, one Extra Ordinary General Meeting (EOGM) held on September 07, 2021; the voting details of the same are as below:

Date of EOGM	Resolution	Ordinary/ Special	Favor		Against	
			Ballot	e-voting	Ballot	e-voting
07 th September, 2021	To consider and approve increase of the Authorized Share Capital of the Company by amending the Memorandum of Association of the Company	Special	N.A.*	3202679	N.A.*	100
	Issuance of Equity Shares on a Preferential basis to Non-Promoter Group category	Special	N.A.*	3202654	N.A.*	125

*As the EOGM of the Company was held through Video Conferencing (VC) / Other Audio Visual Means (OAVM); No votes were casted through Ballot Papers.

Name and address of scrutinizer or the person who conducted the postal ballot exercise:

CS Ranjit Binod Kejriwal
 Practicing Company Secretary,
 1, Aastha, 2/906, Hira Modi Sheri,
 Opp. Gujarat Samachar Press, Sagrapura, Ring Road, Surat – 395002
 Email: rbksurat@gmail.com
 Ph: +91-261-2331123

9. MEANS OF COMMUNICATION

1. Financial Results:

Zota Health Care Limited believes to publish all the financial information to the stakeholders within the stipulations provided under the law. During the year, Company has declared all financials results within the timeline provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The quarter, half year and year ended financial results of the

Company are published and submitted on the NEAPS portal of National Stock Exchange as well as on the website of the Company i.e. on www.zotahealthcare.com. All results have been submitted to the stock exchange within 30 minutes from the conclusion of Board Meeting in which financial results have been approved. During the year, following financial results have been submitted on NEAPS portal of NSE. The same can be accessed from the website of the stock exchange at www.nseindia.com

Period of Financial Results	Date
Unaudited Financial Results for the quarter ended June 30, 2021	July 30, 2021
Unaudited Financial Results for the quarter and half year ended September 30, 2021	November 01, 2021
Unaudited Financial Results for the quarter and nine month ended December 31, 2021	February 12, 2022
Audited Financial Results for the quarter and year ended March 31, 2022	May 30, 2022

After publication of financial results on the website of the Stock Exchange as well as on the website of the Company; simultaneously the same have been published in the newspapers as per the stipulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Generally the Company published results in the Lok Mitra (Vernacular) and Free Press Gujarat (English) daily.

Post publication of results in the newspapers, the Company prepares presentation on the results (investor presentation) and the same is being uploaded on NEAPS portal and/ or Digital Platform of the NSE, the same can be accessed from the website of the stock exchange at www.nseindia.com as well as on the website of the Company at www.zotahealthcare.com. This result presentation is being used at the Institutional Investor/ Analyst meet, if any, held.

electronic mode to those Members whose email addresses are registered with the Company/ RTA/ Depositories prior to 23 days of the EOGM has also been uploaded on the NEAPS portal of NSE prior 21 days of the EOGM and the same can be accessed from the website of NSE at www.nseindia.com. Notice of the EOGM had also uploaded on the website of the Company at www.zotahealthcare.com.

In line with the MCA Circulars and SEBI Circular as stated above; no physical copies of the EOGM have been sent to the shareholders. The Company has issued a public notice in respect of information regarding EOGM scheduled in 'Free Press Gujarat', English edition, Ahmedabad and 'Lokmitra' Gujarati edition, Ahmedabad, on August 14, 2021 as per the MCA Circulars.

2. Annual Report:

In compliance with the aforesaid MCA Circulars and SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Notice of the AGM along with the Annual Report 2020-21 was sent only through electronic mode to those Members whose email addresses are registered with the Company/ RTA/ Depositories prior to 23 days of 21st Annual General Meeting. Annual Report for the FY 2020-21 has also been uploaded on the NEAPS portal of NSE prior 21 days of the 21st Annual General Meeting and the same can be accessed from the website of NSE at www.nseindia.com. The Annual Report for the FY 2020-21 had also uploaded on the website of the Company at www.zotahealthcare.com.

In line with the MCA Circulars and SEBI Circular as stated above; no physical copies of the Annual Report 2020-21 have been sent to the shareholders. The Company has issued a public notice in respect of information regarding 21st Annual General Meeting scheduled in 'The Times of India', English edition, Ahmedabad on September 04, 2021 and 'Gujarat Guardian' Gujarati edition, Surat, on September 05, 2021 as per the MCA Circulars.

3. Extra Ordinary General Meeting (EOGM):

Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, 22/2020 dated June 15, 2020, Circular No. 33/2020 dated September 28, 2020, Circular No. 39/2020 dated December 31, 2021 and Circular No. 10/2021 dated June 23, 2021 Notice of the EOGM which was held on September 07, 2021, was sent only through

4. News Release/ Investor Presentation:

All press releases and investor presentations made to media, analysts, institutional investors, fund managers, are uploaded on NEAPS portal and/ or Digital Platform of the National Stock Exchange (NSE) and the same can be accessed from the website of the stock exchange at www.nseindia.com, simultaneously the same have been uploaded on the official website of the Company at www.zotahealthcare.com

5. Communication to Shareholders:

In view of Circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India; during the year, the Company has sent all communications like Annual Report and Notice of Extra Ordinary General Meeting have been sent through email to the shareholders who have registered their email IDs with the Company/ RTA/ Depositories after getting it uploaded on the website of the Stock Exchange and Company. Dividend warrants are being sent through speed post/ courier to the shareholders who have not registered their email IDs with the Company/ RTA/ Depositories.

As mandated by the SEBI circular number SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021; the Company has sent notice for updation of PAN, KYC and Nomination details to all those non-KYC registered shareholders via speed post.

Company has begun the initiative of save press and reduces paper consumption; henceforth Company is sending all shareholders communication through email. Those shareholders who have not registered their email ids are requested to register their email ids with the Company or to their respective depositories. Shareholders who are having

physical shares can register their email ids by submitting the shareholders information updation form to the Company, the same is available on official website of the Company at www.zotahealthcare.com under investor relations tab.

6. Website:

Company's official website www.zotahealthcare.com contains separate tab "Investor Relations" for investors, in which notices of the Board Meetings and outcomes of the same, Financial Results, Corporate Governance Reports, Annual Reports, Investor Presentations, Shareholding Patterns, various policies of the company, announcements, details of unpaid dividend, details of dividend transferred to IEPF, details of Nodal Officer and other shareholders information's are displayed in due course of time for the shareholders information. This section of website also contains various forms and applications like application for address change, draft documents for issue of duplicate shares, documents for transmission of shares, nomination form, etc. for updating various information's in Company's records.

7. Email IDs for investors:

The Company has formulated separate email id cszota@zotahealthcare.com for investor service, investor can also contact share Registrar and Transfer Agent (RTA) of the Company on their email id service@satellitecorporate.com and the same is available on website of the Company at www.zotahealthcare.com

8. SEBI SCORES:

For investor compliant redressal SEBI has developed SCORES platform in which investor can lodged any complaint against the Company for any grievance. The Company also uploads the action taken report in the SCORES platform for redressal of investor complaint. During the year, company has not received any investor complaint under the SCORES platform.

9. NEAPS portal/ Digital Platform:

For submitting all listing compliances, National Stock Exchange (NSE) has developed NEAPS Portal and Digital Platform in which all NSE listed entities can file their listing compliances. During the year, the Company has filed all the listing compliances on NEAPS Portal and/or on Digital Platform of NSE and after submitting, the same are also available on official website of NSE at www.nseindia.com

10. GENERAL SHAREHOLDER INFORMATION

Date, Time and Venue of AGM	Tuesday, the 27 th day of September, 2022 at 11:00 A.M. through Video Conferencing (VC) or Other Audio Visual Means (OACM) (deemed venue of the AGM would be the registered office of the Company i.e. Zota House, 2/896, Hira Modi Street, Sagrapura, Surat – 395002, Gujarat)
Financial Year	From April 1 to March 31 of the following year
Date of Book Closure	From Wednesday, the 21 st day of September, 2022 to Tuesday, the 27 th day of September, 2022 (both day inclusive)
Listed on Stock Exchanges	National Stock Exchange (NSE) Address: Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051
Trading Symbol	ZOTA
Listing Fees	During the year, the Company has paid all the listing fees to the stock exchange, where the securities of the Company are listed.

Dividend

The Board of Directors of the Company in its meeting held on May 30, 2022 has recommended dividend at the rate of 15% i.e. ₹1.5/- per equity share and when approved at the Annual General Meeting of the Company, will be made payable within 30 days of the date of declaration i.e. Tuesday, the September 27, 2022 to the Company's Equity Shareholders, whose names stand registered on the Company's Register of Members:

- As Beneficial Owners as at the end of business hours on September 20, 2022 as per the list provided by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in the electronic form and
- As Members in the Register of Members of the Company after giving effect to valid deletion of name /transmission (As per SEBI circular, as of now no physical transfer of shares are permitted) in physical form lodged with the Company before September 20, 2022".

Unclaimed Dividend

The Ministry of Corporate Affairs has notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, whereby companies are required to identify and upload information regarding unclaimed amounts due to be transferred to IEPF on the IEPF Authority's website and also on its own website.

Accordingly, the details of such unpaid / unclaimed amounts along with their respective due dates for transfer to IEPF are provided for the benefit of investors. The Shareholders may please claim their unclaimed / unpaid amount due to them by making a request to the Company giving their particulars before the same are transferred to the IEPF.

Year	Rate of Dividend (%)	Date of Declaration	Date of Transfer
2014-15	10	26/09/2015	01/11/2022
2015-16	10	27/08/2016	02/10/2023
2016-17	20	10/08/2017	15/09/2024
2017-18	30	11/08/2018	16/09/2025
2018-19	10	21/09/2019	27/10/2026
2019-20	10	26/09/2020	01/10/2027

IEPF- Investor Education and Protection Fund

Unpaid/ Unclaimed Dividend Transferred to Investor Education and Protection Fund

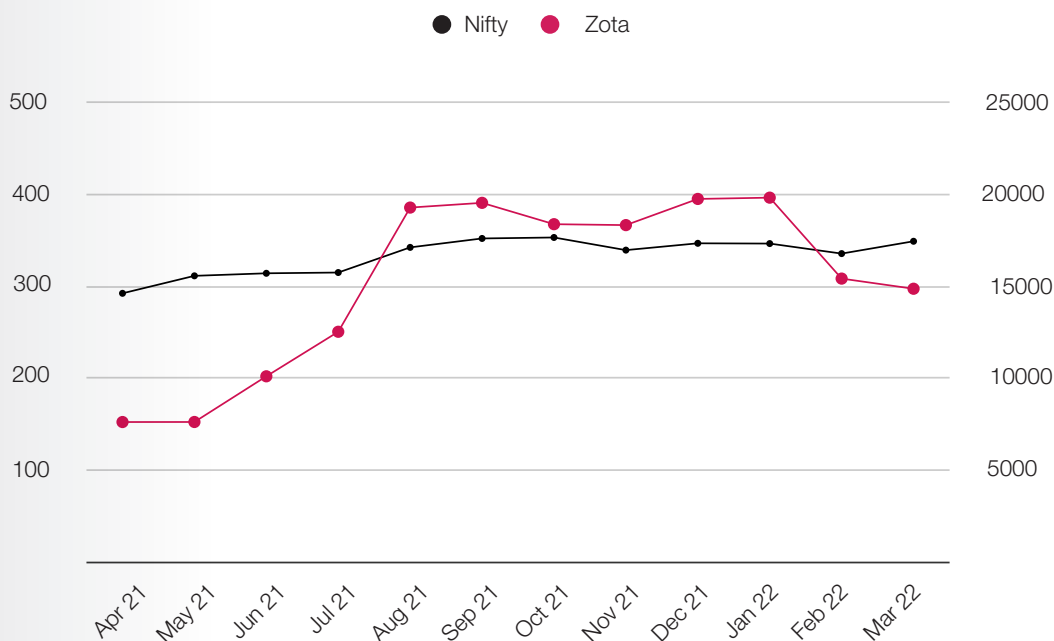
During the year, the Company has transferred fund amounting ₹ 13,800/- of the unpaid/ unclaimed dividend amount of the Financial Year 2013-14 to Investor Education and Protection Fund (IEPF). The details of the shareholders whose funds so transferred to the IEPF is available on the website of the Company and the same can be accessed from the below link:

https://www.zotahealthcare.com/wp-content/uploads/2021/12/zota-IEPF-1_2013-2014-web.pdf

Market Price Data—data will be updated from designer's part

Data of market price high, low for the year 2021-22 is given below:

Month	High (₹)	Low (₹)	Volume (No. of Shares)	Turnover (In Lakhs)
April 2021	174.5	139.0	19,55,608	2,942
May 2021	159.9	146.1	2,48,381	377
June 2021	213.8	149.1	60,07,884	11,019
July 2021	256.8	201.4	24,38,960	5,755
August 2021	395.5	262.3	65,27,888	22,013
September 2021	407.2	345.1	16,94,084	6,461
October 2021	439.0	360.2	11,42,888	4,605
November 2021	418.9	345.9	9,77,543	3,706
December 2021	448.0	367.1	20,65,134	8,508
January 2022	423.0	365.1	10,85,377	4,282
February 2022	408.0	292.0	7,49,015	2,604
March 2022	349.5	288.0	6,01,481	1,888



Registrar & Transfer Agents:

Satellite Corporate Services Pvt. Ltd.
A/106-107, Dattani Plaza MTNL Lane,
East West Compound, Andheri Kurla Road,
Sakinaka, Mumbai-400072
Ph. No.: 022 28520461/462. Fax: 022 28511809
Website: www.satellitecorporate.com
Email: service@satellitecorporate.com
Tele Fax: 022 28511809

Distribution of Shareholdings as on March 31, 2022:

Share Holding of Nominal Value (₹)	Total Shares	Value of Holding (₹)	Percentage of Total Shares
UPTO - 100	159616	1596160	0.63
101 - 500	439214	4392140	1.75
501 - 1000	534573	5345730	2.13
1001 - 2000	848725	8487250	3.37
2001 - 3000	452282	4522820	1.80
3001 - 4000	346721	3467210	1.38
4001 - 5000	352767	3527670	1.40
5001 -10000	915339	9153390	3.64
10001 -20000	892934	8929340	3.55
20001 -50000	775583	7755830	3.08
50001 & Above	19442573	194425730	77.27
Total :	25160327	251603270	100.00

Category	Number of Shareholders	No. of Shares held	Shareholding %
Promoter & Promoter' Relatives	36	17136108	68.11
Alternate Investment Funds	1	53435	0.21
Foreign Portfolio Investors	1	22262	0.09
Individuals holding nominal share capital up to ₹ 2 lakhs	7211	3954989	15.72
Individuals holding nominal share capital in excess of ₹ 2 lakhs	21	1758507	6.99
Clearing member	22	17605	0.07
Bodies Corporate	69	419665	1.67
Firm	21	1109763	4.41
HUF	348	627734	2.49
Non -Resident Indian (NRI)	87	60259	0.24
Total	7817	25160327	100

Share Transfer System

Share transfer system is handled by Satellite Corporate Service Pvt. Ltd., Share Registrar and Transfer Agent (RTA) of the company. Shareholders who are intended to transfer shares are first need to provide the transfer form to RTA then RTA shall check the validity of the transfer forms and other details thereto and then forward the same to the company for approval.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further vide its press release PR No.:12/2019 dated March 27, 2019 clarified that transfer of shares (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, Shareholders are requested to take dematerialize the shares on expedite manner.

Dematerialization of Shares and Liquidity:

The Company has got listed on NSE Emerge platform on May 10, 2017, further migrated to the Main Board of National Stock Exchange w.e.f. August 19, 2019 and all the shares of the Company are traded on the said stock exchange. To facilitate shareholders for trading in demat form, Company has entered into agreement with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Company has issued only one type of security i.e. equity shares. As on March 31, 2022 out of total 2,51,60,327 equity shares 2,50,36,607 i.e. 99.51% equity shares are in dematerialized mode. All the shares of the promoters and the persons belonging to promoter's group are in dematerialized mode.

Dematerialization of Shares – Process

Those shareholders who hold shares in physical form are requested to dematerialize their shares at earliest. Process of converting physical shares into dematerialized form is as below:

- Shareholders need to open demat account with a Depository Participant (DP)
- Shareholders should collect Dematerialization Request Form (DRF) form from their respective Depository Participant (DP) and after filling requisite information submit DRF form along with original share certificates to their DP.
- DP will process the DRF and will generate a Dematerialization Request Number (DRN)
- DP will submit the DRF and original share certificate to Satellite Corporate Services Private Limited, the Registrar and Transfer Agent (RTA) of the Company.
- RTA will forward DRF to company for confirmation.
- Company will confirm the DRF and request RTA for process demat request.
- RTA will approve or reject DRF as per the direction of Company and inform the same to DP/ Depositories.
- Upon confirmation of request the shareholders will get their shares credited in their respective demat account number.

Credit Rating:

During the year, the Company has not obtained any credit rating.

Outstanding GDRs/ADRs/Warrants or any Convertible Instruments: NIL

Foreign Exchange Risk:

The foreign exchange risk of the company can be referred in significant accounting notes to the financial statement.

Plant Locations:

Plot No. 169
Surat Special Economic Zone,
Near Sachin Railway Station,
Sachin, Surat – 394 230, Gujarat

Address for Correspondence:

(a) Registrar & Transfer Agents:

Satellite Corporate Services Pvt. Ltd.
A/106-107, Dattani Plaza MTNL Lane,
East West Compound, Andheri Kurla Road,

Sakinaka, Mumbai-400072
Ph: No. 022 28520461/462. Fax: 022 28511809
Email: service@satellitecorporate.com
Tele Fax: 022 28511809

(b) Registered Office:

“Zota House”, 2/896, Hira Modi Street,
Sagrampura, Surat – 395002, Gujarat
Ph. No.: 0261 2331601
Email: info@zotahealthcare.com
Website: www.zotahealthcare.com

11. DISCLOSURES

Related Party Transaction

The list of related party transactions entered by the Company during the year is mentioned in note no. C-22(3) of significant accounting notes to the financial statement. All related party transactions are being monitored by Audit Committee of the Company. Company's policy on related party transaction is available on below link: http://www.zotahealthcare.com/wp-content/uploads/2019/08/Related_Party_Transactions_Policy.pdf

Statutory Compliance, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges / Securities and Exchange Board of India (SEBI) / and Statutory Authorities to the extent applicable, and accordingly no penalties have been levied or strictures have been imposed on the Company on any matter related to capital markets during the last three years.

Whistle Blower Policy/Vigil Mechanism Policy

The Company has a formal Whistle Blower Policy/ Vigil Mechanism Policy and the same is available on the website of the Company at www.zotahealthcare.com. The Directors of the Company affirms that no personnel have been denied access to the Audit Committee.

Preferential Issue Fund Utilization

During the year, the Company has issued equity shares on Preferential Basis to the Non-Promoter Group Category persons. Pursuant to regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; the Company has submitted the quarterly statements of deviation and/ or variation in utilization of Preferential Issued funds, if any, to the Stock Exchange, simultaneously the same have also been uploaded on the company's website at www.zotahealthcare.com. As on March 31, 2022 the details of Preferential Issue fund utilization is as below:

Original Object	Modified Object, If any	Original allocation (₹ in Lakhs)	Modifies Allocation, If any	Funds Utilised (₹ in Lakhs)
Expansion of DAVAINDIA Project	Not Applicable	1500.00	Not Applicable	428.69
Working capital requirement	Not Applicable	150.00	Not Applicable	130.78
General Corporate Purpose	Not Applicable	30.00	Not Applicable	30.00

Mandatory & Non Mandatory Requirements

The Company has complied with all the mandatory requirements of Corporate Governance and endeavors to adopt the good corporate governance practices which help in adoption of non-mandatory requirements.

Material Subsidiary

As of now Company does not have any material subsidiary, Company's policy on material subsidiary as available on link http://www.zotahealthcare.com/wp-content/uploads/2019/08/Policy_on_Material_Subsiary.pdf

Certificate from Company Secretary in Practice:

Mr. Ranjit Binod Kejriwal, a Practicing Company Secretary, has issued a Certificate as required Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with section in **Annexure – 12**.

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

Details of fees paid to the Statutory Auditors are mentioned in Note No. C-22(13) of the Standalone Financial Statement and Note No. H-22(13) of Consolidated Financial Statement.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the year, No complaints has been received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

12.DISCRETIONARY REQUIREMENTS

The Board

The chairperson of the company is Non-Executive Director.

Shareholder Rights

Quarterly, half yearly and yearly declaration of financial performance is uploaded on the website of the company at www.zotahealthcare.com as soon as it is intimated to the stock exchange.

Modified opinion(s) in audit report

Standard practices and procedures are followed to ensure unmodified financial statements.

Reporting of Internal Auditor

The Internal Auditor M/s Pradeep K. Singhi & Associates, Chartered Accountants, have reported directly to the Audit Committee of the Company.

13.THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)

Company has complied with all the corporate governance requirements (as far as were applicable to the company) as specified in the aforementioned regulations.

By order of the Board
for **ZOTA HEALTH CARE LIMITED**

Sd/-

Moxesh Ketanbhai Zota

Managing Director

DIN:07625219

Sd/-

Himanshu Muktilal Zota

Whole-Time Director

DIN:01097722

Place: Surat

Date: September 2, 2022

Annexure-4

AS PER RULE 8 OF COMPANIES (ACCOUNTS) RULES, 2014

A. Conservation of Energy

- (i) The steps taken or impact on conservation of energy
- (ii) The steps taken by the Company for utilising alternate sources of energy
- (iii) The capital investment on energy conservation equipment

NIL

B. Technology Absorption

- (i) The efforts made towards technology absorption
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution
- (iii) In case of imported technology (imported during last three years reckoned from the beginning of the financial year)NIL
 - a. The details of technology imported
 - b. The year of import
 - c. Whether the technology been fully absorbed
 - d. If not fully absorbed areas where absorption has not taken place & reasons thereof
- (iv) The expenditure incurred on research & development during the year 2021-22 was ₹ 06 lakhs.

NIL

C. Foreign Exchange Earning and Outgo

The Foreign Exchange earning in terms of actual inflows

Export of goods calculated on FOB basis Export by SEZ unit during the financial year 2021-22 was ₹ 2093.83 lakhs.

The Foreign Exchange outgo during the year in terms of actual outflows

Foreign Exchange outgo during the financial year 2021-22 was ₹ 144.89 lakhs.

By order of the Board
for **ZOTA HEALTH CARE LIMITED**

Sd/-

Moxesh Ketanbhai Zota

Managing Director
DIN:07625219

Sd/-

Himanshu Muktilal Zota

Whole-Time Director
DIN:01097722

Place: Surat

Date: September 2, 2022

Annexure-5

FORM NO. MR-3

Secretarial Audit Report

For the financial year ended March 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
ZOTA HEALTH CARE LIMITED
(CIN: L24231GJ2000PLC038352)
Zota House 2/896 Hira Modi Street,
Sagrampura, Surat-395002

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Zota Health Care Limited**, (hereinafter called the "company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the **M/s. Zota Health Care Limited**, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **March 31, 2022** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Zota Health Care Limited** for the financial year ended on **March 31, 2022** according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made there under;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable during the year:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **the regulation is not applicable during the Financial Year 2021-2022**

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **the regulation is not applicable during the Financial Year 2021-2022**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **the regulation is not applicable during the Financial Year 2021-2022**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **the regulation is not applicable during the Financial Year 2021-2022**
- Other Laws Specifically Applicable to Company:
 - a. Income Tax Act, 1961
 - b. Goods and Service Tax Act, 2017 and other indirect taxes
 - c. Labour Laws
 - d. The Patents Act, 1970
 - e. The Copyright Act, 1957
 - f. The Trademarks Act, 1999
 - g. The Drugs and Cosmetics Act, 1940
 - h. The Drugs and Cosmetics Rules, 1945
 - i. The Drugs (Price Control) Order, 2013
 - j. Food Safety and Standard Act, 2006

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards with regard to the Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- ii. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, the company has generally complied with the provisions of the act, rules, regulations and guidelines mentioned above except following:

- The Company has filed revised IEPF-2 Form
- The Company has filed with delay (Approx 1 Minute) of its Consolidated Financial Result for the year ended on March 31, 2021
- The Company has filed Corrigendum of its Voting results of Annual General Meeting held on September 30, 2021
- Mrs. Harsha Ashvinkumar Siriya and Mrs. Nirmalaben A. Shah (Member of Promoter Group) and Mr. Ratilal Govendbhai Harkhani (Plant Manager) has traded in shares during the Trading window Closed.

I further report that, based on the information provided by the company, its officers and authorised representative during the conduct of the audit, and also on the review of reports by CS/CEO of the company, in my opinion, adequate systems and processes and control mechanism exist in the company to monitor and ensure compliance with applicable general laws.

I further report, that the compliance by the company of applicable financial laws, like direct, indirect tax laws and other acts as mentioned in point (vi), has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda

items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the chairman, the decisions of the board were unanimous and no dissenting views have been recorded.

I/we further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I report further that, during the audit period, there were no specific events/actions in pursuance of the aforesaid laws, rules, regulations, etc. having a major bearing on the company's affairs.

1. The Authorized Capital of the company has increased to from ₹ 25,00,00,000 ₹ 30,00,00,000 on September 7, 2021 and changed the clause V of Memorandum of Association.
2. 6,00,000 Equity shares of Face- Value of ₹ 10/- each at a price ₹ 280/- including premium of ₹ 270/- per share were issued to non-promoter group of the company by way of Private Placement on September 7, 2021

Sd/-

Ranjit Binod Kejriwal

FCS No.: 6116

C P No.: 5985

UDIN: F006116D000898623

PR: 12004GJ424500

Place: Surat

Date: September 2, 2022

This report is to be read with our letter dated September 2, 2022 which is annexed and forms an integral part of this report.

To,
The Members,
ZOTA HEALTH CARE LIMITED
(CIN: L24231GJ2000PLC038352)
Zota House 2/896 Hira Modi Street,
Sagrampura, Surat-395002

Our Secretarial Audit report dated September 2, 2022 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

Ranjit Binod Kejriwal

FCS No.: 6116

C P No.: 5985

UDIN: F006116D000898623

PR: 12004GJ424500

Place: Surat

Date: September 2, 2022

Annexure-6

THE DISCLOSURES PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016 ARE AS UNDER:

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of the employees of the Company for the financial year 2021-22 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/KMP for F.Y. 2021-22 (in ₹ lakhs)	% increase in Remuneration in the F.Y. 2021-22	Ratio of Remuneration of each Director/to median remuneration of employees
1	Mr. Ketankumar Chandulal Zota Non-Executive Chairman	0.53	152.38	0.32:1
2	Mr. Moxesh Ketanbhai Zota Managing Director	31.28	21.38	19.07:1
3	Mr. Himanshu Muktilal Zota Whole Time Director	31.62	21.70	19.28:1
4	Mr. Kamlesh Rajanikant Zota Whole Time Director	31.28	21.38	19.07:1
5	Mr. Manukant Chandulal Zota Whole Time Director	31.23	21.05	19.04:1
6	Mrs. Varshababen Gaurang Mehta Non-Executive Independent Director	0.85	117.95	0.52:1
7	Mrs. Bhumi Maulik Doshi Non-Executive Independent Director*	0.71	136.67	0.43:1
8	Mr. Vitrag Sureshkumar Modi Non-Executive Independent Director*	0.71	136.67	0.43:1
9	Mr. Dhiren Prafulbhai Shah Non-Executive Independent Director*	0.56	166.67	0.34:1
10	Mrs. Jayshreeben Nileshkumar Mehta Non-Executive Independent Director*	0.61	154.17	0.37:1
11	CS Ashvin Variya Company Secretary & Compliance Officer	8.92	9.85	5.44:1
12	Mr. Viral Madviwala Chief Financial Officer	6.60	7.67	4.02:1

(i) Names of the top ten employees in terms of remuneration drawn from the Company in the financial year 2021-22:

Sr. No.	Name & Designation	Qualification and Experience	Remuneration (₹ In Lakhs)	Date of Appointment	Age (In years)	Particulars of Last Employment	Relative of Director/ Manager
1	Himanshu Muktilal Zota – Whole-Time Director	Diploma in Pharmacy (30 years)	31.62	01/04/2015	48	N.A.	N.A.
2	Moxesh Ketanbhai Zota – Managing Director	B. Pharm, Master of Science – BPP University (UK) (8 years)	31.28	07/10/2016	31	N.A.	Son of Mr. Ketankumar Chandulal Zota (Chairman)
3	Kamlesh Rajanikant Zota – Whole-Time Director	B.Pharm (27 years)	31.28	01/04/2015	49	<ul style="list-style-type: none"> Technical Assistant – Torrent Pharmaceuticals Ltd, Production Officer – Unique Pharmaceuticals Laboratories, 	N.A.
4	Manukant Chandulal Zota – Whole-Time Director	M.SC (27 years)	31.23	01/04/2015	71	N.A.	Brother of Mr. Ketankumar Chandulal Zota (Chairman)
5	Niral Zota – Head of Domestic Market	H.S.C. (24 years)	22.00	01/04/2010	45	N.A.	Brother of Mr. Himanshu Zota (Whole Time Director)

Sr. No.	Name & Designation	Qualification and Experience	Remuneration (₹ In Lakhs)	Date of Appointment	Age (In years)	Particulars of Last Employment	Relative of Director/ Manager
6	Viren Zota – Head of Domestic Market	B.B.A. (15 years)	22.00	01/04/2008	38	N.A.	Son of Mr. Manukant Zota (Whole Time Director)
7	Sanjeev Kapila – Vice President Marketing (Davaindia)	B.A., D. Pharm (30 years)	13.61	20/10/2020	51	<ul style="list-style-type: none"> Winy Healthcare Pvt Ltd (General Manager - Marketing) Celsius Healthcare Pvt Ltd (General Manager- Marketing) Akums Healthcare Pvt Ltd (General Manager- Marketing) Zydus Cadila (Marketing Manager) Wisdom Pharma (Marketing Manager) Kusum Health care (Sales Manager) 	N.A.
8	Ruben Parmar – Manager HR	MBA (33 years)	12.44	27/07/2020	58	<ul style="list-style-type: none"> RSM Astute (General Manager – HR) 	N.A.
9	Jitendra V Raigade - Manager Regulatory Affairs	M.Sc. Clinical Research & Regulatory Affairs (11 years)	11.15	22/05/2019	37	<ul style="list-style-type: none"> Assistant Manager - Unosource Pharma Limited 	N.A.
10	Santanu Pal Roy - Vice President Sales East & South India (Davaindia)	B. Sc.; Postgraduate Diploma Marketing Management; 23 Years of Experience	11.05	11/12/2019	57	<ul style="list-style-type: none"> Mavenick Biotech (General Manager) 	N.A.

(ii) The median remuneration of employees of the Company during the Financial Year was ₹ 1.64 lakhs.

(iii) In the Financial year, the median remuneration of employees is increased by 0.61%.

(iv) There were 297 permanent employees on the rolls of the Company as on March 31, 2022;

(v) Average percentage increase made in the salaries of employees other than the managerial personnel in comparison of the last financial year is 6.09%. There is an average increase of 19.87% in the remuneration of Key Managerial personnel in comparison to the last financial year.

(vi) The remuneration of KMP is as per the recommendations of the Nomination & Remuneration Committee.

(vii) It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other Employees.

By order of the Board
for **ZOTA HEALTH CARE LIMITED**

Sd/-

Moxesh Ketanbhai Zota **Himanshu Muktilal Zota**

Managing Director

Whole-Time Director

DIN:07625219

DIN:01097722

Place: Surat

Date: September 2, 2022

Annexure-7

CERTIFICATE IN TERMS OF REGULATION 17(8) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Board of Directors
Zota Health Care Limited.

Dear Sir(s)/Madam,

In accordance with Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we certify that:

1. We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2022 and that to the best of our knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended March 31, 2022 which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the auditors and the Audit Committee:-
 - a. that there are no significant changes in internal control over financial reporting during the financial year ended March 31, 2022;
 - b. during year company has adopted IND AS apart from this there are no significant changes in accounting policies during the financial year ended March 31, 2022; and
 - c. that there are no instances of significant fraud of which we have become aware.

For the Board of Director
ZOTA HEALTH CARE LIMITED

Sd/-
Viral Mandviwala
Chief Financial Officer

Place: Surat
Date: 30 May 2022

Annexure-8

DECLARATION BY MANAGING DIRECTOR THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

All the Members of the Board of Directors of the Company and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2022 as applicable to them as laid down in Companies Act, 2013 with the code of conduct of Board of directors and senior management.

By order of the Board
for **ZOTA HEALTH CARE LIMITED**

Sd/-
Moxesh Ketanbhai Zota
Managing Director
DIN:07625219

Place: Surat
Date: September 2, 2022

Annexure-9

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Zota Health Care Limited.

We have examined the compliance of the conditions of Corporate Governance by Zota Health Care Limited (The Company); for the year ended March 31, 2022 as stipulated in Regulation 27(2) of SEBI (Listing Obligation And Disclosure Requirements), Regulations 2015 of the said Company with NSE.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievances Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with the management has conducted the affairs of the Company.

For **Shivangi Parekh & Co.**
Chartered Accountants
Firm No. 131449W

Sd/-
CA. Shivangi Mehta
Proprietor

M. No. 118936

UDIN: 22118936AQRFY3908

Place: Surat

Date: September 2, 2022

Annexure - 10

FORM NO. AOC.1

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Part “A”: Subsidiaries

Sl. No	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Liabilities	Total Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
1	ZOTA HEALTHCARE LANKA (PVT) LTD*	April 1, 2021 To March 31, 2022	Sri Lankan Rupees (LKR) (1 LKR=0.3657 ₹)	73,140	(52,772)	50,023	29,655	Nil	Nil	9,564	Nil	9,564	Nil	100
2	Davalndia Health Mart Limited	April 1, 2021 To March 31, 2022	N.A.	20,000,000	(15,695,555)	204,604,193	200,299,749	Nil	15,973,353	(15,920,787)	(84,1618)	(15,079,169)	Nil	100

*The figures of the financial statement are converted into Indian Rupees at the aforementioned exchange rate.

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Join Ventures

Name of Associates/Joint Ventures	Latest audited Balance Sheet Date	Shares of Associate/Joint Ventures held by the company on the year end	Description of how there is significant influence	Reason why the associate/joint venture is not consolidated	Net worth attributable to Shareholding as per latest audited Balance Sheet	Profit / Loss for the year
N.A	N.A	N.A	N.A	N.A	N.A	N.A

By order of the Board
for **ZOTA HEALTH CARE LIMITED**

Sd/-
Moxesh Ketanbhai Zota
Managing Director
DIN:07625219

Sd/-
Himanshu Muktilal Zota
Whole-Time Director
DIN:01097722

Place: Surat
Date: September 2, 2022

Annexure-11

In line with Regulation 34(2)(f) and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L24231GJ2000PLC038352
2	Name of the Company	Zota Health Care Limited
3	Registered address	Zota House, 2/896, Hira Modi Street, Sagrapura, Surat – 395002, Gujarat, India
4	Website	www.zotahealthcare.com
5	E-mail id	info@zotahealthcare.com
6	Financial Year reported	April 01, 2021 to March 31, 2022
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Pharmaceutical
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Manufacturing and Marketing of Pharmaceutical Products
9	Total number of locations where business activity is undertaken by the Company	http://www.zotahealthcare.com/about-us/our-business-2/
A	Number of International Locations (Provide details of major 5)	http://www.zotahealthcare.com/about-us/our-business-2/
B	Number of National Locations	http://www.zotahealthcare.com/about-us/our-business-2/
10	Markets served by the Company – Local/State/National/International	The Company is catering both the Domestic and the International Markets. In Indian market, the Company is having more than 1050 distributors covering each and every corner of the India. Furthermore, Company has also rolled out 497 Franchisee Own Franchisee Operated (FOFO) Stores of Davaindia and 17 Company Owned Company Operated (COCO) Stores of Davaindia, wherein Generic medicines, Ayurvedic Preparations and OTC products have been made available to the customers. In International market the Company has marked its presence in more than 35 African, Asian, Latin American and CIS countries.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (₹)	2,516.03 lakhs
2	Total Turnover (₹)	13,153.33 lakhs
3	Total profit/ (loss) after taxes (₹)	1,058.01 lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2% of net profit before tax of preceding three financial years. Refer Annexure –2 of the Board Report on page no.52
5	List of activities in which expenditure in 4 above has been incurred:-	Refer Annexure – 2 of the Board Report on page no.52

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	Yes, followings are the Wholly Owned Subsidiary Companies of the Company: 1. Davaindia Health Mart Limited 2. Zota Healthcare Lanka (Pvt) Ltd
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Yes; all the BR Initiatives of the Company are being extended to our subsidiary companies as well.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	Yes, Less than 30%

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

a) Details of the Director/Directors responsible for implementation of the BR policy/policies

1. DIN Number : 01097722
2. Name : Himanshu Muktilal Zota
3. Designation : Whole-Time Director

b) Details of the BR head

1. DIN Number (if applicable) : 07625219
2. Name : Moxesh Ketanbhai Zota
3. Designation : Managing Director
4. Telephone number : +91 261 2331601
5. E-mail id : moxesh@zotahealthcare.com

2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

P1 Business should conduct and govern themselves with Ethics, Transparency and Accountability

P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

P3 Businesses should promote the wellbeing of all employees

P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

P5 Businesses should respect and promote human rights

P6 Business should respect, protect, and make efforts to restore the environment

P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

P8 Businesses should support inclusive growth and equitable development

P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner

(a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
---------	-----------	----	----	----	----	----	----	----	----	----

1	Do you have a policy/ policies for...	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Does the policy conform to any national / international standards?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	Indicate the link for the policy to be viewed online?	Yes**	Yes*	Yes*	Yes***	Yes**^	Yes***	Yes*	Yes***	Yes*
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8	Does the company have in-house structure to implement the policy/ policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

* Code of Conduct: <http://www.zotahealthcare.com/wp-content/uploads/2020/05/Code-of-Conduct-for-Board-Members-Senior-Management-Personnel.pdf>

** Whistle Blower Policy and Code of Conduct:

http://www.zotahealthcare.com/wp-content/uploads/2019/11/VIGIL_MECHANISM.pdf

<http://www.zotahealthcare.com/wp-content/uploads/2020/05/Code-of-Conduct-for-Board-Members-Senior-Management-Personnel.pdf>

*** Corporate Social Responsibility Policy: http://www.zotahealthcare.com/wp-content/uploads/2019/08/Corporate_Social_Responsibility_Policy.pdf

*^ Code of Conduct & Social Media Policy:

<http://www.zotahealthcare.com/wp-content/uploads/2020/05/Code-of-Conduct-for-Board-Members-Senior-Management-Personnel.pdf>

http://www.zotahealthcare.com/wp-content/uploads/2019/08/Social_Media_Policy.pdf

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task)						NIL			
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	To ensure the responsible business practices and in line with economic, environment and social developments, the Company has formed Business Responsibility Policy. Under the said Policy the Company has set out certain principles on economic, social and environmental developments. To monitor the same Board of Directors meets once in a year.
Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes Annually www.zotahealthcare.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

- | | |
|---|---|
| 1.1 Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others? | <p>No, The Company has adopted the Code of Conduct for Board of Directors and Senior Managerial Personnel's, in which the Company has laid down various ethical principles for Board of Directors and Senior Managerial Personnel's in accordance with the applicable laws, rules and regulations.</p> <p>The Company has also formed and adopted Whistle Blower Policy for the directors and employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the company's code of conduct.</p> <p>In respect of suppliers, the Company has adopted standard supplier's agreement in which standard clauses of ethics have been incorporate. Apart from these for distributors we have adopted franchisee agreement which includes ethical principles.</p> <p>These all ethical principles/ guidelines have been extended to the Company's subsidiary companies as well.</p> |
| 1.2 How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so. | <p>The stakeholder herein includes the company's employees, investors, suppliers, vendors, partners, government and the local community. For details of investor's complaints please refer to the "investor complaint" tab in the shareholders information section of the Corporate Governance Report which is part of Board Report. Further, during the year Company has not received any complaints pertaining to ethics, bribery and corruption.</p> |

Principle 2

- | | |
|---|---|
| 2.1 List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities. | <p>Our main business activity is of Manufacturing and Marketing of Pharmaceutical products. For manufacturing, we have manufacturing plant at Surat Special Economic Zone (SurSEZ), Sachin, Surat. Wherein we are manufacturing general tablet and general capsules. As per the bylaws of SurSEZ manufacturing of general tablets and general capsules are considered as pollution free activities and no environment clearance certificate is required for the said activities.</p> <p>Further as far as Marketing activities are concerned, we are procuring finished goods from the manufacturing plants which carries valid environment clearance license and WHO-GMP certificate.</p> <p>As stated above our manufacturing activities are totally pollution free, hence details mentioned in point number 2.1 is not applicable.</p> |
| 2.2 For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional): | N.A. |
| (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? | |
| (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year? | |

2.3	Does the company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	We have placed a balanced supply chain mechanism in which we have focused to do all transportations from the local and registered transporters. All transporters carried valid licenses and run their vehicles by following applicable rules and regulations. We are also giving transit insurance to all the transports, which are delivering our goods. During last financial year around 77% of our transportation has been handled by the local transporters.
2.4	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	The Company has always in endeavor for the upliftment of small scale entrepreneurs and businesses. With regards to the administrative services we always prefer to procure it from local and surrounding communities where we are working. During last financial year we have procured around 99% of raw materials and finished goods from the domestic suppliers/ manufacturers.
2.5	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	We have adopted eco-friendly procedures for disposal of waste that has been created on account of expired and/ or banned of pharmaceutical products. All expired products have been disposed of by approved biological waste management agencies. We are recycling <4% of our products which were expired.

Principle 3

3.1	Please indicate the Total number of employees	297															
3.2	Please indicate the Total number of employees hired on temporary/contractual/ casual basis	N.A.															
3.3	Please indicate the Number of permanent women employees	55															
3.4	Please indicate the Number of permanent employees with disabilities	0															
3.5	Do you have an employee association that is recognized by management	No															
3.6	What percentage of your permanent employees is members of this recognized employee association?	N.A.															
3.7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	<p>The Company has framed and adopted Anti-Sexual Harassment Policy; covering the complaints against any sexual harassment and complaint for any discrimination. The details of concerned or complaints received by the Company is as below:</p> <table> <tr> <th>Category</th><th>No of complaints filed during the financial year</th><th>No of complaints pending as on end of the financial year</th></tr> <tr> <td>Child labour/ forced labour/ involuntary labour</td><td>0</td><td>0</td></tr> <tr> <td>Sexual harassment</td><td>0</td><td>0</td></tr> <tr> <td>Discriminatory employment</td><td>0</td><td>0</td></tr> </table>	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year	Child labour/ forced labour/ involuntary labour	0	0	Sexual harassment	0	0	Discriminatory employment	0	0			
Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year															
Child labour/ forced labour/ involuntary labour	0	0															
Sexual harassment	0	0															
Discriminatory employment	0	0															
3.8	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (a) Permanent Employees (b) Permanent Women Employees (c) Casual/Temporary/Contractual Employees (d) Employees with Disabilities	<p>We cover almost all employees in the safety training which is being given at the time of joining and at regular basis from time to time. Apart from this at regular intervals we are arranging skills development programs in which all categories of employees have been included. The details of training imparted during last financial year is as below:</p> <table> <tr> <th>Category</th><th>No. of Employees</th><th>Training Imparted</th></tr> <tr> <td>Permanent Employees</td><td>297</td><td>5346 hours</td></tr> <tr> <td>Permanent Women Employees</td><td>55</td><td>990 hours</td></tr> <tr> <td>Casual/Temporary/ Contractual Employees</td><td>0</td><td>0</td></tr> <tr> <td>Employees with Disabilities</td><td>0</td><td>0</td></tr> </table>	Category	No. of Employees	Training Imparted	Permanent Employees	297	5346 hours	Permanent Women Employees	55	990 hours	Casual/Temporary/ Contractual Employees	0	0	Employees with Disabilities	0	0
Category	No. of Employees	Training Imparted															
Permanent Employees	297	5346 hours															
Permanent Women Employees	55	990 hours															
Casual/Temporary/ Contractual Employees	0	0															
Employees with Disabilities	0	0															

Principle 4

4.1	Has the company mapped its internal and external stakeholders? Yes/No	Yes, the Company has mapped its internal and external stakeholders. Our stakeholder herein includes the company's employees, investors, shareholders, customers, suppliers, vendors, partners, government and the local community.
4.2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders	Yes, the Company identifies local community around the manufacturing plant and customers from rural areas and lower middle class from the urban areas as disadvantaged, vulnerable & marginalized stakeholders.
4.3	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so	Yes, the Company has continually taken initiatives for the upliftment of the disadvantaged, vulnerable & marginalized stakeholders. For the community where we operates, we are giving first priority to them in terms of employment and business relations. As far as customers from the rural areas and lower middle class from the urban areas are concerned, we are committed to provide them affordable medicines by our project Davaindia and by that we have lower the burden of medical expenses on them. We believe that a healthy and happy community can help us in built up a strong and sustainable business.

Principle 5

5.1	Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?	We at Zota have formed Anti-Sexual Harassment Policy and Social Media Policy which protects human rights of our employees and the same have been extended to our subsidiary companies as well.
5.2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	Please refer para 1.2 of this table.

Principle 6

6.1	Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs/ others.	The Company is engaged in the activity of manufacturing and marketing of pharmaceutical product. As far as our own manufacturing facility is concerned, we have adopted industry best manufacturing practices for the protection of environment and all necessary approvals have been taken by us. In case of third party manufacturing, we always insist to give orders to the suppliers/ manufacturer who have adopted all safety measures for protection of environment.
6.2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	No
6.3	Does the company identify and assess potential environmental risks? Y/N	Yes
6.4	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	Not Applicable
6.5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	No
6.6	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	In our manufacturing facilities we are manufacturing only tablet and capsules and manufacturing of the same has not created any emissions or waste. On the other side being pharmaceutical company all the expired and/ or banned medicines are being disposed of by approved biological waste management agencies.
6.7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	None

Principle 7

7.1	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	<p>Yes, being a leading pharmaceutical company, we are the part of many well-known chambers and associations. The details of the same is sited below:</p> <ul style="list-style-type: none">• The Southern Gujarat Chamber of Commerce and Industry• Indian Drug Manufacturers Association• SurSez Association• Export Promotion Council• Pharmaceutical Export Promotion Council
7.2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	<p>Yes, the Company identifies local community around the manufacturing plant and customers from rural areas and lower middle class from the urban areas as disadvantaged, vulnerable & marginalized stakeholders.</p>

Principle 8

8.1	Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	<p>At Zota, we believe that Health, Education, Water, Livelihood, Environment and Disaster Relief are some of our key priorities in the area of Corporate Social Responsibility (CSR). We strive to make good health accessible to the local communities and society at large. With intensive efforts of people who work behind the scenes to combat diseases and by means of active field work and dedicated research and recognition, we help people achieve their right to good health.</p>
8.2	Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?	<p>The Company is undertaking various CSR initiatives/ programmes with the help of external Registered public trust or a registered Society registered under section 12A and 80G of the Income Tax Act, 2016 or a section 8 company registered under the Indian Companies Act, 2013.</p>
8.3	Have you done any impact assessment of your initiative?	<p>Every year the CSR committee of the Company do evaluation of the CSR activities carried out by the Company.</p>
8.4	What is your company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken	<p>Please refer Annexure – 2 of the Board Report.</p>
8.5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	<p>During the last year, Gujarat has witnessed many cyclones and that has significantly affected the life of human being and animals as well. To provide the shelter and food to the stray animals and as a part of Company' CSR policy and to protect the environment; the Company has provided monetary funds to Jivdaya Gaushala Charitable Trust, Varahi. The said trust has utilized the funds for the development of shelter home for the stray animals and arranged a food for them.</p>

Principle 9

9.1	What percentage of customer complaints/ consumer cases are pending as on the end of financial year.	None
9.2	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)	Yes, The Company displays all product information on the product label, over and above what is mandated as per the Drug and Cosmetics Act and other laws. This additional information enhance customers about how to use the products with all safety measures. The additional information on products majorly contains the active ingredient contained in the product, clinical benefits, safety warning, consumer grievance redressal process, details of manufacturer, contact details, etc. We also provide information to customers about how to handle the products and in which condition the product shouldn't have been accepted by the customers.
9.3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	No
9.4	Did your company carry out any consumer survey/ consumer satisfaction trends?	Yes, being a part of continuous stakeholder's engagement we usually carryout consumer survey with the help of third party agencies and from our end as well. To provide the quality products to the customers, we also carried out Quality Attestation and Quality Control of all our products in our labs as well as in the NABL accredited labs.

Annexure-12

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
ZOTA HEALTH CARE LIMITED
(CIN: L24231GJ2000PLC038352)
Zota House, 2/896 Hira Modi Street,
Sagrampura, Surat-395002

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ZOTA HEALTH CARE LIMITED** having CIN: L24231GJ2000PLC038352 and having registered office at Zota House, 2/896 Hira Modi Street, Sagrampura, Surat-395002 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of appointment in Company
1.	Ketankumar Chandulal Zota	00822594	01/10/2010
2.	Kamlesh Rajanikant Zota	00822705	01/10/2010
3.	Himanshu Muktilal Zota	01097722	12/07/2000
4.	Manukant Chandulal Zota	02267804	01/10/2010
5.	Moxesh Ketanbhai Zota	07625219	07/10/2016
6.	Varshababen Gaurang Mehta	07611561	10/09/2016
7.	Bhumi Maulik Doshi	08456082	30/05/2019
8.	Vitrag Sureshkumar Modi	08457204	30/05/2019
9.	Jayshreeben Nileshkumar Mehta	08536399	21/09/2019
10.	Dhiren Prafulbhai Shah	08536409	21/09/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

Ranjit Binod Kejriwal

FCS No.: 6116

C P No.: 5985

UDIN: F006116D000898667

PR: 12004GJ424500

Place: Surat

Date: September 2, 2022

Independent Auditor's Report

TO THE MEMBERS OF ZOTA HEALTH CARE LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

I have audited the accompanying standalone financial statements of **ZOTA HEALTH CARE LIMITED** (the "company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flows for the year ended on that date and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

I conducted my audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of my report. I am independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to my audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the standalone financial statements.

KEY AUDIT MATTERS

I have determined that there are no key audit matters to communicate in my report.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report and Shareholder's Information, but does not include the standalone financial statements and my auditor's report thereon.

My opinion on the standalone financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the standalone financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or my knowledge obtained during the course of my audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

My objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, I am also responsible for expressing my opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

- 1 As required by section 143(3) of the Act, I report that :
 - a I have sought and obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of my audit.;

- b In my opinion proper books of accounts as required by Law have been kept by the company, so far as it appears from my examination of the books;
- c The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
- d In my opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
- f With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to my separate Report in "Annexure A";
- g In my opinion and to the best of my information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act;
- h With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in my opinion and to the best of my knowledge and belief and according to the information and explanations given to me:
 - (i) The Company does not have any pending litigations which would impact its financial position
 - (ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the

understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) (a) The final dividend paid by the Company during the year in respect of the same declared

for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

- (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- 2 As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (the "Order") and according to the information and explanations given to me, I enclose in the "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable

For Shivangi Parekh & Co.
Chartered Accountants
ICAI Firm Reg. No. 131449W

Date: 30-05-2022
Place : Surat

Sd/-
CA. Shivangi Parekh
Proprietor
M. No. 118936
UDIN: 22118936AJXLKV3566

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of my report to the Members of Zota Health Care Limited)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

I have audited the internal financial controls over financial reporting of ZOTA HEALTH CARE LIMITED (“the Company”) as of 31st March 2022 in conjunction with my audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS’ RESPONSIBILITY

My responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company’s internal financial controls with reference to these standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company’s internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the condensed financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In my opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Shivangi Parekh & Co.
Chartered Accountants
ICAI Firm Reg. No. 131449W

Sd/-
CA. Shivangi Parekh
Proprietor
M. No. 118936

UDIN: 22118936AJXLKV3566

Date: 30-05-2022
Place : Surat

Annexure “B” to the Auditor’s Report

(Referred to in paragraph 2, under ‘Report on Other Legal and Regulatory Requirements’ section of my Report to the Members of Zota Health Care Limited of even date)

As required by the Companies (Auditor’s Report) Order, 2020 and according to the information and explanations given to me during the course of audit and on the basis of such checks as were considered appropriate, I report that :

- (i) In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
 - a (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (ii) The company is maintaining proper records showing full particulars of intangible assets.
- b According to the information and explanations given to me, all property, plant & equipment have been physically verified by the management during the period at reasonable intervals. As explained to me, no material discrepancies were noticed as compared to the books records, on such physical verification.
- c According to the information and explanations given to me, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) included in property, plant and equipment are held in the name of the Company.
- d According to the information and explanations given to me, the Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year. Accordingly, the requirements under paragraph 3(i) (d) of the Order are not applicable to the Company.
- e According to the information and explanations given to me, no proceeding has been initiated or pending against

the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.

- (ii) (a) The inventory has been physically verified by the management during the year. In my opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) (a) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted loan to a subsidiary company covered in the register maintained under section 189 of the Companies Act, 2013. The details of the loan is stated in sub-clause (a) below. The Company has not granted any loans, secured or unsecured, to firms, limited liability partnerships or any other parties during the year.

- A. Based on the audit procedures carried on by me and as per the information and explanations given to me, the Company has granted loan to its subsidiary as stated below:

		(₹ in Lakhs)
		Amount (₹ in Lakhs)
Particulars		
Aggregate amount during the year		260.07
Balance outstanding as at balance sheet date		251.51

- B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted loans to any party other than subsidiary.
 - (b) In my opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company’s interest.
 - (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

- (iv) In my opinion and according to the information and explanations given to me, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to me, the Company has not accepted deposits from the public and the other security deposits accepted are not considered as deposits as per section 73 to 76. Therefore, the provisions of the clause 3(v) of the Order are not applicable to the Company.
- (vi) According to the information & explanation given to me, cost records have been maintained by the company as prescribed under sub section (1) of section 148 of the Companies Act, 2013. We have not, however, made a detailed examination of the same.
- (vii) According to the information and explanations given to me, in respect of statutory dues :
- (a) According to the information and explanations given to me and according to the records, the Company has generally been regular in depositing undisputed statutory dues with appropriate authorities during the year.
- There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, customs duty, cess and any other statutory dues which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to me, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- (ix) The Company does not have any loans or borrowings and repayment to lenders during the year. Accordingly, the provision stated in paragraph 3(ix) (a) to (c) and sub clause (e) and (f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has made preferential allotment or private placement of shares and the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds have been used for the purposes for which the funds were raised.
- (xi) (a) To the best of my knowledge and according to the information and explanations given to me, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by cost auditor/secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government
- (c) As represented to me by the management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) (a) to (c) of the Order is not applicable to the Company and hence not commented upon.
- (xiii) In my opinion and according to the information and explanations given to me, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv)(a) In my opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) I have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of the audit procedures.
- (xv) In my opinion and according to the information and explanations given to me, during the year the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi)(a) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi)(a) of the Order are not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) (c) of the Order is not applicable to the Company
- (xvii) The Company has not incurred cash losses during the financial year covered by the audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on my examination of the evidence supporting the assumptions, nothing has come to my attention, which causes me to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable

of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. I, however, state that this is not an assurance as to the future viability of the Company. I further state that my reporting is based on the facts up to the date of the audit report and I neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For Shivangi Parekh & Co.
Chartered Accountants
ICAI Firm Reg. No. 131449W

Date: 30-05-2022
Place : Surat

Sd/-
CA. Shivangi Parekh
Proprietor
M. No. 118936
UDIN: 22118936AJXLKV3566

Standalone Balance Sheet

as at 31st March, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31 st March, 2022	As at 31 st March, 2021
ASSETS			
(1) Non-Current Assets			
Property, plant and equipment	M(a)-01	708.63	751.85
Capital work-in-progress	M(a)-03	-	3.62
Intangible Assets	M(a)-02	546.88	647.37
Intangible assets under development	M(a)-02	-	-
Financial Assets			
(i) Investments	C-03	3,484.17	999.40
(ii) Loans	C-04	260.98	36.90
Other Non-current assets		-	-
Deferred tax assets (Net)		6.70	(1.02)
Total Non-Current assets		5,007.36	2,438.13
(2) Current Assets			
Inventories	C-05	2,797.86	2,812.80
Financial Assets			
(i) Trade Receivables	C-06	3,831.54	2,884.33
(ii) Cash and Cash Equivalents	C-07 (a)	0.96	1.31
(iii) Other Bank Balances	C-07 (b)	219.03	131.21
(iv) Loans	C-08	664.75	173.39
Other Current Assets	C-09	6.42	110.46
Total Current assets		7,520.57	6,113.50
Total Assets		12,527.93	8,551.63
EQUITY AND LIABILITIES			
(1) Equity			
(i) Equity Share capital	C-10	2,516.03	2,456.03
(ii) Other Equity	C-11	6,621.42	4,181.18
Total Equity		9,137.45	6,637.21
(2) Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings		-	-
Provisions	C-12	102.86	94.45
Total non-current liabilities		102.86	94.45
Current liabilities			
Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises		64.62	57.94
- Total Outstanding dues of Creditors other than micro enterprises and small enterprises		1,766.89	1,500.86
Other Current liabilities	C-13	1,000.18	166.86
Provisions	C-14	455.94	94.30
Total current liabilities		3,287.63	1,819.96
Total Liabilities		3,390.48	1,914.41
Total Equity and Liabilities		12,527.93	8,551.63

The accompanying notes form an integral part of the Standalone Financial Statements
As per our report of even date attached

For and on behalf of the Board

Sd/-
Himanshu M. Zota
(Whole Time Director)
(Din : 01097722)
34, Ichhanath Umra, Surat.,

Sd/-
Moxesh K. Zota
(Managing Director)
(Din : 07625219)
8D, Lal Bunglow, Athwalines, Surat.,

Shivangi Parekh & Co.
Chartered Accountants

Sd/-
CA. Shivangi Parekh
Proprietor
M. No. 118936
Firm No. 131449W

Sd/-
Ashvin Variya
(Company Secretary)

Sd/-
Viral Mandviwala
(Chief Financial Officer)

Date: 30th May, 2022
Place : Surat

Standalone Statement of Profit & Loss

for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Note No.	Year ended 31 st March, 2022	Year ended 31 st March, 2021
I. Revenue from Operations	C-15	13,153.33	10,684.12
II. Other Income	C-16	164.56	125.66
III. Total Income		13,317.89	10,809.78
IV. Expenses:			
Cost of Materials Consumed	C-17	1,996.94	2,018.87
Purchases of Stock-in-Trade		6,608.42	5,529.28
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	C-18		
Employee Benefit Expenses	C-19	986.77	930.05
Finance Costs	C-20	7.32	10.97
Depreciation / Amortisation and Depletion Expense	M(a)-01 & M(a)-02	273.05	316.68
Other Expenses	C-21	1,877.80	2,352.15
V. Total Expenses		11,898.75	10,944.21
VI. Profit/(loss) before exceptional items and tax (III-V)		1,419.14	(134.42)
Exceptional items		-	102.88
VII. Profit/(loss) before tax		1,419.14	(31.54)
VIII. Tax Expense:			
(1) Current tax		369.03	9.14
(1.1) I.T. & DD Tax Provision Created Short/ excess		(0.18)	(7.59)
(2) Deferred Tax		7.71	16.85
IX. Profit/ (Loss) for the period from Continuing Operations (VII-VIII)		1,058.01	(16.24)
X. Profit/(loss) before tax from discontinued operations		-	-
XI. Tax Expense of discontinued Operations		-	-
XII. Profit/ (Loss) from Discontinued Operations (after Tax) (X- XI)		-	-
XIII. Profit/ (Loss) for the Year		1,058.01	(16.24)
XIV. Other Comprehensive Income			
A (i) Items that will not be reclassified to Statement of profit and loss		18.48	18.67
(ii) Income Tax relating to items that will not be reclassified to Statement of profit and loss		(4.65)	(4.70)
B (i) Items that will be reclassified to Statement of profit and loss		-	-
(ii) Income Tax relating to items that will be reclassified to profit and loss		-	-
Other comprehensive income for the year, net of tax		13.83	13.97
Total comprehensive income for the period (XIII + XIV)		1,071.84	(2.28)
Earnings per equity share of face value of ₹ 10 each			
(1) Basic (in ₹)		4.25	(0.07)
(2) Diluted (in ₹)		4.25	(0.07)

The accompanying notes form an integral part of the Standalone Financial Statements
As per our report of even date attached

For and on behalf of the Board

Sd/-
Himanshu M. Zota
(Whole Time Director)
(Din : 01097722)
34, Ichhanath Umra, Surat.,

Sd/-
Moxesh K. Zota
(Managing Director)
(Din : 07625219)
8D, Lal Bunglow, Athwalines, Surat.,

Shivangi Parekh & Co.
Chartered Accountants

Sd/-
CA. Shivangi Parekh
Proprietor
M. No. 118936
Firm No. 131449W

Sd/-
Ashvin Variya
(Company Secretary)

Sd/-
Viral Mandviwala
(Chief Financial Officer)

Date: 30th May, 2022
Place : Surat

Standalone Cash Flow Statement

for the Year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax as per Statement of Profit and Loss	1,419.14	(31.54)
Adjusted for:		
(Profit) on sale of Property, Plant and Equipment	-	(102.88)
Depreciation / Amortisation and Depletion Expense	273.05	316.68
Finance Costs	1.32	1.32
Interest Income	(128.71)	(70.04)
Operating Profit before Working Capital Changes and other adjustments:	1,564.80	113.54
Adjusted for:		
Inventories	14.93	(278.71)
Trade Receivables	(947.21)	29.31
Trade Payables	272.70	60.16
Other Current Liabilities and Provisions	1,213.44	(80.22)
Provisions - Non-Current	8.41	6.98
Current Financial Assets	(491.37)	145.35
Other Current Assets	104.04	(74.06)
Changes in Working Capital	174.95	(191.19)
Cash Generated from Operations	1,739.76	(77.64)
Direct Taxes Paid	(373.50)	(6.25)
Net Cash Flow from/(used in) Operating Activities	1,366.26	(83.90)
B CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment, capital work-in-progress and intangible assets	(125.72)	(184.27)
Proceeds from disposal of Property, Plant and Equipment	-	108.42
Decrease in Long Term Loans & Advances	(224.09)	(7.45)
Interest Received	128.71	70.04
Non-current Investments	(2,484.77)	403.85
Net Cash Flow from/(used in) Investing Activities	(2,705.86)	390.59
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Equity Share Capital	60.00	-
Increase in Securities Premium Reserve	1,620.00	-
Finance Costs paid	(1.32)	(1.32)
Dividend Paid	(251.60)	(245.60)
Net Cash Flow from / (used in) Financing Activities	1,427.08	(246.92)
Net Increase/(Decrease) in Cash & Cash Equivalents	87.47	59.77
Opening Balance of Cash and Cash Equivalents	132.52	72.76
Closing Balance of Cash and Cash Equivalents	220.00	132.52

For and on behalf of the Board

Sd\-

Himanshu M. Zota

(Whole Time Director)

(Din : 01097722)

34, Ichhanath Umra, Surat.,

Sd\-

Ashvin Variya

(Company Secretary)

Date: 30th May, 2022

Place : Surat

Sd\-

Moxesh K. Zota

(Managing Director)

(Din : 07625219)

8D, Lal Bunglow, Athwalines, Surat.,

Sd\-

Viral Mandviwala

(Chief Financial Officer)

Shivangi Parekh & Co.

Chartered Accountants

Sd\-

CA. Shivangi Parekh

Proprietor

M. No. 118936

Firm No. 131449W

Standalone Statement of changes in equity

for the year ended 31st March, 2022

I. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	Balance at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year
For the year ended 31 st March, 2022	2,456.03	60.00	2,516.03
For the year ended 31 st March, 2021	2,456.03	-	2,456.03

II. OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserves and surplus		Total
	Securities premium	Retained earnings	
Balance as at 31st March, 2021	2,955.30	1,225.88	4,181.18
Profit for the year	-	1,058.01	1,058.01
Other comprehensive income	-	13.83	13.83
Total comprehensive income for the year	-	1,071.84	1,071.84
Issue of equity shares	1,620.00	-	1,620.00
Dividends	-	(251.60)	(251.60)
As at 31st March, 2022	4,575.30	2,046.11	6,621.42
Balance as at 31st March, 2020	2,955.30	1,473.76	4,429.06
Profit for the year	-	(16.24)	(16.24)
Other comprehensive income	-	13.97	13.97
Total comprehensive income for the year	-	(2.28)	(2.28)
Dividends	-	(245.60)	(245.60)
Balance as at 31st March, 2021	2,955.30	1,225.88	4181.18

The accompanying notes are an integral part of the financial statements.

For and on behalf of the Board

Shivangi Parekh & Co.
Chartered Accountants

Sd/-
Himanshu M. Zota
(Whole Time Director)
(Din : 01097722)
34, Ichhanath Umra, Surat.,

Sd/-
Moxesh K. Zota
(Managing Director)
(Din : 07625219)
8D, Lal Bunglow, Athwalines, Surat.,

Sd/-
CA. Shivangi Parekh
Proprietor
M. No. 118936
Firm No. 131449W

Sd/-
Ashvin Variya
(Company Secretary)

Sd/-
Viral Mandviwala
(Chief Financial Officer)

Date: 30th May, 2022
Place : Surat

NOTE # C-01

COMPANY OVERVIEW:

Zota Health Care Ltd. is a public limited company incorporated and domiciled in India and listed on the National Stock Exchange of India Limited.

The company is established as a drug development, manufacturing and marketing company. The company caters to both domestic and international markets. Being a progressive Indian pharmaceutical company, it offers a vast range of pharmaceutical, nutraceutical, ayurvedic and OTC products in India and overseas as well.

The Company has its registered office at Zota House, 2/896, Hira Modi Street, Sagrapura, Surat-395002, Gujarat, India.

The financial statements are approved for issue by the Company's Board of Directors on May 30, 2022.

Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

NOTE # C-02

1. SIGNIFICANT ACCOUNTING POLICIES

The following note provides list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

1.1 Basis of Preparation of Financial Statements:

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("the Act") (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Company's Financial Statements are presented in rupees and all values are rounded to the nearest Lakh (₹ 00,000), except when otherwise indicated.

1.2 Use of estimates and judgments

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standards.

Impact of COVID-19 (pandemic)

The Company has made assessment of the possible effects of COVID-19 pandemic on its current and future operations,

liquidity position and cash flow using internal and external sources of information. The Company is continuously monitoring the impact of COVID-19 and does not see any significant impact on its operations and financial position as at 31st March, 2022.

1.3 Summary of significant accounting policies

i. Current and non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis".

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating Cycle

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

ii. Fair value measurement

Fair value is the price that would be received on sale of asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value measurement of a non-financial asset takes into account market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the

asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Where required/appropriate, external valuers are involved.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** - Quoted (unadjusted) prices in active market for identical assets or liabilities.
- **Level 2 (if level 1 feed is not available/appropriate)** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- **Level 3 (if level 1 and 2 feed is not available/appropriate)** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximates fair value due to the short maturity of these instruments. The Company recognizes transfers between levels of fair value hierarchy at the end of reporting period during which change has occurred.

iii. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, is responsible for allocating resources and assessing performance of the operating segments and makes strategic decisions.

iv. Foreign currency translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The

financial statements are presented in Indian ₹ (INR), which is Zota Health Care Limited's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in Statement of Profit and Loss. Non-monetary items that are measured at historical cost in foreign currency are not retranslated. All non-monetary items denominated in foreign currency are carried at historical cost or other similar valuation and are reported using the exchange rate that existed when the values were determined.

v. Revenue recognition

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Arrangements with customers for sale of goods are on a fixed-price.

Applying the practical expedient as given in Ind AS 115, revenue from fixed-price where there is no uncertainty as to measurement or collectability of consideration, is recognized in the amount to which the entity has a right to invoice". When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer.

The company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts/incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/incentive.

If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably.

Trade receivables and Contract Balances:

The company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivable is a right to consideration that is unconditional upon passage of time.

Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Invoicing in excess of earnings are classified as unearned revenue.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument. Interest income is included in 'Other Income' in the Statement of Profit and Loss.

vi. Government grants

Government grants are initially recognized as deferred income at fair value if there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant;

- In case of capital grants, they are then recognized in Statement of Profit and Loss on a systematic basis over the useful life of the asset.
- In case of grants that compensate the Company for expenses incurred are recognized in Statement of Profit and Loss on a systematic basis in the periods in which the expenses are recognized.

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

vii. Income tax

Income tax expense comprises of current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity/OCI, in which case it is recognized in other comprehensive income. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The provision for current tax is made at the rate of tax as applicable for the income of the previous year as defined under the Income tax Act, 1961. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and current tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognized using the Balance Sheet approach on temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts for the financial reporting purpose at the reporting date.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

viii. Leases

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

Finance leases

A finance lease is recognised as an asset and a liability at the commencement of the lease, at the lower of the fair value of the asset or the present value of the minimum lease payments. Initial direct costs, if any, are also capitalised and, subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Operating leases

Leases other than finance leases are operating leases, and the leased assets are not recognised on the Company's balance sheet. Payments made under operating leases are recognized in the statement of profit and loss over the term of the lease.

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease except where payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

As a lessor

Lease income from operating leases where the company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases or another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. The respective leased assets are included in the Balance Sheet based on their nature. Costs, including depreciation, on such leased assets are recognized as an expense in the Statement of Profit and Loss.

ix. Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets except inventories to ascertain whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets excluding goodwill with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount of the asset does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss.

x. Cash and cash equivalents

The Company considers all highly liquid financial instruments which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

xi. Inventories

Raw Materials & Stores & Spares : Valued at Cost.

Finished Goods & WIP : valued at lower of Cost or Net Realisable Value.

Stock in Trade (in respect of goods acquired for trading): Valued at Cost.

Other Inventories: Valued at Cost.

- Cost of raw materials and Stores & Spares includes cost of purchases and other costs incurred in bringing the inventories to their present location and condition.
- Cost of work-in-progress and finished goods includes direct materials, labour and proportion of manufacturing overheads based on the normal operating capacity, wherever applicable.
- Cost of finished goods includes all costs incurred in bringing the inventories to their present location and conditions.
- Cost of stock-in-trade includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be used are expected to be sold at or above cost.

xii. Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets:

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through Profit and Loss are expensed in the Statement of Profit and Loss.

Subsequent measurement

After initial recognition, financial assets are measured at:

- fair value (either through other comprehensive income or through Profit and Loss), or amortized cost.

Debt instruments

Debt instruments are subsequently measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through Profit and Loss ('FVTPL') till de-recognition on the basis of:

- (i) the entity's business model for managing the financial assets and
- (ii) the contractual cash flow characteristics of the financial asset.

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in the Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

xiii. Fair Value Through Other Comprehensive Income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value Through Profit and Loss (FVTPL):

Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognized in Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is recognized in the Statement of Profit and Loss.

Equity instruments

Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Financial liabilities:

Initial recognition and measurement

Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at FVTPL, transaction costs that are directly attributable to the issue/origination of the financial liability.

Subsequent measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in Statement of profit and loss. Any gain or loss on de-recognition is also recognized in statement of Profit and Loss.

De-recognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

xiv. Property, Plant and Equipment (PPE)

Items of Property, plant and equipment acquired or constructed are initially recognized at historical cost net of recoverable taxes, duties, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The historical cost of Property, plant and equipment comprises of its purchase price, borrowing costs and adjustment arising for exchange rate variations attributable to the assets, including any cost directly attributable to bringing the assets to their working condition for their intended use.

Capital Work-in-Progress represents Property, plant and equipment that are not ready for their intended use as at the reporting date.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The Company identifies and determines cost of each component/part of the plant and equipment separately, if the component/part has a cost which is significant to the total cost of the plant and equipment and has useful lives that is materially different from that of the remaining plant and equipment.

The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the year in which they are incurred.

Gains and losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Depreciation methods, estimated useful lives and residual values:

Depreciation is provided, pro-rata for the period in use, on the written down value method based on the respective estimate of useful lives given below. Estimated useful lives of assets are determined based on technical parameters/assessments.

The Management believes that useful lives currently used, which is prescribed under Part C of Schedule II to the Companies Act, 2013, fairly reflects its estimate of the useful lives and residual values of PPE.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

Advances paid towards the acquisition of PPE outstanding at each Balance Sheet date is classified as capital advances under 'Other non-current assets' and cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

xv. Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

xvi. Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss.

Development costs of products are charged to the Statement of Profit and Loss. Development expenditure of certain nature is capitalized when the criteria for recognizing an intangible asset are met.

xvii. Provisions and contingent liabilities

Provisions

Provisions are recognized when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingencies

Contingent liabilities are disclosed in the Notes to the financial statements. Contingent liabilities are disclosed for

- when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or
- a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

xviii. Earnings per Share

Basic earnings per share is calculated by dividing the net profit after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

xix. Employee benefits

Short term benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, bonus, short term compensated absences and the expected cost of ex-gratia is recognized in the period in which the employee renders the related service.

Signatures to Notes 1 to 22

For and on behalf of the Board

Sd/-
Himanshu M. Zota
(Whole Time Director)
(Din : 01097722)
34, Ichhanath Umra, Surat.,

Sd/-
Moxesh K. Zota
(Managing Director)
(Din : 07625219)
8D, Lal Bunglow, Athwalines, Surat.,

Sd/-
Ashvin Variya
(Company Secretary)

Sd/-
Viral Mandviwala
(Chief Financial Officer)

Date: 30th May, 2022
Place : Surat

Post-employment benefit obligations

Defined contribution Plan: Provident fund and pension scheme are Defined Contribution Plans in the Company. The Company is a member of recognized Provident Fund scheme established under The Provident Fund & Miscellaneous Act, 1952 by the Government of India. The amount of contribution is being deposited each and every month well within the time under the rules of EPF Scheme. The contribution paid or payable under the scheme is recognized during the period under which the employee renders the related services

Defined Benefit Plan:

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in other comprehensive income.

xx. Cash flow statement

Cash flows are reported using the Indirect Method, as set out in Ind-AS 7 'Statement of Cash Flow', whereby profit for the year is adjusted for the effects of transaction of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xxi. Exceptional Items

When items of income or expense are of such nature, size and incidence that their disclosure is necessary to explain the performance of the Company for the year, the company makes a disclosure of the nature and amount of such items separately under the head "exceptional items."

Shivangi Parekh & Co.
Chartered Accountants

Sd/-
CA. Shivangi Parekh
Proprietor
M. No. 118936
Firm No. 131449W

2 RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 103 – Reference to Conceptual Framework - The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Ind AS 109 – Annual Improvements to Ind AS (2021) – The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021) – The amendments remove the illustration of the reimbursement

of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

3 SIGNIFICANT JUDGEMENTS AND ESTIMATES

The preparation of the Company's financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amount of assets, liabilities, revenue, expenses, and the accompanying disclosures and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associates assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when financial statements were prepared. These estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation at the reporting date, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The areas involving critical estimates and judgements are:

- Useful lives of Property, plant and equipment and intangibles [Refer Note No. 1.2 (xiv.)]
- Measurement of defined benefit obligations [Refer Note No. 1.2 (xix.)]
- Provision for inventories [Refer Note No. 1.2 (xi.)]
- Measurement and likelihood of occurrence of provisions and contingencies [Refer Note No. 1.2 (xvii.)]
- Impairment of trade receivables
- Deferred Taxes

Notes forming part of financial statements as at and for the year ended 31st March, 2022
 Non-Current Assets as on 31st March, 2022
 M(a)-01 & M(a)03

PROPERTY, PLANT AND EQUIPMENT

Particulars	Land	Buildings	Plant & Equipment	Office Equipments	Electric Accessories	Furniture & Fixtures	Computers	Total	Capital work-in- progress
(₹ in Lakhs)									
For Year Ended 31st March, 2021									
Opening Gross Carrying Amount	162.13	449.12	556.49	118.82	37.79	191.75	94.02	1610.12	-
Additions	-	0.55	41.82	3.02	0.56	3.02	1.36	50.33	3.62
Disposals	(5.54)	-	-	-	-	-	-	(5.54)	-
Capitalised /Transferred during the year	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount as on 31st March, 2021	156.59	449.67	598.30	121.83	38.35	194.78	95.38	1,654.90	3.62
Accumulated Depreciation									
Opening Accumulated Depreciation	-	131.29	415.39	59.19	31.04	87.85	82.12	806.88	-
Depreciation Charge during the year	-	15.44	29.25	14.39	1.34	27.66	8.09	96.17	-
Disposals	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	146.73	444.65	73.58	32.37	115.51	90.21	903.05	-
Net Carrying Amount As On 31st March, 2021	156.59	302.94	153.66	48.26	5.97	79.27	5.17	751.85	3.62
For Year Ended 31st March, 2022									
Opening Gross Carrying Amount	156.59	449.67	598.30	121.83	38.35	194.78	95.38	1,654.90	3.62
Additions	-	8.36	2.60	8.54	-	4.97	17.07	41.54	2.45
Disposals	-	-	-	-	-	-	-	-	-
Capitalised /Transferred during the year	-	-	-	-	-	-	-	-	6.07
Closing Gross Carrying Amount as on 31st March, 2022	156.59	458.03	600.90	130.38	38.35	199.75	112.45	1,696.44	-
Accumulated Depreciation									
Opening Accumulated Depreciation	-	146.73	444.65	73.58	32.37	115.51	90.21	903.05	-
Depreciation Charge during the year	-	14.87	28.78	11.96	1.13	21.20	6.83	84.76	-
Disposals	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	161.60	473.42	85.53	33.50	136.71	97.04	987.81	-
Net Carrying Amount As On 31st March, 2022	156.59	296.42	127.48	44.84	4.84	63.04	15.41	708.63	-

Notes forming part of financial statements as at and for the year ended 31st March, 2022
Non-Current Assets as on 31st March, 2022
M(a)-02

INTANGIBLE ASSETS

Particulars	Brands/ Trademarks					Copyrights and Patents		Software	Others	Total	Intangible assets under development	
	(₹ in Lakhs)											
For Year Ended 31 st March, 2021												
Opening Gross Carrying Amount				800.80		64.14		19.35	314.87	1199.16	-	-
Additions				116.16		-		14.17	-	130.33	-	-
Disposals				-		-		-	-	-	-	-
Capitalised /Transferred during the year				-		-		-	-	-	-	-
Closing Gross Carrying Amount as on 31.03.2021				916.96		64.14		33.52	314.87	1329.49	-	-
Accumulated Depreciation												
Opening Accumulated Depreciation				311.03		39.34		5.41	105.82	461.61	-	-
Depreciation Charge during the year				153.60		4.93		7.85	54.12	220.50	-	-
Disposals				-		-		-	-	-	-	-
Closing Accumulated Depreciation				464.64		44.27		13.26	159.94	682.11	-	-
Net Carrying Amount As On 31.03.2021				452.33		19.86		20.26	154.93	647.37	-	-
For Year Ended 31 st March, 2022												
Opening Gross Carrying Amount				916.96		64.14		33.52	314.87	1329.49	-	-
Additions				76.54		-		11.25	-	87.79	-	-
Disposals				-		-		-	-	-	-	-
Capitalised /Transferred during the year				-		-		-	-	-	-	-
Closing Gross Carrying Amount as on 31.03.2022				993.50		64.14		44.77	314.87	1417.28	-	-
Accumulated Depreciation												
Opening Accumulated Depreciation				464.64		44.27		13.26	159.94	682.11	-	-
Depreciation Charge during the year				136.27		3.64		8.26	40.11	188.29	-	-
Disposals				-		-		-	-	-	-	-
Closing Accumulated Depreciation				600.91		47.91		21.53	200.05	870.40	-	-
Net Carrying Amount As On 31.03.2022				392.60		16.22		23.24	114.82	546.88	-	-

CAPITAL WORK-IN-PROGRESS AGEING SCHEDULE

(₹ in Lakhs)

Particulars	Amount in capital work -inprogress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital Work-in-Progress					
As on 31-03-2022	-	-	-	-	-
As on 31-03-2021	3.62	-	-	-	3.62

C-03 NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Investments in Equity Instruments		
Prime Co-Op. Bank (Non-Trade Investment)	*	*
In Equity Shares of Subsidiary Companies		
Unquoted, fully paid up		
Zota Healthcare Lanka (Pvt) Ltd [2,000 units of LKR 100 each]	0.52	0.73
Zota Healthcare Nig. Ltd [10,00,000 units of Naira 1 each]	1.83	1.93
Investment in DavaIndia Health Mart Ltd	200.00	10.00
Other Non-Current Investments		
Axis Bank Fixed Deposit	516.66	845.57
ICICI BANK (FD)	1,660.00	-
Yes Bank Fixed Deposit ⁺	1,105.17	141.17
Total	3,484.17	999.40

* denotes figures less than a lakh

+ ₹ 6 lakhs earmarked against performance bank guarantee in FY 2020-2021.

C-04 LOANS - NON-CURRENT

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(Unsecured and Considered Good)		
Security Deposits	9.48	9.48
Others		
Loan to Employee	-	17.38
DavaIndia Health Mart Limited	251.51	10.04
Total	260.98	36.90

C-05 INVENTORIES

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Raw Materials	281.92	189.67
Work-in-Progress	191.35	150.09
Finished Goods	56.33	33.48
Stock-in-Trade (in respect of goods acquired for trading)	2,225.17	2,352.42
Others		
Promotional, Packing and Stationery Material	43.10	87.14
Total	2,797.86	2,812.80

Inventories

Mode of Valuation.

Raw Materials : Valued at Cost.

Finished Goods & WIP : valued at Cost or Net Realisable value whichever is less as per Ind-AS 2.

Stock in Trade (in respect of goods acquired for trading): Valued at Cost

Other Inventories: Valued at Cost .

C-06 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(Unsecured and Considered Good)		
- Outstanding for a period exceeding six months		
Trade Receivables	3,831.54	2,884.33
Total	3,831.54	2,884.33

The trade receivables ageing schedule for the years ended as on 31st March, 2022 and 31st March, 2021 is as follows :

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good						
As on 31-03-2022	2,634.07	520.62	676.84	-	-	3,831.54
As on 31-03-2021	2,179.78	704.55	-	-	-	2,884.33
Disputed trade receivables – which have significant increase in credit risk						
As on 31-03-2022	-	-	-	-	-	-
As on 31-03-2021	-	-	-	-	-	-

C-07 (A) CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balance with Banks		
Cash on Hand	0.57	1.21
Cash on Hand-SEZ	0.40	0.11
Total	0.96	1.31

C-07 (B) OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balance with Banks	219.03	131.21
Total	219.03	131.21

C-08 LOANS

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(Unsecured and Considered Good)		
Others	664.75	173.39
Total	664.75	173.39

C-09 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Prepaid Expenses	4.04	63.35
Balances with Govt. Authorities	2.37	46.68
Other Receivables	-	0.43
Total	6.42	110.46

C-10 SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Share Capital :		
Authorised Share Capital		
3,00,00,000 Equity Shares of ₹ 10/- each		
(Pre. Yr. 2,50,00,000 Equity Shares of ₹ 10/- each)	3,000.00	2,500.00
Issued, Subscribed and Paid up		
2,51,60,327 Equity Shares of ₹ 10/- each		
(Pre. Yr. 2,45,60,327 Equity Shares of ₹ 10/- each)	2,516.03	2,456.03
Total	2,516.03	2,456.03

A. The reconciliation of number of shares outstanding is set out below:

(₹ in Lakhs)

Authorised Shares	No. of Shares	No. of Shares
	31 st March, 2022	31 st March, 2021
Equity Shares at the beginning of the year	2,50,00,000	2,50,00,000
Addition during the year	50,00,000	-
Equity Shares at the end of the year	3,00,00,000	2,50,00,000

(₹ in Lakhs)

Issued, Subscribed and fully paid	No. of Shares	No. of Shares
	31 st March, 2022	31 st March, 2021
Equity Shares at the beginning of the year	2,45,60,327	2,45,60,327
Addition during the year	6,00,000	-
Equity Shares at the end of the year	2,51,60,327	2,45,60,327

B. Details of shareholders holding more than 5% shares in the Company :

(₹ in Lakhs)

Name	31 st March, 2022		31 st March, 2021	
	No. of Share	%	No. of Share	%
Manukant C. Zota	21,82,070	8.67	21,82,070	8.67
Himanshu M. Zota	32,77,280	13.03	32,77,280	13.03
Ketan C. Zota	30,51,363	12.13	30,51,363	12.13
Kamlesh R. Zota	19,91,103	7.91	19,91,103	7.91
Manisha K. Zota	14,32,966	5.70	14,32,966	5.70

C. Disclosure of Shareholding of Promoters and Promoters group

Disclosure of shareholding of promoters and promoters group as at 31st March, 2022 is as follows:

(₹ in Lakhs)

Promoter name	Shares held by promoters				% Change during the year
	As at 31 st March, 2022		As at 31 st March, 2021		
	No. of shares	% of total shares	No. of shares	% of total shares	
ANILABEN KETANKUMAR ZOTA	7,68,250	3.05	7,68,250	3.13	-
ANJNABEN SHRENIKKUMAR GANDHI	403	-	403	-	-
ARUNABEN RAMESH KUMAR SHAH	700	-	700	-	-
ASHOKKUMAR CHANDULAL ZOTA	11,762	0.05	11,762	0.05	-
ASHOKKUMAR CHANDULAL ZOTA (HUF)	1,400	0.01	1,400	0.01	-
CHAMPABEN HALCHANDBHAI MEHTA	-	-	907	-	(100.00)
CHANDRIKABEN SUBODHCHANDRA SHAH	302	-	302	-	-
DHARA KETAN ZOTA	1,78,147	0.71	1,78,147	0.73	-
DIMPLE DHAVAL SHAH	1,607	0.01	1,607	0.01	-
HALCHANDBHAI MANILAL MEHTA	4,821	0.02	4,821	0.02	-
HARSHA ASHVINKUMAR SIRIYA	316	-	297	-	6.40
HELI RITESH SHAH	33,840	0.13	35,840	0.15	(5.58)
HIMANSUBHAI MUKTILAL ZOTA	32,77,280	13.03	32,72,280	13.32	0.15
HIMANSUBHAI MUKTILAL ZOTA HUF	8,000	0.03	13,238	0.05	(39.57)

INDUBEN MUKTILAL ZOTA	-	-	8,030	0.03	(100.00)
KAMLESH RAJNIKANT ZOTA	19,91,103	7.91	19,91,103	8.11	-
KETANKUMAR CHANDULAL ZOTA	30,51,363	12.13	30,45,363	12.40	0.20
KINJAL NIKESH MEHTA	27,904	0.11	27,904	0.11	-
KRINAL V ANKHAD	10,235	0.04	8,635	0.04	18.53
KUMARPAL RAJNIKANT MEHTA	1,511	0.01	907	-	66.59
MANISHA TUSHARKUMAR MEHTA	11,793	0.05	11,793	0.05	-
MANISHABEN KAMLESHKUMAR ZOTA	14,32,966	5.7	14,43,966	5.88	(0.76)
MANUKANT CHANDULAL ZOTA	21,82,070	8.67	21,76,870	8.86	0.24
MANUKANT CHANDULAL ZOTA HUF	2,06,767	0.82	2,06,767	0.84	-
MEHTA SURESH HALCHAND	2,626	0.01	1,719	0.01	52.76
MOXESH KETANBHAI ZOTA	4,94,150	1.96	4,94,150	2.01	-
NIRALKUMAR MUKTILAL ZOTA	8,300	0.03	7,279	0.03	14.03
NIRMALABEN A SHAH	1,100	-	1,075	-	2.33
NIRUBEN VINODCHANDRA MEHTA	6,072	0.02	9,072	0.04	(33.07)
NITABEN RAJESHBHAI MEHTA	5,679	0.02	4,617	0.02	23.00
PRAFUL RATILAL VORA	12,930	0.05	12,930	0.05	-
PUSHPABEN SEVENTILAL DOSHI	-	-	3,245	0.01	(100.00)
RAJNIKANT SHANTILAL MEHTA	-	-	604	-	(100.00)
RAMILABEN RAJNIKANT MEHTA	50	-	50	-	-
RASILABEN MANUKANTBHAI ZOTA	10,00,500	3.98	10,14,000	4.13	(1.33)
RASILABEN V SIRIYA	-	-	4,099	0.02	(100.00)
RATILAL ZUMCHAND VORA	-	-	3,435	0.01	(100.00)
SHRIPAL R MEHTA	2,419	0.01	2,419	0.01	-
VARSHABEN HIMANSHUBHAI ZOTA	8,99,146	3.57	8,95,146	3.64	0.45
VIREN MANUKANT ZOTA	5,09,040	2.02	5,09,040	2.07	-
VIREN MANUKANT ZOTA (HUF)	9,800	0.04	9,800	0.04	-
ZOTA KETANKUMAR CHANDULAL	9,81,756	3.9	9,99,756	4.07	(1.80)

Disclosure of shareholding of promoters and promoters group as at 31st March, 2021 is as follows:

(₹ in Lakhs)

Promoter name	Shares held by promoters				% Change during the year
	As at 31 st March, 2021		As at 31 st March, 2020		
	No. of shares	% of total shares	No. of shares	% of total shares	
ANILABEN KETANKUMAR ZOTA	7,68,250	3.13	7,68,250	3.13	-
ANJNABEN SHRENIKKUMAR GANDHI	403	-	403	-	-
ARUNABEN RAMESH KUMAR SHAH	700	-	700	-	-
ASHOKKUMAR CHANDULAL ZOTA	11,762	0.05	11,762	0.05	-
ASHOKKUMAR CHANDULAL ZOTA (HUF)	1,400	0.01	1,400	0.01	-
CHAMPABEN HALCHANDBHAI MEHTA	907	-	907	-	-
CHANDRIKABEN SUBODHCHANDRA SHAH	302	-	302	-	-
DHARA KETAN ZOTA	1,78,147	0.73	1,78,147	0.73	-
DIMPLE DHAVAL SHAH	1607	0.01	1,607	0.01	-
HALCHANDBHAI MANILAL MEHTA	4,821	0.02	4,821	0.02	-
HARSHA ASHVINKUMAR SIRIYA	297	-	297	-	-
HELI RITESH SHAH	35,840	0.15	35,840	0.15	-

HIMANSUBHAI MUKTILAL ZOTA	32,72,280	13.32	32,68,930	13.31	0.10
HIMANSUBHAI MUKTILAL ZOTA HUF	13,238	0.05	13,238	0.05	-
INDUBEN MUKTILAL ZOTA	8,030	0.03	1,680	0.01	377.98
KAMLESH RAJNIKANT ZOTA	19,91,103	8.11	19,91,103	8.11	-
KETANKUMAR CHANDULAL ZOTA	30,45,363	12.40	30,45,363	12.4	-
KINJAL NIKESH MEHTA	27,904	0.11	27,904	0.11	-
KRINAL V ANKHAD	8,635	0.04	8,635	0.04	-
KUMARPAL RAJNIKANT MEHTA	907	-	907	-	-
MANISHA TUSHARKUMAR MEHTA	11,793	0.05	11,793	0.05	-
MANISHABEN KAMLESHKUMAR ZOTA	14,43,966	5.88	14,43,966	5.88	-
MANUKANT CHANDULAL ZOTA	21,76,870	8.86	21,76,870	8.86	-
MANUKANT CHANDULAL ZOTA HUF	2,06,767	0.84	2,06,767	0.84	-
MEHTA SURESH HALCHAND	1,719	0.01	1,719	0.01	-
MOXESH KETANBHAI ZOTA	4,94,150	2.01	4,94,150	2.01	-
NIRALKUMAR MUKTILAL ZOTA	7,279	0.03	7,279	0.03	-
NIRMALABEN A SHAH	1,075	-	1,075	-	-
NIRUBEN VINODCHANDRA MEHTA	9,072	0.04	9,072	0.04	-
NITABEN RAJESHBHAI MEHTA	4,617	0.02	5,543	0.02	(16.71)
PRAFUL RATILAL VORA	12,930	0.05	12,930	0.05	-
PUSHPABEN SEVENTILAL DOSHI	3,245	0.01	3,245	0.01	-
RAJNIKANT SHANTILAL MEHTA	604	-	604	-	-
RAMILABEN RAJNIKANT MEHTA	50	-	50	-	-
RASILABEN MANUKANTBHAI ZOTA	10,14,000	4.13	10,14,000	4.13	-
RASILABEN V SIRIYA	4,099	0.02	4,099	0.02	-
RATILAL ZUMCHAND VORA	3,435	0.01	3,435	0.01	-
SHRIPAL R MEHTA	2,419	0.01	2,419	0.01	-
VARSHABEN HIMANSHUBHAI ZOTA	8,95,146	3.64	8,94,769	3.64	0.04
VIREN MANUKANT ZOTA	5,09,040	2.07	5,09,040	2.07	-
VIREN MANUKANT ZOTA (HUF)	9,800	0.04	9,800	0.04	-
ZOTA KETANKUMAR CHANDULAL	9,99,756	4.07	9,99,756	4.07	-

D. Terms/rights attached to equity shares

The Company has one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

E. Equity shares movement during 5 years preceding 31st March, 2022

Equity shares issued as bonus

The Company allotted 70,16,975 equity shares of ₹ 10/- each as fully paid up bonus shares by capitalisation of profits transferred from Securities Premium amounting to ₹ 701.69 lakhs in the quarter ended 30th September, 2019, pursuant to an ordinary resolution passed after taking the consent of shareholders through postal ballot.

Equity shares issued

The company has issued 6,00,000 equity shares at the rate of ₹ 280 per equity shares which includes premium of ₹270 per equity shares on a Preferential basis to the non-promoter group category on 16th September, 2021 after taking approval of shareholders by passing a special resolution on 7th September, 2021.

C-11 OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
a. Securities Premium	4,575.30	2,955.30
b. Retained earnings	2,046.11	1,225.88
Total	6,621.42	4,181.18
a. Securities Premium		
Opening balance	2,955.30	2,955.30
Add: Equity Shares Issued	1,620.00	-
Closing balance	4,575.30	2,955.30
b. Retained earnings		
Opening balance	1,225.88	1,473.76
Profit for the year	1,058.01	(16.24)
Other comprehensive income of the year	13.83	13.97
Final dividend	(251.60)	(245.60)
Closing balance	2,046.11	1,225.88
Total		

Nature and purpose of reserves:**1 Securities premium**

Securities premium is created when shares are issued at premium. This is utilised in accordance with the provisions of the Companies Act, 2013.

2 Retained earnings

This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.

C-12 PROVISIONS -NON-CURRENT

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Gratuity Payable	102.86	94.45
Total	102.86	94.45

C-13 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Statutory Liabilities	36.25	11.34
Other Payables	963.93	155.52
Total	1,000.18	166.86

C-14 PROVISIONS - CURRENT

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Provision for Employee Benefits	77.85	80.64
Others	378.09	13.66
Total	455.94	94.30

C-15 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Sale of Products	13,153.33	10,684.12
Total	13,153.33	10,684.12

C-16 OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Interest Income	133.66	71.68
PMRPY Income	0.23	1.77
Export Incentive Licence Income	7.69	39.75
GST Refund Income	-	0.99
Other Non-Operating Income		
Foreign Exchange Profit/Loss	22.98	11.47
Total	164.56	125.66

C-17 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Raw Materials		
Inventory at the beginning of the year	339.76	274.83
Add: Purchase Less Return	2,130.46	2,083.79
	2,470.21	2,358.62
Less: Inventory at the end of the year	473.27	339.76
Total	1,996.94	2,018.87

C-18 CHANGES IN INVENTORIES OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Inventories (at commencement)	2,473.04	2,259.26
Inventories (at close)	2,324.60	2,473.04
Total	148.45	(213.79)

C-19 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Salaries, Wages and Bonus	445.77	402.66
Director's Remuneration	72.00	72.00
Sitting fees	4.83	2.49
Contribution to Provident Fund and Other Funds	58.46	58.67
Staff Welfare Expenses	405.71	394.23
Total	986.77	930.05

C-20 FINANCE COSTS

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Bank Charges	5.91	5.94
Interest On TDS	0.09	0.05
Interest On Security Deposits	1.32	1.32
Other Interest (CST Interest)	-	3.67
Total	7.32	10.97

C-21 OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Direct Expenses		
Freight On Purchases	(33.82)	1.31
Lab Testing Expenses	0.05	2.01
Lab Chemical Expenses	1.45	2.70
Packing Materials Expenses	61.91	39.84
Transportation Expense	136.84	121.34
GST Expenses	2.40	2.41
Power and Fuel Expenses	39.85	32.58
Factory Maintenance Expenses	27.02	19.19
Water Charges	2.23	2.33
Diesel Expense for Boiler	30.67	22.11
	268.60	245.82
Administrative and General Expenses		
Audit and Consultancy Fees	6.00	5.00
Clearing and Forwarding Charges	141.83	87.63
Computer Repairs and Maintenance Expenses	8.23	5.19
Professional Fess /Consultancy Charges	307.92	327.73
Cylinder Charges	1.84	4.99
Commission Expenses	20.53	32.93
Diesel Expenses	3.77	1.48
Electricity Light Bill Expenses	11.49	12.92
Export Promotion Council - Membership Fees	0.10	-
Godown rent	65.78	73.37

Goods Damaged in Transit	-	0.22
Generator on Rent	1.00	0.92
Insurance Expenses	3.06	6.27
Legal Expense	9.31	14.53
Lodging and Boarding Expense	8.56	5.19
Membership Fees	0.15	5.01
Medical Waste Treatment Expenses	-	0.47
Administrative and General Expenses		
Municipal Tax	8.20	6.60
Office Equipment Maintenance	2.57	2.46
Office/ Factory Miscellaneous Expense	40.49	32.76
PF Fund Administration Charges	1.90	1.78
Post And Courier Charges	170.76	63.23
Printing and Stationery Expense	4.54	4.84
Product Approval Charges	(2.04)	21.05
Professional Tax	0.02	0.02
Security service charges	1.90	2.74
Service Charges	3.17	2.55
Shop Maintenance Expense	0.22	0.56
Software Subscription Exp	11.39	6.71
Telephone and Mobile Bill Expense	6.44	5.39
Trademark Expense	7.29	9.73
Travelling Expense	12.39	6.59
Website Renewal Charges	2.24	1.17
Expenditure towards Corporate Social Responsibility (CSR) activities	6.93	16.10
GST Penalty	0.01	0.03
Vatav Kasar	2.10	6.61
	870.11	774.75
Selling and Distribution Expenses		
Advertisement Expense	425.80	1070.51
Cash and Trade Discount	57.63	71.32
Commission on Sales	143.63	109.38
Freight on Sales	40.40	(4.62)
Promotional Expenses	70.44	82.55
Sales Incentive	1.19	2.43
	739.09	1,331.57
Total	1,877.80	2,352.15

* denotes figures less than a lakh

NOTE C-22 OTHER DISCLOSURES

1 Dividend

(₹ in Lakhs)		
Particulars	31 st March, 2022	31 st March, 2021
Equity shares: Final dividend for the year ended 31 st March, 2022 - ₹1.5/- (31 st March, 2021 - ₹1/-) per fully paid up Equity Share	-	245.60

2 Earnings Per Share

Particulars	31 st March, 2022	31 st March, 2021
Profit for the year (₹ in lakhs)	1,058.01	(16.24)
Weighted Average No. of Equity Shares	2,48,84,163	2,45,60,327
Nominal value per share (₹)	10.00	10.00
Basic and Diluted Earnings per equity share of face value of ₹ 10 each	4.25	(0.07)

During the reporting period; on 16th September, 2021 Company had issued 6,00,000 fully paid up equity shares on preferential basis to the non-promoter group category, post this issue Earning per Share (EPS) for has been calculated as per IND- AS 33.

3 Related Party Disclosures

i) ENTERPRISES WHERE CONTROL EXISTS

Subsidiaries

Davaindia Health Mart Limited
Zota Healthcare Lanka (Private) Limited

ii) OTHER RELATED PARTIES WITH WHOM THE COMPANY HAD TRANSACTIONS

Key Management Personnel

Himanshu Muktilal Zota	Executive Whole Time Director
Kamlesh Rajnikant Zota	Executive Whole Time Director
Manukant Chandulal Zota	Executive Whole Time Director
Moxesh Ketanbhai Zota	Executive Managing Director
Ashvin Variya	Company Secretary
Viral Mandviwala	Chief Financial Officer

Non-Executive Directors

Varshababen Gaurang Mehta	Non Executive Independent Director
Vitrag Sureshkumar Modi	Non Executive Independent Director
Bhumi Maulik Doshi	Non Executive Independent Director
Dhiren Prafulbhai Shah	Non Executive Independent Director
Jayshreeben Nileshkuamr Mehta	Non Executive Independent Director
Ketan Chandulal Zota	Non Executive Chairman

Relatives of Key Management Personnel

Viren M. Zota	(Son of Manukant Chandulal Zota)
Niral M. Zota	(Brother of Himanshu Muktilal Zota)
Heli R. Shah	(Daughter of Manukant Chandulal Zota)

Transactions/balances with the above parties

(₹ in Lakhs)

For the year ended 31.03.2022	Managerial Remuneration *	Sitting Fees	Salary	Dividend
Himanshu Muktilal Zota	31.62	-	-	32.77
Kamlesh Rajnikant Zota	31.28	-	-	19.91
Moxesh Ketanbhai Zota	31.28	-	-	4.94
Manukant Chandulal Zota	31.23	-	-	21.82
Ketan Chandulal Zota	-	0.53	-	30.51
Varshababen Gaurang Mehta	-	0.85	-	0.33
Vitrag Sureshkumar Modi	-	0.71	-	0.006
Bhumi Maulik Doshi	-	0.71	-	0.014
Dhiren Prafulbhai Shah	-	0.56	-	-
Jayshreeben Nileshkumar Mehta	-	0.61	-	0.017
Viren M. Zota	22.00	-	-	-
Niral M. Zota	22.00	-	-	-
Ashvin Variya	-	-	8.92	-
Viral Mandviwala	-	-	6.60	-
Heli R. Shah	-	-	1.14	-

^ Salary of ₹ 0.45 lakh per month and Commission on sales, 0.1% of domestic turnover

* Includes sitting fees and commission on sales, 0.1% of annual turnover

Davaindia Health Mart Limited

(₹ in Lakhs)

Unsecured Loan (Value of transaction during the reporting period)	251.92
Revenue from Sale of Goods	160.72

(₹ in Lakhs)

For the year ended 31.03.2021	Managerial Remuneration *	Sitting Fees	Salary	Dividend
Himanshu Muktilal Zota	25.98	-	-	32.69
Kamlesh Rajnikant Zota	25.77	-	-	19.91
Moxesh Ketanbhai Zota	25.77	-	-	4.94
Manukant Chandulal Zota	25.80	-	-	21.77
Ketan Chandulal Zota	-	0.21	-	30.45
Varshababen Gaurang Mehta	-	0.39	-	0.033
Vitrag Sureshkumar Modi	-	0.30	-	0.006
Bhumi Maulik Doshi	-	0.30	-	0.014
Dhiren Prafulbhai Shah	-	0.21	-	-
Jayshreeben Nileshkumar Mehta	-	0.24	-	0.02
Viren M. Zota	13.60	-	5.40	-
Niral M. Zota	13.60	-	5.40	-
Ashvin Variya	-	-	8.12	-
Viral Mandviwala	-	-	6.13	-
Heli R. Shah	-	-	1.04	-

* Includes sitting fees and commission on sales, 0.1% of annual turnover

Davaindia Health Mart Limited

(₹ in Lakhs)

Unsecured Loan (Value of transaction during the reporting period)	10.04
Revenue from Sale of Goods	6.41

As the future liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Key Management personnel and their relatives is not ascertainable and, therefore, not included above.

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash.

4 Deferred Tax Liabilities:

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Deferred Tax Liabilities		
Property, plant and equipments, Intangible Assets	(5.63)	5.21
Sub Total (a)	(5.63)	5.21
Deferred Tax Assets		
Items allowable for tax purpose on payments/adjustment	(5.28)	(4.19)
Sub Total (b)	(5.28)	(4.19)
Total (a+b)	(10.91)	1.02
Recognised in Statement of Profit & Loss for the year	7.71	16.85

5 Fair value measurements**Financial instruments by category**

(₹ in Lakhs)

Financial instruments by category	31 st March, 2022			31 st March, 2021		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments	-	-	3,484.17	-	-	999.40
Trade Receivables	-	-	3,831.54	-	-	2,884.33
Cash and Cash Equivalents	-	-	0.96	-	-	1.31
Bank balance other than above	-	-	219.03	-	-	131.21
Other Financial Assets	-	-	664.75	-	-	173.39
Total financial assets	-	-	8,200.46	-	-	4,189.64
Financial liabilities						
Borrowings	-	-	-	-	-	-
Trade Payable	-	-	1,831.50	-	-	1,558.80
Other Financial Liabilities	-	-	-	-	-	-
Total financial liabilities	-	-	1,831.50	-	-	1,558.80

(₹ in Lakhs)

Fair value of financial assets and financial liabilities measured at amortised cost.	31 st March, 2022		31 st March, 2021	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets at amortised cost				
Fixed deposits	3,281.83	3,281.83	986.74	986.74
Financial assets at FVTPL				
Investments in equity instruments (unquoted)#	*	*	*	*
Zota Healthcare Lanka (Pvt) Ltd.	0.52	0.52	0.73	0.73
Zota Healthcare Nig. Ltd.^	1.83	1.83	1.93	1.93
Investment in DavaIndia Health Mart Ltd	200.00	200.00	10.00	10.00

denotes figures less than a lakh

For investment in equity instrument made in Prime Co-Op Bank, the cost (i.e. carrying value) represents the best estimate of fair value considering the nature of the investment.

^ The incorporation of this Company is under process.

=> Fair value of financial assets/liabilities measured at amortised cost

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, current loans, other financial assets, trade payables, other financial liabilities are considered to be the same as their fair values, as they are current in nature.

6 Post employment employee benefits plans

Gratuity

Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement in terms of provisions of the Payment of Gratuity Act or as per the Company's Scheme whichever is more beneficial. Benefit would be paid at the time of separation based on the last drawn base salary.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity and the amounts recognised in the Company's financial statements as at the Balance Sheet date:

Actuarial Assumptions

Particulars	Gratuity	Gratuity
	2021-22	2020-21
Discount Rate (per annum)	6.80%	6.80%
Expected Rate of Return		
Salary Escalation rate	9.00%	9.00%
Retirement Age	60	60
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Employees attrition rate	5% at younger ages and reducing to 1% at older ages according to graduated scale	5% at younger ages and reducing to 1% at older ages according to graduated scale

Notes:

- Estimates of future salary increase are based on inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market. This assumption has been determined in consultation with the company.
- Discount Rate used for valuing liabilities is based on yields (as on valuation date) of Government Bonds with a tenure similar to the expected working lifetime of the employees.

i) Reconciliation of present value of obligations ('PVO') – defined benefit obligation:

(₹ in Lakhs)

Particulars	2021-22	2020-21
	Gratuity	Gratuity
Liability at the beginning of the period	98.95	91.49
Interest Cost	6.73	6.22
Current Service Cost	19.59	21.47
Employees Contribution	-	-
Interest Guarantee	-	-
Benefits Paid	(3.93)	(1.56)
Transfer from previous employer's	-	-
Liability Transfer In	-	-
Liability Transfer Out	-	-
Actuarial (gain) / loss on Financial Assumption	-	-
Actuarial (gain) / loss on Demographic Assumption	-	-
Actuarial (gain) / loss on Experience	(18.48)	(18.67)
Liability at the end of the year	102.86	98.95

ii) Amount Recognised in the Balance Sheet

(₹ in Lakhs)

Particulars	2021-22	2020-21
	Gratuity	Gratuity
Present Value of Benefit Obligation on 31 st March, 2022	102.86	98.95
Fair Value of Plan Assets on 31 st March, 2022	-	-
Net Liability / (Asset) recognised in Balance Sheet	102.86	98.95

iii) Expenses Recognised in the Income Statement

(₹ in Lakhs)

Particulars	2021-22	2020-21
	Gratuity	Gratuity
Current Service Cost	19.59	21.47
Interest Cost on benefit obligation (net)	6.73	6.22
Past Service Cost	-	-
Expected Contribution	-	-
Gain / Losses on Curtailment and Settlement	-	-
Net Effect of Change in Foreign Exchange Rates	-	-
Expenses Recognised	26.32	27.69

iv) Expenses Recognised in Other Comprehensive Income (OCI) for current Period

(₹ in Lakhs)

Particulars	2021-22	2020-21
	Gratuity	Gratuity
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in demographic adjustments	-	-
Actuarial changes arising from changes in experience adjustments	(18.48)	(18.67)
Net (Income) / Expense for period	(18.48)	(18.67)

v) Maturity profile of defined benefit obligations

Projected Benefits Payable in Future Years From the Date of Reporting

(₹ in Lakhs)

Particulars	2021-22	2020-21
1 st Following Year	5.03	4.50
2 nd Following Year	2.88	2.60
3 rd Following Year	3.17	3.25
4 th Following Year	8.88	2.55
5 th Following Year	5.25	4.41
6 to 10 years	36.22	40.65

vi) Sensitivity Analysis Gratuity Plan

(₹ in Lakhs)

Particulars	2021-22	2020-21
	Gratuity	Gratuity
Projected Benefit Obligation on Current Assumptions	102.86	98.95
Delta Effect of +1% Change in Rate of Discounting	90.22	81.62
Delta Effect of -1% Change in Rate of Discounting	118.32	109.76
Delta Effect of +1% Change in Rate of Salary Increase	117.82	109.26
Delta Effect of -1% Change in Rate of Salary Increase	90.35	81.75
Delta Effect of +1% Change in Rate of Employee Turnover	101.73	92.99
Delta Effect of -1% Change in Rate of Employee Turnover	104.08	95.55

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

vii) Risk exposure :

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability."

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Company has to manage pay- out based on pay as you go basis from own funds.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

7 Income Tax

(a) Income tax expense

The major components of income tax expenses for the year ended 31st March, 2022 and for the year ended 31st March, 2021 are: (₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Current tax	369.03	9.14
Deferred tax	(7.71)	(16.85)
Total income tax expense recognised in statement of profit and loss	361.32	(7.71)

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate :

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Profit before tax	1,419.14	(134.42)
Applicable Tax Rate	25.168%	25.168%
Computed Tax Expense	357.17	(33.83)
Tax effect of :		
Expenses not deductible for tax purposes	81.23	95.05
Expenses allowed for tax purposes	(69.37)	(75.62)
Deductions allowed	-	-
(Profit) on sale of Property, Plant and Equipment	-	9.14
Others	-	14.40
Income Tax Expense	369.03	9.14

8 All known liabilities have been provided for in the books of accounts for the year under report.

9 Balances of depositors, sundry debtors, creditors and loans and advances are subject to confirmation and reconciliation.

10 The quantity and value of closing stock is certified by the management as true and correct.

11 Previous year's figures have been regrouped / recast wherever necessary to conform to current interim period's presentation.

12 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Principal amount remaining unpaid	64.62	57.94
Interest due thereon remaining unpaid	-	-
Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
Interest accrued and remaining unpaid	-	-
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

13 Auditor's remuneration and expenses charged to profit and loss account are as under:

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
As Auditors	6.00	5.00
In other capacities	-	-
Total	6.00	5.00

14 Managerial remuneration to directors charged to profit and loss account are as under:

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Director's Remuneration (includes commission & sitting fees)	129.38	104.97
Total	129.38	104.97

15 Contingent Liabilities

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Performance bank guarantee	-	6.00
Total	-	6.00

16 Operating Segment

Based on the "management approach" as defined in Ind AS 108 – Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators of business the segment/s in which the company operates. The Company is primarily engaged in the business of manufacturing and marketing of Pharmaceutical products which the Management and CODM recognise as the sole business segment. Hence, disclosure of segment-wise information is not required and accordingly not provided.

17 The Company is primarily engaged in the business of manufacturing and marketing of Pharmaceutical products. The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' effective 1st April 2018. The company does not enter into contracts with customers and hence, the disclosures regarding Disaggregation of revenue and Performance obligations under Ind AS 115 are not provided.

18 The code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September, 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company is in the process of assessing the impact of the Code and will record the same, if any, in the year the Code becomes effective.

19. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk.

The Company's financial liabilities comprise of trade payable and other liabilities to manage its operation and financial

assets includes trade receivables, security deposit and loans and advances etc. arises from its operation.

The Company has established risk management policies and risk assessment processes to identify and analyse the risks faced by the Company and to reduce the risk to acceptable lower level by setting appropriate risk limits and controls, and to monitor such risks and compliance with the same.

Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

Credit risk

Credit risk is the risk of financial loss to the company if a customer / counterparty to a contract fails to meet its contractual obligations, the maximum exposure to the credit risk at the reporting date is carrying value of trade receivables.

Credit risk are managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Company grants credit terms in the normal course of business.

Trade receivables

The Company have low risk of non-recovery of its receivables as its working on franchise module in which good are sold only to contracted party due to this company does not make any provision for doubtful debt any bad debt arise due to uncontrollable situation are written off at the year end.

Write off policy of company include, indicator that there are no reasonable expectation of recovery and information about the policy for financial assets that are written-off but are still subject to enforcement activity.

The ageing analysis of the receivable (gross of provision) has been considered from the date the invoice falls due.

(₹ in Lakhs)

Particulars	0-180 Days	180 To 365 Days	More Than 365 Days	Total
Trade Receivables				
31 st March, 2022	2,634.07	520.62	676.84	3,831.54
31 st March, 2021	2,179.78	704.55	-	2,884.33

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due.

The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has Fixed Deposits with bank of ₹ 3,281.83 lakhs unutilised working capital lines as on 31st March, 2022, ₹ 986.74 lakhs as on 31st March, 2021.

The table below provides details regarding the contractual maturities of significant financial liabilities :

(₹ in Lakhs)

Particulars	Less Than 1 Year	1-3 Years	More Than 3 Years	As on 31 st March, 2022
Trade Payables	1,778.54	52.96	-	1,831.50

(₹ in Lakhs)

Particulars	Less Than 1 Year	1-3 Years	More Than 3 Years	As on 31 st March, 2021
Trade Payables	1,558.80	-	-	1,558.80

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

20 Trade payables ageing schedule for the years ended as on 31st March, 2022 and 31st March, 2021 is as follows :

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues to MSME	64.62	-	-	-	64.62
As on 31-03-2022	57.94				57.94
As on 31-03-2021					
Others	1,713.92	52.96			1,766.89
As on 31-03-2022	1,500.86				1,500.86
As on 31-03-2021					
Total trade payables	1,778.54	52.96	-	-	1,831.50
As on 31-03-2022	1,558.80				1,558.80
As on 31-03-2021					

21 Corporate Social Responsibility (CSR)

(a) CSR amount required to be spent by the Company as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year FY 2021-22 is ₹ 6.93 lakhs (FY 2020-21 ₹ 15.80 lakhs).

(₹ in Lakhs)

Particulars	2021-22	2020-21
(i) Amount required to be spent by the company during the year	6.93	15.39
(ii) Amount of expenditure incurred	6.52	15.80
(iii) Shortfall at the end of the year	0.41	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	Surplus arising out of the CSR projects or programmes or activities of the previous financial year has been set off	N.A.
(vi) Nature of CSR activities	Animal Welfare	Promotion of Education
(vii) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

22 Ratio Analysis and its elements

(₹ in Lakhs)

S No.	Ratio	Particulars		Ratio as on	Ratio as on
		Numerator	Denominator	31 st March 2022	31 st March 2021
(a)	Current Ratio ¹	Current Assets = Current Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale	Current Liability = Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liability	2.29	3.36
(b)	Debt-Equity Ratio	Debt= long term borrowing + Short-term borrowings	Equity= Share capital + Reserve and Surplus	-	-
(c)	Debt Service Coverage Ratio	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease Payments + Principal Repayments	-	-
(d)	Return on Equity Ratio ²	Net Income= Net Profits after taxes – Preference Dividend	Shareholder's Equity	0.12	-
(e)	Inventory Turnover Ratio	Sales	(Opening Inventory + Closing Inventory) /2	4.69	4.00
(f)	Trade Receivables Turnover Ratio	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivables) /2	3.92	3.69
(g)	Trade Payables Turnover Ratio	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables) /2	5.16	4.98
(h)	Net Capital Turnover Ratio	Net Sales	Current assets – Current liabilities	3.11	2.49
(i)	Net Profit Ratio ³	Net Profit	Net Sales	0.08	-
(j)	Return on Capital Employed ⁴	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	0.15	-
(k)	Return on Investment ⁵	Net Profit	Net Investment= Net Equity	0.12	-

Explanation for Change in the Ratio by more than 25% as compared to previous year:

- 1 Increase in loans (assets), advances from customers and provisions.
- 2 Increase in profitability driven by higher sales volume as compare to loss during the preceeding financial year.
- 3 Increase in profitability coupled with higher sales volume as compare to loss during the preceeding financial year .
- 4 Increase in EBIT (profitability) as compared to loss during the preceeding financial year.
- 5 Higher profitability as compared to loss during the preceeding financial year.

23 CIF Value of Imports

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Raw Materials	68.35	-
Components and Spare Parts	-	-
Capital Goods	-	-

24 Expenditure in Foreign Currency

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
a. Royalty	-	-
b. Technical Know how	-	-
c. Professional and Consultation Fees	0.78	-
d. Interest	-	-
e. Other matters	-	-

25 Total value if all imported raw materials, spare parts and components consumed during the financial year and the total value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption;

(₹ in Lakhs)

Particulars	2021-22	2020-21
Total Consumption	68.35	-
Imported raw Materials, Spare Parts and Components	68.35	-
Percentage to Total Consumption	3.21	-
Local raw Materials, Spare Parts and Components	2,062.11	2,083.79
Percentage to Total Consumption	96.79	100.00

26 Earning in foreign currency during the year

(₹ in Lakhs)

Particulars	2021-22	2020-21
Export of goods calculated on F.O.B. basis;	2,093.83	2,203.00

27 Other Statutory Information

- (i) The Title deeds of immovable properties are held in the name of the Company only.
- (ii) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in crypto currency or virtual currency during the year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- (vii) The company does not have layers of subsidiaries beyond the prescribed number with respect to the Companies (Restriction on number of layers) Rules, 2017.
- (viii) The Company did not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (ix) The Company does not have any transactions with companies struck off.
- (x) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

28 These Financial Statements were authorised for issue in accordance with the resolution of the Board of Directors in its meeting held on 30th May, 2022.

For and on behalf of the Board

Sd/-
Himanshu M. Zota
(Whole Time Director)
(Din : 01097722)
34, Ichhanath Umra, Surat.,

Sd/-
Moxesh K. Zota
(Managing Director)
(Din : 07625219)
8D, Lal Bungalow, Athwalines, Surat.,

Shivangi Parekh & Co.
Chartered Accountants

Sd/-
CA. Shivangi Parekh
Proprietor
M. No. 118936
Firm No. 131449W

Sd/-
Ashvin Variya
(Company Secretary)

Sd/-
Viral Mandviwala
(Chief Financial Officer)

Date: 30th May, 2022
Place : Surat

Independent Auditor's Report

TO THE MEMBERS OF ZOTA HEALTH CARE LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

I have audited the accompanying Consolidated financial statements of ZOTA HEALTH CARE LIMITED (the "company"), and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2022, of consolidated profit, including other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

I conducted my audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated financial statements section of my report. I am independent of the Group in accordance with the ethical requirements that are relevant to my audit of the Consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. I believe that the audit evidence obtained by me is sufficient and appropriate to provide a basis for my audit opinion on the Consolidated financial statements

KEY AUDIT MATTERS

I have determined that there are no key audit matters to communicate in my report.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report and Shareholder's Information, but does not include the Consolidated financial statements and my auditor's report thereon.

My opinion on the Consolidated financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the Consolidated financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or my knowledge obtained during the course of my audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

My objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance,

but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

As part of an audit in accordance with SAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated financial statements. I am responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated financial statements of which I am the independent auditor. For the other entities included in the Consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

- 1 As required by Section 143(3) of the Act, I report, to the extent applicable, that:
 - a I, have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit of the aforesaid Consolidated financial statements;
 - b In my opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated financial statements have been kept so far as it appears from my examination of those books and the reports of the other auditors;
 - c The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated financial statements;
 - d In my opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under section 133 of the Act;
 - e On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group's Companies incorporated in India is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
 - f With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to my separate report in 'Annexure A'.
 - g In my opinion and to the best of my information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act;
 - h With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in my opinion and to the best of my information and according to the explanations given to me:

- (i) There were no pending litigations which would impact the consolidated financial position of the Group.
 - (ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.
 - (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary company incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary company incorporated in India or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
 - (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries
 - (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to my notice that has caused me to believe that the representations under subclause (iv)(a) and (iv) (b) contain any material mis-statement.
 - (v) (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
 - (b) The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- 2 With respect to the matters specified in paragraphs 3(xxii) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

Chartered Accountants
ICAI Firm Reg. No. 131449W

Date: 30-05-2022
Place : Surat

Sd/-
CA. Shivangi Parekh
Proprietor
M. No. 118936
UDIN: 22118936AJXLYN2240

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of my report to the Members of Zota Health Care Limited)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with my audit of the consolidated financial statements of **ZOTA HEALTH CARE LIMITED** (hereinafter referred to as the “Holding Company”) as of and for the year ended 31st March, 2022, I have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) which are companies incorporated in India as of that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

AUDITORS’ RESPONSIBILITY

My responsibility is to express an opinion on the Holding Company’s internal financial controls with reference to consolidated financial statements based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. My audit of internal financial controls

with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on internal financial controls with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company’s internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to consolidated financial statements includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In my opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2022 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Date: 30-05-2022

Place : Surat

Chartered Accountants
ICAI Firm Reg. No. 131449W

Sd/-
CA. Shivangi Parekh
Proprietor
M. No. 118936
UDIN: 22118936AJXLYN2240

Consolidated Balance Sheet

as at 31st March, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31 st March, 2022	As at 31 st March, 2021
ASSETS			
(1) Non-Current Assets			
Property, plant and equipment	M(b)-01	893.84	760.20
Right-of-use assets	M(b)-04	1,469.56	-
Intangible Assets	M(b)-02	546.88	647.37
Capital work-in-progress	M(b)-03	-	3.62
Intangible assets under development		-	-
Financial Assets			
(i) Investments	H-03	3,283.65	989.01
(iii) Loans	H-04	9.48	26.86
Other Non-current assets		-	-
Deferred tax assets (Net)		15.46	(0.67)
Total Non-Current assets		6,218.87	2,426.39
(2) Current Assets			
Inventories	H-05	2,894.68	2,817.56
Financial Assets			
(i) Trade Receivables	H-06	3,636.63	2,877.09
(ii) Cash and Cash Equivalents	H-07 (a)	3.82	1.51
(iii) Other Bank Balances	H-07 (b)	226.09	133.11
(iv) Loans	H-08	783.63	178.31
Other Current Assets	H-09	145.61	112.95
Total Current assets		7690.47	6120.53
Total Assets		13,909.35	8,546.92
EQUITY AND LIABILITIES			
(1) Equity			
(i) Equity Share capital	H-10	2,516.03	2,456.03
(ii) Other Equity	H-11	6,446.65	4,173.66
Total Equity		8,962.69	6,629.70
(2) Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings		-	-
(ii) Lease liabilities	H-12	1,246.32	-
Provisions	H-13	104.25	94.45
Deferred tax liabilities (Net)			
Total non-current liabilities		1,350.58	94.45
Current liabilities			
Financial Liabilities			
(i) Borrowings		-	-
(ii) Lease liabilities	H-12	243.73	-
(ii) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises		64.62	57.94
- Total Outstanding dues of Creditors other than micro enterprises and small enterprises		1,805.08	1501.75
Other Current liabilities	H-14	1,019.51	166.94
Provisions	H-15	463.14	96.14
Total current liabilities		3,596.08	1,822.77
Total Liabilities		4,946.66	1,917.22
Total Equity and Liabilities		13,909.35	8,546.92

The accompanying notes form an integral part of the Consolidated Financial Statements
As per our report of even date attached

For and on behalf of the Board

Sd/-
Himanshu M. Zota
(Whole Time Director)
(Din : 01097722)
34, Ichhanath Umra, Surat.,

Sd/-
Ashvin Variya
(Company Secretary)

Date: 30th May, 2022
Place : Surat

Sd/-
Moxesh K. Zota
(Managing Director)
(Din : 07625219)
8D, Lal Bunglow, Athwalines, Surat.,

Sd/-
Viral Mandviwala
(Chief Financial Officer)

Shivangi Parekh & Co.
Chartered Accountants

Sd/-
CA. Shivangi Parekh
Proprietor
M. No. 118936
Firm No. 131449W

Consolidated Statement of Profit & Loss

for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Note No.	Year ended 31 st March, 2022	Year ended 31 st March, 2021
I. Revenue from Operations	H-16	13,119.31	10,678.92
II. Other Income	H-17	163.04	125.97
III. Total Income (I+II)		13,282.35	10,804.89
IV. Expenses:			
Cost of Materials Consumed	H-18	1,996.94	2,018.87
Purchases of Stock-in-Trade		6,608.42	5,529.28
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	H-19	56.39	(219.26)
Employee Benefit Expenses	H-20	1,024.42	930.43
Finance Costs	H-21	32.07	10.98
Depreciation / Amortisation and Depletion Expense	M(b)-01, M(b)-02 & M(b)-04	367.13	316.87
Other Expenses	H-22	1,953.48	2,357.14
V. Total Expenses		12,038.87	10,944.31
VI. Profit/(loss) before exceptional items and tax (III-V)		1,243.48	(139.42)
Exceptional items		-	102.88
VII. Profit/(loss) before tax		1,243.48	(36.54)
VIII. Tax Expense:			
(1) Current tax		369.03	9.14
(1.1) I.T. Provision Created Short/ excess		(0.18)	(7.59)
(2) Deferred Tax		16.13	17.20
IX. Profit/ (Loss) for the period from Continuing Operations (VII-VIII)		890.76	(20.89)
X. Profit/(loss) before tax from discontinued operations		-	-
XI. Tax Expense of discontinued Operations		-	-
XII. Profit/ (Loss) from Discontinued Operations (after Tax) (X- XI)		-	-
XIII. Profit/ (Loss) for the Year		890.76	(20.89)
XIV. Other Comprehensive Income			
A (i) Items that will not be reclassified to Statement of profit and loss		18.48	18.67
(ii) Income Tax relating to items that will not be reclassified to Statement of profit and loss		(4.65)	(4.70)
B (i) Items that will be reclassified to Statement of profit and loss		*	0.05
(ii) Income Tax relating to items that will be reclassified to profit and loss		*	(0.01)
Other comprehensive income for the year, net of tax		13.83	14.01
Total comprehensive income for the year (IX + X)		904.59	(6.88)
Profit attributable to:			
Owners of the parent		890.76	(20.89)
Non-controlling interest		-	-
Other comprehensive income attributable to:			
Owners of the parent		13.83	14.01
Non-controlling interest		-	-
Total Comprehensive Income attributable to:			
Earnings per equity share of face value of ₹ 10 each			
(1) Basic (in ₹)		3.58	(0.09)
(2) Diluted (in ₹)		3.58	(0.09)

*denotes figures less than a lakh.

The accompanying notes form an integral part of the Consolidated Financial Statements
As per our report of even date attached

For and on behalf of the Board

Sd/-
Himanshu M. Zota
(Whole Time Director)
(Din : 01097722)
34, Ichhanath Umra, Surat.,

Sd/-
Ashvin Variya
(Company Secretary)

Date: 30th May, 2022

Place : Surat

Sd/-
Moxesh K. Zota
(Managing Director)
(Din : 07625219)
8D, Lal Bunglow, Athwalines, Surat.,

Sd/-
Viral Mandviwala
(Chief Financial Officer)

Shivangi Parekh & Co.
Chartered Accountants

Sd/-
CA. Shivangi Parekh
Proprietor
M. No. 118936
Firm No. 131449W

Consolidated Cash Flow Statement

for the Year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax as per Statement of Profit and Loss	1,243.48	(36.54)
Adjusted for:		
(Profit) on sale of Property, Plant and Equipment	-	(102.88)
Depreciation / Amortisation and Depletion Expense	367.13	316.87
Finance Costs	25.69	1.36
Interest Income	(126.65)	(70.38)
Operating Profit before Working Capital Changes	1,509.66	108.44
Adjusted for:		
Inventories	(77.12)	(284.19)
Trade Receivables	(947.60)	29.30
Trade Payables	497.79	67.82
Other Current Liabilities and Provisions	1,239.60	(79.87)
Provisions - Non-Current	8.41	6.98
Current Financial Assets	(491.37)	145.35
Other Current Assets	(32.66)	(76.55)
Changes in Working Capital	197.05	(191.15)
Cash Generated from Operations	1,706.70	(82.71)
Taxes Paid	(373.50)	(6.25)
Net Cash Flow from/(Used in) Operating Activities	1,333.20	(88.96)
B CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment, capital work-in-progress and intangible assets	(324.80)	(192.82)
Proceeds from disposal of Property, Plant and Equipment	-	108.42
Decrease in Long Term Loans & Advances	17.38	(7.45)
Interest Received	126.65	70.38
Non-current Investments	(2,484.43)	403.51
Net Cash Flow (Used in) Investing Activities	(2,665.20)	382.05
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Equity Share Capital	250.00	-
Increase in Securities Premium Reserve	1,620.00	-
Principal payment of lease liability	(51.36)	-
Interest payment of lease liability	(24.37)	-
Finance Costs	(1.32)	(1.36)
Borrowings	-	10.04
Loans	(114.02)	(4.98)
Dividend Paid	(251.60)	(245.60)
Tax on Dividend	-	-
Net Cash Flow from / (Used in) Financing Activities	1,427.33	(241.90)
Net Increase/(Decrease) in Cash & Cash Equivalents	95.34	51.18
Effect of Exchange differences on cash and cash equivalents held in foreign currency	(0.05)	(0.04)
Opening Balance of Cash and Cash Equivalents	134.63	83.49
Closing Balance of Cash and Cash Equivalents	229.91	134.63

For and on behalf of the Board

Sd/-
Himanshu M. Zota
 (Whole Time Director)
 (Din : 01097722)
 34,Ichhanath Umra, Surat.,
 Sd/-
Ashvin Variya
 (Company Secretary)
Date: 30th May, 2022
Place : Surat

Sd/-
Moxesh K. Zota
 (Managing Director)
 (Din : 07625219)
 8D,Lal Bunglow, Athwalines, Surat.,
 Sd/-
Viral Mandviwala
 (Chief Financial Officer)

Shivangi Parekh & Co.
 Chartered Accountants
 Sd/-
CA. Shivangi Parekh
 Proprietor
 M. No. 118936
 Firm No. 131449W

Consolidated Statement of changes in equity

for the year ended 31st March, 2022

I. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	Balance at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year
For the year ended 31st March, 2022	2,456.03	60.00	2,516.03
For the year ended 31st March, 2021	2,456.03	-	2,456.03

II. OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserves and surplus		Total
	Securities premium	Retained earnings	
As at 31st March, 2021	2,955.30	1,218.36	4,173.66
Profit for the year	-	890.76	890.76
Other comprehensive income	-	13.83	13.83
Total comprehensive income for the year	-	904.59	904.59
Issue of equity shares	1,620.00	-	1620.00
Dividends	-	(251.60)	(251.60)
As at 31st March, 2022	4,575.30	1,871.35	6,446.65
Balance as at 31st March, 2020	2,955.30	1,471.56	4,426.87
Profit for the year	-	(20.89)	(20.89)
Other comprehensive income	-	14.01	14.01
Total comprehensive income for the year	-	(6.88)	(6.88)
Dividends	-	(245.60)	(245.60)
Reserves on common controlled transactions	-	(0.71)	-
As at 31st March, 2021	2,955.30	1,218.36	4,173.66

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date attached

For and on behalf of the Board

Shivangi Parekh & Co.
Chartered Accountants

Sd/-
Himanshu M. Zota
(Whole Time Director)
(Din : 01097722)
34, Ichhanath Umra, Surat.,

Sd/-
Moxesh K. Zota
(Managing Director)
(Din : 07625219)
8D, Lal Bungalow, Athwalines, Surat.,

Sd/-
CA. Shivangi Parekh
Proprietor
M. No. 118936
Firm No. 131449W

Sd/-
Ashvin Variya
(Company Secretary)

Sd/-
Viral Mandviwala
(Chief Financial Officer)

Date: 30th May, 2022
Place : Surat

NOTE # H-01**GROUP INFORMATION**

Zota Health Care Ltd. is a public limited company incorporated and domiciled in India and listed on the National Stock Exchange of India Limited.

The company is established as a drug development, manufacturing and marketing company. The company caters to both domestic and international markets. Being a progressive Indian pharmaceutical company, it offers a vast range of pharmaceutical, nutraceutical, ayurvedic and OTC products in India and overseas as well.

The Company and its subsidiaries (jointly referred to as the 'Group' herein under) considered in these consolidated financial statements are:

Sr. No.	Name of the Subsidiary Company	Country of incorporation	Principal activities	Proportion (%) of equity interest	
				As at 31 st March, 2022	As at 31 st March, 2021
1	Davaindia Health Mart Limited	India	Marketing of Pharmaceutical products	100	100
2	Zota Healthcare Lanka Private Limited	Sri Lanka	Marketing of Pharmaceutical products	100	100

The Subsidiary companies considered in the Consolidated Financial Statements are:

Sr. No.	Name of Company	Subsidiary / Associates	Country of Incorporation	Proportion (%) of Shareholding Year Ended	
				31 st March, 2022	31 st March, 2021
1	Davaindia Health Mart Limited	Subsidiary	India	100%	100%
2	Zota Healthcare Lanka Private Limited	Subsidiary	Sri Lanka	100%	100%

Particulars	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated Net Assets	Amount (₹ in lakhs)	As a % of consolidated profit/(loss)	Amount (₹ in lakhs)	As a % of consolidated other comprehensive income	Amount (₹ in lakhs)	As a % of total comprehensive income	Amount (₹ in lakhs)
a. Zota Health Care Limited (Parent)	100%	9137.45	117%	1,058.01	100%	13.83	100%	13.97
b. Subsidiary:								
1 Indian: Davaindia Health Mart Limited	0.47%	43.04	-17%	(150.79)	-	-	-	-
2 Foreign: Zota Healthcare Lanka Private Limited	0.00%	(0.37)	0.01%	0.10	-0.02%	*	0.36%	0.05
Minority interest in all subsidiaries	-	-	-	-	-	-	-	-
Total	100%	9,180.12	100%	907.31	100%	13.83	100%	14.02

* denotes figures less than a lakh

NOTE # H-02**1. SIGNIFICANT ACCOUNTING POLICIES****1.1 Company Overview**

Zota Health Care Ltd. is a public limited company incorporated and domiciled in India and listed on the National Stock Exchange of India Limited.

The company is established as a drug development, manufacturing and marketing company. The company caters to both domestic and international markets. Being a progressive Indian pharmaceutical company, it offers a vast range of pharmaceutical, nutraceutical, ayurvedic and OTC products in India and overseas as well.

The Company has incorporated wholly owned subsidiary company in Sri Lanka in the Financial year 2018-19 and in India in the Financial year 2019-20.

The Group's Consolidated financial statements are approved for issue by the Company's Board of Directors on 30th May, 2022.

Basis of Preparation of Financial Statements:

a. The Consolidated financial statements are prepared on the accrual basis of accounting and in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) as prescribed under Section 133 of the Companies Act, 2013 (the Act) (as amended) and other relevant provisions of the Act.

b. Historical cost convention

The Consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that are measured at fair value,
- Share based payments; and
- defined benefit plans - plan assets measured at fair value

1.3 Basis Of Consolidation

a. The financial statements of the Holding Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

b. In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the Foreign Currency Translation Reserve (FCTR), the net movement of which is included in Other Comprehensive Income (OCI).

c. The audited / unaudited financial statements of foreign subsidiaries / joint ventures / associates have been prepared in accordance with the Generally Accepted Accounting Principle of its Country of Incorporation or Ind AS.

d. The differences in accounting policies of the Holding Company and its subsidiaries / associates are not material

e. The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

f. The carrying amount of the parent's investment in each subsidiary is offset (eliminated) against the parent's portion of equity in each subsidiary.

g. Non-Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

h. Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.

1.4 Summary of significant accounting policies

These are set out under "Significant Accounting Policies" as given in the Company's standalone financial statements.

Signatures to Notes 1 to 22

For and on behalf of the Board

Sd/-
Himanshu M. Zota
(Whole Time Director)
(Din : 01097722)
34, Ichhanath Umra, Surat.,

Sd/-
Moxesh K. Zota
(Managing Director)
(Din : 07625219)
8D, Lal Bungalow, Athwalines, Surat.,

Shivangi Parekh & Co.
Chartered Accountants

Sd/-
CA. Shivangi Parekh
Proprietor
M. No. 118936
Firm No. 131449W

Sd/-
Ashvin Variya
(Company Secretary)

Sd/-
Viral Mandviwala
(Chief Financial Officer)

Date: 30th May, 2022

Place : Surat

2 RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 103 – Reference to Conceptual Framework - The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Ind AS 109 – Annual Improvements to Ind AS (2021) – The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021) – The amendments remove the illustration of the reimbursement

of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

3 SIGNIFICANT JUDGEMENTS AND ESTIMATES

The preparation of the Company’s financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amount of assets, liabilities, revenue, expenses, and the accompanying disclosures and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associates assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when financial statements were prepared. These estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation at the reporting date, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The areas involving critical estimates and judgements are:

- Useful lives of Property, plant and equipment and intangibles [Refer Note No. 1.2 (xiv.)]
- Measurement of defined benefit obligations [Refer Note No. 1.2 (xix.)]
- Provision for inventories [Refer Note No. 1.2 (xi.)]
- Measurement and likelihood of occurrence of provisions and contingencies [Refer Note No. 1.2 (xvii.)]
- Impairment of trade receivables
- Deferred Taxes

Notes forming part of consolidated financial statements as at and for the year ended 31st March, 2022

Non-Current Assets as on 31st March, 2022

M(b)-01 & M(b)03

PROPERTY, PLANT AND EQUIPMENT

Particulars	Land	Buildings	Plant & Equipment	Office Equipments	Electric Accessories	Furniture & Fixtures	Computers	Total	Capital work-in- progress
(₹ in Lakhs)									
For Year Ended 31st March, 2021									
Opening Gross Carrying Amount	162.13	449.12	556.49	118.82	37.79	191.75	94.02	1610.12	-
Additions	-	0.55	41.82	6.17	0.56	8.32	1.46	58.87	3.62
Disposals	(5.54)	-	-	-	-	-	-	(5.54)	-
Capitalised /Transferred during the year	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount as on 31.03.2021	156.59	449.67	598.30	124.99	38.35	200.07	95.48	1,663.45	3.62
Accumulated Depreciation									
Opening Accumulated Depreciation	-	131.29	415.39	59.19	31.04	87.85	82.12	806.88	-
Depreciation Charge during the year	-	15.44	29.25	14.51	1.34	27.73	8.10	96.37	-
Disposals	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	146.73	444.65	73.69	32.37	115.58	90.22	903.24	-
Net Carrying Amount As On 31.03.2021	156.59	302.94	153.66	51.29	5.97	84.49	5.26	760.20	3.62
For Year Ended 31st March, 2022									
Opening Gross Carrying Amount	156.59	449.67	598.30	124.99	38.35	200.07	95.48	1,663.45	3.62
Additions	-	8.36	2.60	30.91	-	171.85	26.91	240.62	2.45
Disposals	-	-	-	-	-	-	-	-	-
Capitalised /Transferred during the year	-	-	-	-	-	-	-	-	6.07
Closing Gross Carrying Amount as on 31.03.2022	156.59	458.03	600.90	155.89	38.35	371.92	122.39	1,904.07	-
Accumulated Depreciation									
Opening Accumulated Depreciation	-	146.73	444.65	73.69	32.37	115.58	90.22	903.24	-
Depreciation Charge during the year	-	14.87	28.78	15.74	1.13	38.69	7.77	106.99	-
Disposals	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	161.60	473.42	89.44	33.50	154.27	97.99	1,010.23	-
Net Carrying Amount As On 31.03.2022	156.59	296.42	127.48	66.45	4.84	217.65	24.40	893.84	-

Notes forming part of consolidated financial statements as at and for the year ended 31st March, 2022

Non-Current Assets as on 31st March, 2022

M(b)-02

INTANGIBLE ASSETS

Particulars	Brands/ Trademarks	Copyrights and Patents	Software	Others	Total	Intangible assets under development
(₹ in Lakhs)						
For Year Ended 31st March, 2021						
Opening Gross Carrying Amount	800.80	64.14	19.35	314.87	1,199.16	-
Additions	116.16	-	14.17	-	130.33	
Disposals	-	-	-	-	-	
Capitalised /Transferred during the year	-	-	-	-	-	
Closing Gross Carrying Amount as on 31.03.2021	916.96	64.14	33.52	314.87	1,329.49	-
Accumulated Depreciation						
Opening Accumulated Depreciation	311.03	39.34	5.41	105.82	461.61	-
Depreciation Charge during the year	153.60	4.93	7.85	54.12	220.50	
Disposals	-	-	-	-	-	
Closing Accumulated Depreciation	464.64	44.27	13.26	159.94	682.11	-
Net Carrying Amount As On 31.03.2021	452.33	19.86	20.26	154.93	647.37	-
For Year Ended 31st March, 2022						
Opening Gross Carrying Amount	916.96	64.14	33.52	314.87	1329.49	-
Additions	76.54	-	11.25	-	87.79	
Disposals	-	-	-	-	-	
Capitalised /Transferred during the year	-	-	-	-	-	
Closing Gross Carrying Amount as on 31.03.2022	993.50	64.14	44.77	314.87	1,417.28	-
Accumulated Depreciation						
Opening Accumulated Depreciation	464.64	44.27	13.26	159.94	682.11	-
Depreciation Charge during the year	136.27	3.64	8.26	40.11	188.29	
Disposals	-	-	-	-	-	
Closing Accumulated Depreciation	600.91	47.91	21.53	200.05	870.40	-
Net Carrying Amount As On 31.03.2022	392.60	16.22	23.24	114.82	546.88	-

Notes forming part of consolidated financial statements as at and for the year ended 31st March, 2022

Not-current Assets as on 31st March, 2022

M(b)-04

RIGHT-OF-USE ASSETS

Group as lessee

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group has entered into operating leases of office premises with no restrictions and are renewable with mutual consent after 5 years. The escalation rates range from 5% per annum as per the terms of the lease agreement. There are no sub-leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Opening balance	-	-
Additions	1,541.42	-
Amortization	(71.86)	-
Closing balance	1,469.56	-

Set out below are the carrying amounts of lease liabilities and the movements during the year:

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Opening balance	-	-
Additions	1,541.42	-
Finance cost accrued during the period	24.37	-
Payment of lease liabilities	(75.74)	-
Closing balance	1,490.06	-

The following are the amounts recognised in statement of profit and loss:

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Amortization of Right to use asset	(71.86)	-
Interest on lease liabilities	24.37	-

Lease contracts entered by the Company pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

H-03 NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Investments in Equity Instruments		
Prime Co-Op. Bank (Non-Trade Investment)	*	*
In Equity Shares of Subsidiary Companies		
Unquoted, fully paid up		
Zota Healthcare Nig. Ltd [10,00,000 units of Naira 1 each]	1.83	1.93
Other Non-Current Investments		
Axis Bank Fixed Deposit	516.66	845.57
ICICI BANK (FD)	1,660.00	-
Yes Bank Fixed Deposit ⁺	1,105.17	141.51
Total	3,283.65	989.01

* denotes figures less than a lakh

+ ₹ 6 lakhs earmarked against performance bank guarantee in FY 2020-2021.

H-04 LOANS - NON-CURRENT

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(Unsecured and Considered Good)		
Security Deposits	9.48	9.48
Others		
Loan to Employee	-	17.38
Total	9.48	26.86

H-05 INVENTORIES

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Raw Materials	281.92	189.67
Work-in-Progress	191.35	150.09
Finished Goods	56.33	33.48
Stock-in-Trade (in respect of goods acquired for trading)	2,321.98	2,357.18
Others		
Promotional, Packing and Stationery Material	43.10	87.14
Total	2,894.68	2,817.56

Inventories

Mode of Valuation.

Raw Materials : Valued at Cost.

Finished Goods & WIP : valued at Cost or Net Realisable value whichever is less as per Ind-AS 2.

Stock in Trade (in respect of goods acquired for trading): Valued at Cost .

Other Inventories: Valued at Cost .

H-06 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(Unsecured and Considered Good)		
Trade Receivables	3,636.63	2,877.09
Total	3,636.63	2,877.09

The trade receivables ageing schedule for the years ended as on 31st March, 2022 and 31st March, 2021 is as follows :

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good						
As on 31-03-2022	2,439.17	520.62	676.84	-	-	3,636.63
As on 31-03-2021	2,172.54	704.55	-	-	-	2,877.09
Disputed trade receivables – which have significant increase in credit risk						
As on 31-03-2022	-	-	-	-	-	-
As on 31-03-2021	-	-	-	-	-	-

H-07 (A) CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Cash on Hand	0.57	1.21
Cash on Hand-SEZ	0.40	0.11
Cash on Hand-DavaIndia Health Mart Limited	2.86	0.20
Total	3.82	1.51

H-07 (B) OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balance with Banks	226.09	133.11
Total	226.09	133.11

H-08 LOANS - CURRENT

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(Unsecured and Considered Good)		
Others	783.63	178.31
Total	783.63	178.31

H-09 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Prepaid Expenses	4.78	63.35
Balances with Govt. Authorities	51.57	46.68
Other Receivables	89.27	2.92
Total	145.61	112.95

H-10 SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Share Capital :		
Authorised Share Capital		
3,00,00,000 Equity Shares of ₹ 10/- each		
(Pre. Yr. 2,50,00,000 Equity Shares of ₹ 10/- each)	3,000.00	2,500.00
Issued, Subscribed and Paid up		
2,51,60,327 Equity Shares of ₹ 10/- each		
(Pre. Yr. 2,45,60,327 Equity Shares of ₹ 10/- each)	2,516.03	2,456.03
Total	2,516.03	2,456.03

A. The reconciliation of number of shares outstanding is set out below:

(₹ in Lakhs)

Authorised Shares	No. of Shares 31 st March, 2022	No. of Shares 31 st March, 2021
Equity Shares at the beginning of the year	2,50,00,000	2,50,00,000
Addition during the year	50,00,000	-
Equity Shares at the end of the year	3,00,00,000	2,50,00,000

(₹ in Lakhs)

Issued, Subscribed and fully paid	No. of Shares 31 st March, 2022	No. of Shares 31 st March, 2021
Equity Shares at the beginning of the year	2,45,60,327	2,45,60,327
Addition during the year	6,00,000	-
Equity Shares at the end of the year	2,51,60,327	2,45,60,327

B. Details of shareholders holding more than 5% shares in the Company :

(₹ in Lakhs)

Name	31 st March, 2022		31 st March, 2021	
	No. of Share	%	No. of Share	%
Manukant C. Zota	21,82,070	8.67	21,76,870	8.86
Himanshu M. Zota	32,77,280	13.03	32,72,280	13.32
Ketan C. Zota	30,51,363	12.13	30,45,363	13.32
Kamlesh R. Zota	19,91,103	7.91	19,91,103	8.11
Manisha K. Zota	14,32,966	5.70	14,43,966	5.88

C. Disclosure of Shareholding of Promoters and Promoters group

Disclosure of shareholding of promoters and promoters group as at 31st March, 2022 is as follows:

(₹ in Lakhs)

Promoter name	Shares held by promoters				%
	As at 31 st March, 2022		As at 31 st March, 2021		Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
ANILABEN KETANKUMAR ZOTA	7,68,250	3.05	7,68,250	3.13	-
ANJNABEN SHRENIKKUMAR GANDHI	403	-	403	-	-
ARUNABEN RAMESH KUMAR SHAH	700	-	700	-	-
ASHOKKUMAR CHANDULAL ZOTA	11,762	0.05	11,762	0.05	-
ASHOKKUMAR CHANDULAL ZOTA (HUF)	1,400	0.01	1,400	0.01	-
CHAMPABEN HALCHANDBHAI MEHTA	-	-	907	-	(100.00)
CHANDRIKABEN SUBODHCHANDRA SHAH	302	-	302	-	-
DHARA KETAN ZOTA	1,78,147	0.71	1,78,147	0.73	-
DIMPLE DHAVAL SHAH	1,607	0.01	1,607	0.01	-
HALCHANDBHAI MANILAL MEHTA	4,821	0.02	4,821	0.02	-
HARSHA ASHVINKUMAR SIRIYA	316	-	297	-	6.40
HELI RITESH SHAH	33,840	0.13	35,840	0.15	(5.58)
HIMANSUBHAI MUKTILAL ZOTA	32,77,280	13.03	32,72,280	13.32	0.15
HIMANSUBHAI MUKTILAL ZOTA HUF	8,000	0.03	13,238	0.05	(39.57)
INDUBEN MUKTILAL ZOTA	-	-	8,030	0.03	(100.00)
KAMLESH RAJNIKANT ZOTA	19,91,103	7.91	19,91,103	8.11	-
KETANKUMAR CHANDULAL ZOTA	30,51,363	12.13	30,45,363	12.40	0.20
KINJAL NIKESH MEHTA	27,904	0.11	27,904	0.11	-
KRINAL V ANKHAD	10,235	0.04	8,635	0.04	18.53
KUMARPAL RAJNIKANT MEHTA	1,511	0.01	907	-	66.59
MANISHA TUSHARKUMAR MEHTA	11,793	0.05	11,793	0.05	-
MANISHABEN KAMLESHKUMAR ZOTA	14,32,966	5.7	14,43,966	5.88	(0.76)
MANUKANT CHANDULAL ZOTA	21,82,070	8.67	21,76,870	8.86	0.24
MANUKANT CHANDULAL ZOTA HUF	2,06,767	0.82	2,06,767	0.84	-
MEHTA SURESH HALCHAND	2,626	0.01	1,719	0.01	52.76
MOXESH KETANBHAI ZOTA	4,94,150	1.96	4,94,150	2.01	-
NIRALKUMAR MUKTILAL ZOTA	8,300	0.03	7,279	0.03	14.03
NIRMALABEN A SHAH	1,100	-	1,075	-	2.33
NIRUBEN VINODCHANDRA MEHTA	6,072	0.02	9,072	0.04	(33.07)
NITABEN RAJESHBHAI MEHTA	5,679	0.02	4,617	0.02	23.00
PRAFUL RATILAL VORA	12,930	0.05	12,930	0.05	-
PUSHPABEN SEVENTILAL DOSHI	-	-	3,245	0.01	(100.00)
RAJNIKANT SHANTILAL MEHTA	-	-	604	-	(100.00)
RAMILABEN RAJNIKANT MEHTA	50	-	50	-	-
RASILABEN MANUKANTBHAI ZOTA	10,00,500	3.98	10,14,000	4.13	(1.33)
RASILABEN V SIRIYA	-	-	4,099	0.02	(100.00)
RATILAL ZUMCHAND VORA	-	-	3,435	0.01	(100.00)
SHRIPAL R MEHTA	2,419	0.01	2,419	0.01	-
VARSHABEN HIMANSHUBHAI ZOTA	8,99,146	3.57	8,95,146	3.64	0.45
VIREN MANUKANT ZOTA	5,09,040	2.02	5,09,040	2.07	-
VIREN MANUKANT ZOTA (HUF)	9,800	0.04	9,800	0.04	-
ZOTA KETANKUMAR CHANDULAL	9,81,756	3.9	9,99,756	4.07	(1.80)

Disclosure of shareholding of promoters and promoters group as at 31st March, 2021 is as follows:

(₹ in Lakhs)

Promoter name	Shares held by promoters				% Change during the year
	As at 31 st March, 2021		As at 31 st March, 2020		
	No. of shares	% of total shares	No. of shares	% of total shares	
ANILABEN KETANKUMAR ZOTA	7,68,250	3.13	7,68,250	3.13	-
ANJNABEN SHRENIKKUMAR GANDHI	403	-	403	-	-
ARUNABEN RAMESH KUMAR SHAH	700	-	700	-	-
ASHOKKUMAR CHANDULAL ZOTA	11,762	0.05	11,762	0.05	-
ASHOKKUMAR CHANDULAL ZOTA (HUF)	1,400	0.01	1,400	0.01	-
CHAMPABEN HALCHANDBHAI MEHTA	907	-	907	-	-
CHANDRIKABEN SUBODHCHANDRA SHAH	302	-	302	-	-
DHARA KETAN ZOTA	1,78,147	0.73	1,78,147	0.73	-
DIMPLE DHAVAL SHAH	1607	0.01	1,607	0.01	-
HALCHANDBHAI MANILAL MEHTA	4,821	0.02	4,821	0.02	-
HARSHA ASHVINKUMAR SIRIYA	297	-	297	-	-
HELI RITESH SHAH	35,840	0.15	35,840	0.15	-
HIMANSUBHAI MUKTILAL ZOTA	32,72,280	13.32	32,68,930	13.31	0.10
HIMANSUBHAI MUKTILAL ZOTA HUF	13,238	0.05	13,238	0.05	-
INDUBEN MUKTILAL ZOTA	8,030	0.03	1,680	0.01	377.98
KAMLESH RAJNIKANT ZOTA	19,91,103	8.11	19,91,103	8.11	-
KETANKUMAR CHANDULAL ZOTA	30,45,363	12.40	30,45,363	12.4	-
KINJAL NIKESH MEHTA	27,904	0.11	27,904	0.11	-
KRINAL V ANKHAD	8,635	0.04	8,635	0.04	-
KUMARPAL RAJNIKANT MEHTA	907	-	907	-	-
MANISHA TUSHARKUMAR MEHTA	11,793	0.05	11,793	0.05	-
MANISHABEN KAMLESHKUMAR ZOTA	14,43,966	5.88	14,43,966	5.88	-
MANUKANT CHANDULAL ZOTA	21,76,870	8.86	21,76,870	8.86	-
MANUKANT CHANDULAL ZOTA HUF	2,06,767	0.84	2,06,767	0.84	-
MEHTA SURESH HALCHAND	1,719	0.01	1,719	0.01	-
MOXESH KETANBHAI ZOTA	4,94,150	2.01	4,94,150	2.01	-
NIRALKUMAR MUKTILAL ZOTA	7,279	0.03	7,279	0.03	-
NIRMALABEN A SHAH	1,075	-	1,075	-	-
NIRUBEN VINODCHANDRA MEHTA	9,072	0.04	9,072	0.04	-
NITABEN RAJESHBHAI MEHTA	4,617	0.02	5,543	0.02	(16.71)
PRAFUL RATILAL VORA	12,930	0.05	12,930	0.05	-
PUSHPABEN SEVENTILAL DOSHI	3,245	0.01	3,245	0.01	-
RAJNIKANT SHANTILAL MEHTA	604	-	604	-	-
RAMILABEN RAJNIKANT MEHTA	50	-	50	-	-
RASILABEN MANUKANTBHAI ZOTA	10,14,000	4.13	10,14,000	4.13	-
RASILABEN V SIRIYA	4,099	0.02	4,099	0.02	-
RATILAL ZUMCHAND VORA	3,435	0.01	3,435	0.01	-
SHRIPAL R MEHTA	2,419	0.01	2,419	0.01	-
VARSHABEN HIMANSHUBHAI ZOTA	8,95,146	3.64	8,94,769	3.64	0.04
VIREN MANUKANT ZOTA	5,09,040	2.07	5,09,040	2.07	-
VIREN MANUKANT ZOTA (HUF)	9,800	0.04	9,800	0.04	-
ZOTA KETANKUMAR CHANDULAL	9,99,756	4.07	9,99,756	4.07	-

D. Terms/rights attached to equity shares

The Company has one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

E. Equity shares movement during 5 years preceding 31st March, 2022**Equity shares issued as bonus**

The Company allotted 7016975 equity shares of ₹ 10/- each as fully paid up bonus shares by capitalisation of profits transferred from Securities Premium amounting to ₹ 701.69 lakhs in the quarter ended September 30, 2019, pursuant to an ordinary resolution passed after taking the consent of shareholders through postal ballot.

Equity shares issued

The company has issued 6,00,000 equity shares at the rate of ₹ 280 per equity shares which includes premium of ₹270 per equity shares on a Preferential basis to the non-promoter group category on 16.09.2021 after taking approval of shareholders by passing a special resolution on 07.09.2021.

F. No shares were bought back in last 5 years.

H-11 OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
a. Securities Premium	4,575.30	2,955.30
b. Retained earnings	1,871.35	1,218.36
Total	6,446.65	4,173.66
a. Securities Premium Reserve		
As per last Balance Sheet	2,955.30	2,955.30
Add: Equity Shares Issued	1,620.00	-
Closing balance	4,575.30	2,955.30
b. Retained earnings		
Opening balance	1,218.36	1,471.56
Profit for the year	890.76	(20.89)
Other comprehensive income of the year	13.83	14.01
Final dividend	(251.60)	(245.60)
Reserves on common controlled transactions	-	(0.71)
Closing balance	1,871.35	1,218.36

Nature and purpose of reserves:**1 Securities premium**

Securities premium is created when shares are issued at premium. This is utilised in accordance with the provisions of the Companies Act, 2013.

2 Retained earnings

This reserve represents undistributed accumulated earnings of the Group as on the balance sheet date.

H-12 LEASE LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Non-current Lease obligations	1246.32	-
Current Lease obligations	243.73	-
	1490.06	-

H-13 PROVISIONS -NON-CURRENT

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Gratuity Payable	104.25	94.45
Total	104.25	94.45

H-14 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Statutory Liabilities	40.60	11.42
Other Payables	978.92	155.52
Total	1,019.51	166.94

H-15 PROVISIONS - CURRENT

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Provision for Employee Benefits	83.86	81.02
Others	379.28	15.12
	463.14	96.14

H-16 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Sale of Products	13,119.31	10,678.92
Total	13,119.31	10,678.92

H-17 OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Interest Income	126.65	71.99
GST Refund Income	-	0.99
PMRPY Income	0.23	1.77
Export Incentive Licence Income	7.69	39.75
Other Non-Operating Income		
Foreign Exchange Profit/Loss	22.98	11.47
Other Income	0.54	-
Total	163.04	125.97

H-18 COST OF MATERIALS CONSUMED:

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Raw Materials		
Inventory at the beginning of the year	339.76	274.83
Add: Purchase Less Return	2,130.46	2,083.79
	2,470.21	2,358.62
Less: Inventory at the end of the year	473.27	339.76
Total	1,996.94	2,018.87

H-19 CHANGES IN INVENTORIES OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Inventories (at commencement) net of common profit	2,477.80	2,259.26
Inventories (at close) net of common profit	2,421.41	2,478.52
Total	56.39	(219.26)

H-20 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Salaries, Wages and Bonus	467.32	402.85
Director's Remuneration	72.00	72.00
Sitting fees	4.83	2.49
Contribution to Provident Fund and Other Funds	59.88	58.67
Staff Welfare Expenses	420.39	394.42
Total	1,024.42	930.43

H-21 FINANCE COSTS

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Bank Charges	6.29	5.94
Interest On TDS	0.09	0.05
Interest On Security Deposits	1.32	1.32
Interest Expenses - on Lease liability	24.37	-
Other Interest (CST Interest)	-	3.67
Total	32.07	10.98

H-22 OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Direct Expenses		
Freight On Purchases	(33.82)	1.31
Lab Testing Expenses	0.05	2.01
Lab Chemical Expenses	1.45	2.70
Packing Materials Expenses	61.91	39.84
Transporation Expense	137.14	121.34
GST Expenses	2.46	2.42
Power and Fuel Expenses	39.85	32.58
Factory Maintenance Expenses	27.02	19.19
Water Charges	2.23	2.33
Diesel Expense for Boiler	30.67	22.11
	268.96	245.83
Administrartive and General Expenses		
Audit and Consultancy Fees	6.15	5.10
Clearing and Forwarding Charges	141.83	87.63
Computer Repairs and Maintenance Expenses	8.23	5.19
Professional Fess /Consultancy Charges	308.18	328.18
Cylinder Charges	1.84	4.99
Commission Expenses	20.53	32.93
Diesel Expenses	3.77	1.48
Electricity Light Bill Expenses	15.96	13.05
Export Promotion Council - Membership Fees	0.10	-
Godown rent	65.78	73.37
Goods Damaged in Transit	-	0.22
Generator on Rent	1.00	0.92
Insurance Expenses	3.15	6.27
Legal Expense	18.69	14.86
Lodging and Boarding Expense	8.56	5.19
Membership Fees	0.15	5.01
Medical Waste Treatement Expenses	-	0.47
Administrartive and General Expenses		
Municipal Tax	8.20	6.60
Office Equipment Maintenance	2.91	2.46
Office/ Factory Miscellaneous Expense	52.63	32.78
PF Fund Administration Charges	1.90	1.78
Providend Fund Expenses	-	-
Post And Courier Charges	170.87	63.23
Printing and Stationery Expense	4.74	4.84
Product Approval Charges	(2.04)	21.05
Professional Tax	0.02	0.02
Security service charges	1.90	2.74
Service Charges	3.17	2.55
Shop Maintenance Expense	0.22	1.60
Shop Rent Expenses	1.82	2.91

Software Subscription Exp	11.39	6.71
Telephone and Mobile Bill Expense	7.29	5.41
Trademark Expense	7.29	9.73
Travelling Expense	12.72	6.59
Website Renewal Charges	2.24	1.17
Expenditure towards Corporate Social Responsibility (CSR) activities	6.93	16.10
GST Penalty	0.02	0.03
Vatav Kasar	2.10	6.61
	900.23	779.74
Selling and Distribution Expenses		
Advertisement Expense	428.17	1,070.51
Cash and Trade Discount	57.63	71.32
Commission on Sales	183.47	109.38
Freight on Sales	40.40	(4.62)
Promotional Expenses	72.79	82.55
Sales Incentive	1.82	2.43
	784.28	1,331.57
Total	1,953.48	2,357.14

NOTE H-22 OTHER DISCLOSURES

1 Dividend

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Equity shares: Final dividend for the year ended 31 st March, 2022 - ₹1.5/- (31 st March, 2021 - ₹1/-) per fully paid up Equity Share	377.40	245.60

2 Earnings Per Share

Particulars	31 st March, 2022	31 st March, 2021
Profit for the year (₹ in Lakhs)	890.76	(20.89)
Weighted Average No. of Equity Shares	2,48,84,163	2,45,60,327
Nominal value per share (₹)	10.00	10.00
Basic and Diluted Earnings per equity share of face value of ₹ 10 each	3.58	(0.09)

During the reporting period; on September 16, 2021 Company had issued 6,00,000 fully paid up equity shares on preferential basis to the non-promoter group category, post this issue Earning per Share (EPS) for has been calculated as per IND- AS 33.

3 Related Party Disclosures

i) Enterprises Where Control Exists

Subsidiaries
Davaindia Health Mart Limited
Zota Healthcare Lanka (Private) Limited

ii) OTHER RELATED PARTIES WITH WHOM THE COMPANY HAD TRANSACTIONS

Key Management Personnel

Himanshu Muktilal Zota	Executive Whole Time Director
Kamlesh Rajnikant Zota	Executive Whole Time Director
Manukant Chandulal Zota	Executive Whole Time Director
Moxesh Ketanbhai Zota	Executive Managing Director
Ashvin Variya	Company Secretary
Viral Mandviwala	Chief Financial Officer

Non-Executive Directors

Varshababen Gaurang Mehta	Non Executive Independent Director
Vitrag Sureshkumar Modi	Non Executive Independent Director
Bhumi Maulik Doshi	Non Executive Independent Director
Dhiren Prafulbhai Shah	Non Executive Independent Director
Jayshreeben Nileshkumar Mehta	Non Executive Independent Director
Ketan Chandulal Zota	Non Executive Chairman

Relatives of Key Management Personnel

Viren M. Zota	(Son of Manukant Chandulal Zota)
Niral M. Zota	(Brother of Himanshu Muktilal Zota)
Heli R. Shah	(Daughter of Manukant Chandulal Zota)

Transactions/balances with the above parties

(₹ in Lakhs)

For the year ended 31.03.2022	Managerial Remuneration *	Sitting Fees	Salary	Dividend
Himanshu Muktilal Zota	31.62	-	-	32.77
Kamlesh Rajnikant Zota	31.28	-	-	19.91
Moxesh Ketanbhai Zota	31.28	-	-	4.94
Manukant Chandulal Zota	31.23	-	-	21.82
Ketan Chandulal Zota	-	0.53	-	30.51
Varshababen Gaurang Mehta	-	0.85	-	0.33
Vitrag Sureshkumar Modi	-	0.71	-	0.006
Bhumi Maulik Doshi	-	0.71	-	0.014
Dhiren Prafulbhai Shah	-	0.56	-	-
Jayshreeben Nileshkumar Mehta	-	0.61	-	0.017
Viren M. Zota	22.00	-	-	-
Niral M. Zota	22.00	-	-	-
Ashvin Variya	-	-	8.92	-
Viral Mandviwala	-	-	6.60	-
Heli R. Shah	-	-	1.14	-

^ Salary of ₹ 0.45 lakh per month and Commission on sales, 0.1% of domestic turnover

* Includes sitting fees and commission on sales, 0.1% of annual turnover

(₹ in Lakhs)

Unsecured Loan (Value of transaction during the reporting period)	251.92
Revenue from Sale of Goods	160.72

Davaindia Health Mart Limited

(₹ in Lakhs)

For the year ended 31.03.2021	Managerial Remuneration *	Sitting Fees	Salary	Dividend
Himanshu Muktilal Zota	25.98	-	-	32.69
Kamlesh Rajnikant Zota	25.77	-	-	19.91
Moxesh Ketanbhai Zota	25.77	-	-	4.94
Manukant Chandulal Zota	25.80	-	-	21.77
Ketan Chandulal Zota	-	0.21	-	30.45
Varshababen Gaurang Mehta	-	0.39	-	0.033
Vitrag Sureshkumar Modi	-	0.30	-	0.006
Bhumi Maulik Doshi	-	0.30	-	0.014
Dhiren Prafulbhai Shah	-	0.21	-	-
Jayshreeben Nileshkumar Mehta	-	0.24	-	0.02
Viren M. Zota	13.60	-	5.40	-
Niral M. Zota	13.60	-	5.40	-
Ashvin Variya	-	-	8.12	-
Viral Mandviwala	-	-	6.13	-
Heli R. Shah	-	-	1.04	-

* Includes sitting fees and commission on sales, 0.1% of annual turnover

Davaindia Health Mart Limited

(₹ in Lakhs)

Unsecured Loan (Value of transaction during the reporting period)	10.04
Revenue from Sale of Goods	6.41

As the future liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Key Management personnel and their relatives is not ascertainable and, therefore, not included above.

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. Outstanding balances at the year-end are unsecured, interest free and settlement occurs in cash.

4 Deferred Tax Liabilities:

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Deferred Tax Liabilities		
Property, plant and equipments, Intangible Assets	(7.65)	5.28
Right-of-use assets	369.86	-
Sub Total (a)	362.21	5.28
Deferred Tax Assets		
Items allowable for tax purpose on payments/adjustment	(6.87)	(4.61)
Lease Liabilities	(375.02)	-
Sub Total (b)	(381.89)	(4.61)
Total (a+b)	(19.68)	0.67
Recognised in Statement of Profit & Loss for the year	16.13	17.20

5 Fair value measurements

Financial instruments by category

(₹ in Lakhs)

Financial instruments by category	31 st March, 2022			31 st March, 2021		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments	-	-	3,283.65	-	-	989.01
Trade Receivables	-	-	3,636.63	-	-	2,877.09
Cash and Cash Equivalents	-	-	3.82	-	-	1.51
Bank balance other than above	-	-	226.09	-	-	133.11
Other Financial Assets	-	-	783.63	-	-	178.31
Total financial assets	-	-	7,933.84	-	-	4,179.03
Financial liabilities						
Borrowings	-	-	-	-	-	-
Trade Payable	-	-	1,869.70	-	-	1,559.69
Other Financial Liabilities	-	-	-	-	-	-
Total financial liabilities	-	-	1,869.70	-	-	1,559.69

(₹ in Lakhs)

Fair value of financial assets and financial liabilities measured at amortised cost.	31 st March, 2022		31 st March, 2021	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets at amortised cost				
Fixed deposits	3281.83	3281.83	987.08	987.08
Financial assets at FVTPL				
Investments in equity instruments (unquoted) [#]	*	*	*	*
Zota Healthcare Nig. Ltd.	1.83	1.83	1.93	1.93

* denotes figures less than a lakh

[#] For investment in equity instrument made in Prime Co-Op Bank, the cost (i.e. carrying value) represents the best estimate of fair value considering the nature of the investment.

=> Fair value of financial assets/liabilities measured at amortised cost

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, current loans, other financial assets, trade payables, other financial liabilities are considered to be the same as their fair values, as they are current in nature.

6 Post employment employee benefits plans

Gratuity

Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement in terms of provisions of the Payment of Gratuity Act or as per the Company's Scheme whichever is more beneficial. Benefit would be paid at the time of separation based on the last drawn base salary.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity and the amounts recognised in the Company's financial statements as at the Balance Sheet date:

Actuarial Assumptions

Particulars	Gratuity	Gratuity
	2021-22	2020-21
Discount Rate (per annum)	6.80%	6.80%
Expected Rate of Return		
Salary Escalation rate	9.00%	9.00%
Retirement Age	60	60
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Employees attrition rate	5% at younger ages and reducing to 1% at older ages according to graduated scale	5% at younger ages and reducing to 1% at older ages according to graduated scale

Notes:

- 1 Estimates of future salary increase are based on inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market. This assumption has been determined in consultation with the company.
- 2 Discount Rate used for valuing liabilities is based on yields (as on valuation date) of Government Bonds with a tenure similar to the expected working lifetime of the employees.

i) Reconciliation of present value of obligations ('PVO') – defined benefit obligation:

(₹ in Lakhs)

Particulars	2021-22	2020-21
	Gratuity	Gratuity
Liability at the beginning of the period	98.95	91.49
Interest Cost	6.73	6.22
Current Service Cost	21.02	21.47
Employees Contribution	-	-
Interest Guarantee	-	-
Benefits Paid	(3.93)	(1.56)
Transfer from previous employer's	-	-
Liability Transfer In	-	-
Liability Transfer Out	-	-
Actuarial (gain) / loss on Financial Assumption	-	-
Actuarial (gain) / loss on Demographic Assumption	-	-
Actuarial (gain) / loss on Experience	(18.48)	(18.67)
Liability at the end of the year	104.29	98.95

ii) Amount Recognised in the Balance Sheet

(₹ in Lakhs)

Particulars	2021-22	2020-21
	Gratuity	Gratuity
Present Value of Benefit Obligation on 31-3-2022	104.29	98.95
Fair Value of Plan Assets on 31-3-2022	-	-
Net Liability / (Asset) recognised in Balance Sheet	104.29	98.95

iii) Expenses Recognised in the Income Statement

(₹ in Lakhs)

Particulars	2021-22	2020-21
	Gratuity	Gratuity
Current Service Cost	21.02	21.47
Interest Cost on benefit obligation (net)	6.73	6.22
Past Service Cost	-	-
Expected Contribution	-	-
Gain / Losses on Curtailment and Settlement	-	-
Net Effect of Change in Foreign Exchange Rates	-	-
Expenses Recognised	27.74	27.69

iv) Expenses Recognised in Other Comprehensive Income (OCI) for current Period

(₹ in Lakhs)

Particulars	2021-22	2020-21
	Gratuity	Gratuity
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in demographic adjustments	-	-
Actuarial changes arising from changes in experience adjustments	(18.48)	(18.67)
Net (Income) / Expense for period	(18.48)	(18.67)

v) Maturity profile of defined benefit obligations

Projected Benefits Payable in Future Years From the Date of Reporting

(₹ in Lakhs)

Particulars	2021-22	2020-21
1 st Following Year	5.07	4.50
2 nd Following Year	2.91	2.60
3 rd Following Year	3.20	3.25
4 th Following Year	8.91	2.55
5 th Following Year	5.27	4.41
6 to 10 years	36.31	40.65

vi) Sensitivity Analysis Gratuity Plan

(₹ in Lakhs)

Particulars	2021-22	2020-21
	Gratuity	Gratuity
Projected Benefit Obligation on Current Assumptions	104.29	98.95
Delta Effect of +1% Change in Rate of Discounting	91.39	81.62
Delta Effect of -1% Change in Rate of Discounting	120.07	109.76
Delta Effect of +1% Change in Rate of Salary Increase	119.57	109.26
Delta Effect of -1% Change in Rate of Salary Increase	91.52	81.75
Delta Effect of +1% Change in Rate of Employee Turnover	103.12	92.99
Delta Effect of -1% Change in Rate of Employee Turnover	105.55	95.55

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

vii) Risk exposure :

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Company has to manage pay- out based on pay as you go basis from own funds.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

7 Income Tax

(a) Income tax expense

The major components of income tax expenses for the year ended 31st March, 2022 and for the year ended 31st March, 2021 are: (₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Current tax	369.03	9.14
Deferred tax	16.13	17.20
Total income tax expense recognised in statement of profit and loss	385.16	26.35

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate :

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Profit before tax	1419.14	(134.42)
Applicable Tax Rate	25.168%	25.168%
Computed Tax Expense	357.17	(33.83)
Tax effect of :		
Expenses not deductible for tax purposes	81.23	95.05
Expenses allowed for tax purposes	(69.37)	(75.62)
Deductions allowed	-	-
(Profit) on sale of Property, Plant and Equipment	-	9.14
Others	-	14.40
Income Tax Expense	369.03	9.14

Tax Provision has been made only for the Holding company since the subsidiaries have incurred loss during the Financial year 2021-22.

8 All known liabilities have been provided for in the books of accounts for the year under report.

9 Balances of depositors, sundry debtors, creditors and loans and advances are subject to confirmation and reconciliation.

10 The quantity and value of closing stock is certified by the management as true and correct.

11 Previous year's figures have been regrouped / recast wherever necessary to conform to current interim period's presentation.

12 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details: (₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Principal amount remaining unpaid	64.62	57.94
Interest due thereon remaining unpaid	-	-
Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
Interest accrued and remaining unpaid	-	-
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

13 Auditor's remuneration and expenses charged to profit and loss account are as under:

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
As Auditors	6.15	5.10
In other capacities	-	-
Total	6.15	5.10

14 Managerial remuneration to directors charged to profit and loss account are as under:

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Director's Remuneration (includes commission & sitting fees)	129.38	104.97
Total	129.38	104.97

15 Contingent Liabilities

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Performance bank guarantee	-	6.00
Total	-	6.00

16. Operating Segment

Based on the "management approach" as defined in Ind AS 108 – Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators of business the segment/s in which the company operates. The Company is primarily engaged in the business of manufacturing and marketing of Pharmaceutical products which the Management and CODM recognise as the sole business segment. Hence, disclosure of segment-wise information is not required and accordingly not provided.

17. The Company is primarily engaged in the business of manufacturing and marketing of Pharmaceutical products. The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' effective 1 April 2018. The company does not enter into contracts with customers and hence, the disclosures regarding Disaggregation of revenue and Performance

obligations under Ind AS 115 are not provided.

18. The code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September, 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company is in the process of assessing the impact of the Code and will record the same, if any, in the year the Code becomes effective.

19. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk.

The Company's financial liabilities comprise of trade payable and other liabilities to manage its operation and financial assets includes trade receivables, security deposit and loans

and advances etc. arises from its operation.

The Company has established risk management policies and risk assessment processes to identify and analyse the risks faced by the Company and to reduce the risk to acceptable lower level by setting appropriate risk limits and controls, and to monitor such risks and compliance with the same.

Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

Credit risk

Credit risk is the risk of financial loss to the company if a customer / counterparty to a contract fails to meet its contractual obligations, the maximum exposure to the credit risk at the reporting date is carrying value of trade receivables.

Credit risk are managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Company grants credit terms in the normal course of business.

Trade receivables

The Company have low risk of non-recovery of its receivables as its working on franchise module in which good are sold only to contracted party due to this company does not make any provision for doubtful debt any bad debt arise due to uncontrollable situation are written off at the year end.

Write off policy of company include, indicator that there are no reasonable expectation of recovery and information about the policy for financial assets that are written-off but are still subject to enforcement activity.

The ageing analysis of the receivable (gross of provision) has been considered from the date the invoice falls due.

(₹ in Lakhs)

Particulars	0-180 Days	180 To 365 Days	More Than 365 Days	Total
Trade Receivable				
31 st March, 2022	2,439.17	520.62	6,76.84	3,636.63
31 st March, 2021	2,172.54	704.55	-	2,877.09

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due.

The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has Fixed Deposits with bank of ₹ 3281.83 lakhs unutilised working capital lines as on 31st March, 2022, ₹ 987.08 lakhs as on 31st March, 2021.

The table below provides details regarding the contractual maturities of significant financial liabilities:

(₹ in Lakhs)

Particulars	Less Than 1 Year	1-3 Years	More Than 3 Years	As on 31 st March, 2022
Trade Payables	1,816.74	52.96	-	1,869.70

(₹ in Lakhs)

Particulars	Less Than 1 Year	1-3 Years	More Than 3 Years	As on 31 st March, 2021
Trade Payables	1,559.69	-	-	1,559.69

Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

20 Trade payables ageing schedule for the years ended as on 31st March, 2022 and 31st March, 2021 is as follows :

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues to MSME					
As on 31-03-2022	64.62	-	-	-	64.62
As on 31-03-2021	57.94				57.94
Others					
As on 31-03-2022	1,752.12	52.96			1,805.08
As on 31-03-2021	1,501.75	-	-	-	1,501.75
Total trade payables					
As on 31-03-2022	1,816.74	52.96	-	-	1,869.70
As on 31-03-2021	1,559.69	-	-	-	1,559.69

The trade receivables ageing schedule for the years ended as on 31st March, 2022 and 31st March, 2021 is as follows :

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good						
As on 31-03-2022	2,439.17	520.62	676.84	-	-	3,636.63
As on 31-03-2021	2,172.54	704.55	-	-	-	2,877.09
Disputed trade receivables – which have significant increase in credit risk						
As on 31-03-2022	-	-	-	-	-	-
As on 31-03-2021	-	-	-	-	-	-

21 Corporate Social Responsibility (CSR)

(a) CSR amount required to be spent by the Company as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year FY 2021-22 is ₹ 6.93 lakhs (FY 2020-21 ₹ 15.80 lakhs).

(₹ in Lakhs)

Particulars	2021-22	2020-21
(i) Amount required to be spent by the company during the year	6.93	15.39
(ii) Amount of expenditure incurred	6.52	15.80
(iii) Shortfall at the end of the year	0.41	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	Surplus arising out of the CSR projects or programmes or activities of the previous financial year has been set off	N.A.
(vi) Nature of CSR activities	Animal Welfare	Promotion of Education
(vii) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

22 CIF Value of Imports

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
Raw Materials	68.35	-
Components and Spare Parts	-	-
Capital Goods	-	-

23 Expenditure in Foreign Currency

(₹ in Lakhs)

Particulars	31 st March, 2022	31 st March, 2021
a. Royalty	-	-
b. Technical Know how	-	-
c. Professional and Consultation Fees	0.78	-
d. Interest	-	-
e. Other matters	-	-

24 Total value if all imported raw materials, spare parts and components consumed during the financial year and the total value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption;

(₹ in Lakhs)

Particulars	2021-22	2020-21
Total Consumption	68.35	-
Imported raw Materials, Spare Parts and Components	68.35	-
Percentage to Total Consumption	3.21	-
Local raw Materials, Spare Parts and Components	2,062.11	2,083.79
Percentage to Total Consumption	96.79	100.00

25 Earning in foreign currency during the year

(₹ in Lakhs)

Particulars	2021-22	2020-21
Export of goods calculated on F.O.B. basis;	2,093.83	2,203.00

26 Other Statutory Information

- (i) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) The Company has not traded or invested in crypto currency or virtual currency during the year.
- (iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- (iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

- (v) The company does not have layers of subsidiaries beyond the prescribed number with respect to the Companies (Restriction on number of layers) Rules, 2017.
- (vi) The Company did not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (vii) The Company does not have any transactions with companies struck off.
- (viii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

27 These Financial Statements were authorised for issue in accordance with the resolution of the Board of Directors in its meeting held on 30th May, 2022.

For and on behalf of the Board

Sd\-

Himanshu M. Zota

(Whole Time Director)

(Din : 01097722)

34, Ichhanath Umra, Surat.,

Sd\-

Ashvin Variya

(Company Secretary)

Date: 30th May, 2022

Place : Surat

Sd\-

Moxesh K. Zota

(Managing Director)

(Din : 07625219)

8D, Lal Bunglow, Athwalines, Surat.,

Sd\-

Viral Mandviwala

(Chief Financial Officer)

Shivangi Parekh & Co.

Chartered Accountants

Sd\-

CA. Shivangi Parekh

Proprietor

M. No. 118936

Firm No. 131449W



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