

September 07, 2023

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 2022-23

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 04, 2023; we, Zota Health Care Limited (the "Company") are submitting herewith enclosed the Annual Report of the Company for the financial year 2022-23.

This is for your information and record.

Thanking you,

Yours faithfully,

For **Zota Health Care Limited**

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

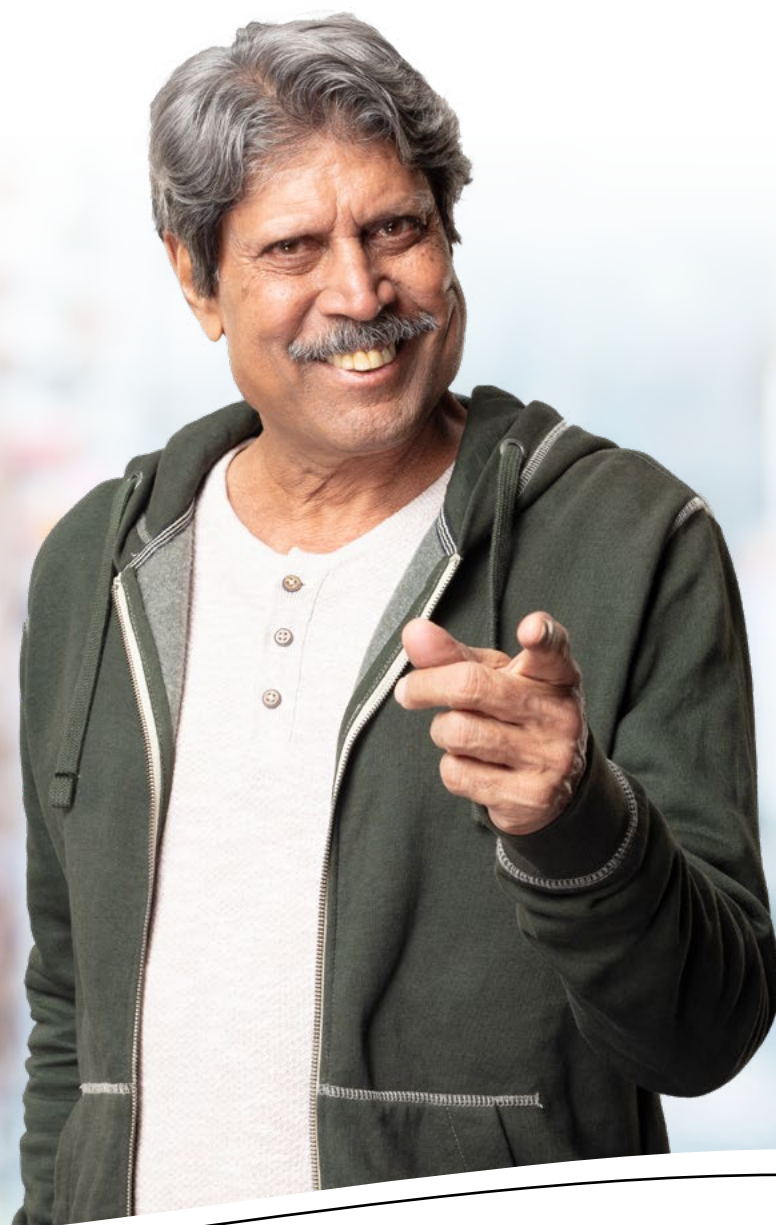
Encl: a/a

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

Enabling health for **everyone**



Inside this report

CORPORATE OVERVIEW

- 02 About the Company
- 04 Corporate Portrait
- 06 Key Milestones
- 08 Business Verticals
- 16 Davaindia Advantage and Footprint
- 18 Brand-Building Efforts
- 20 Board of Directors
- 24 Letter to Shareholders
- 26 Key Performance Indicators
- 28 Management Discussion and Analysis

STATUTORY REPORTS

- 36 Corporate Information
- 37 Notice
- 55 Director's Report
- 69 Corporate Governance Report
- 98 Business Responsibility and Sustainability Report (BRSR)

FINANCIAL STATEMENTS

- 128 Independent Auditor's Report
- 136 Standalone Financial Statement
- 171 Independent Auditor's Report
- 177 Consolidated Financial Statement



Enabling health for everyone

Good health is not a privilege. It is a fundamental right that should be accessible to all. Our commitment to this principle drives every aspect of our operations, and we are dedicated to making a positive impact on the lives of people worldwide.

Health is not just a need, it is a top priority for every individual, regardless of their background or circumstances. Our mission is to ensure that every person, regardless of their location or economic status, can access high-quality healthcare solutions. With our diverse portfolio of pharmaceutical formulations, nutraceuticals, and ayurvedic products, we are determined to create a healthier tomorrow for everyone, making the world a better place.

As we strive to establish ourselves as a globally recognised pharmaceutical Company, the purpose is to enable health for all. People, execution, and technology are the pillars that guide our journey, and our goal is to be recognised as an affordable and quality provider of pharmaceutical products.

Transparency and integrity are the cornerstones of our interactions with all our stakeholders. We conduct our business with utmost honesty, fostering trust and lasting relationships with our partners, customers, and communities. Our commitment to maintaining a best-in-class working environment, and adhering to stringent internal controls and policies ensures excellence in quality across all our manufacturing processes.

As a healthcare company, we understand the responsibility we bear in shaping a healthier world. 'Enabling Health for Everyone' is not just a narrative, it's a call to action. We are committed to leaving a positive impact on society, creating a legacy that transcends time and borders.



Read more about our Company on www.zotahealthcare.com

SAFE HARBOUR

We want to bring to your attention that this document includes forward-looking statements concerning Zota Health Care Limited's anticipated future events, financial and operating results. As with any forward-looking statements, they require us to make certain assumptions, and are inherently exposed to risks and uncertainties. It's essential to recognise that these assumptions, predictions, and other forward-looking statements may not necessarily prove to be accurate.

We urge our readers not to place undue reliance on these forward-looking statements, as numerous factors could lead to actual future results and events differing significantly from what is expressed in them. Therefore, we want to highlight that this document is subject to our disclaimer and is qualified in its entirety by the assumptions, qualifications, and risk factors mentioned in the Management's Discussion and Analysis for FY23.



About the Company

Renowned for empowering health

Established in the year 1995 and headquartered in Surat, Zota is a renowned pharmaceutical Company dedicated to affordable and quality medicines for everyone. Our commitment to providing exceptional and affordable medicines has garnered national recognition, and we continuously strive to extend our reach to all corners of the globe.

As a progressive Indian pharmaceutical Company, we take pride in offering an extensive range of pharmaceutical, nutraceutical, and ayurvedic medicines,

both in India and overseas under our own brands. With our focus on affordability, we are consolidating our leadership position in India's generic pharmacy space through our most ambitious project yet - Davaindia.

Listed on the National Stock Exchange of India Limited, we extend our operations beyond national borders, by exporting pharmaceuticals to over 30 countries. We remain dedicated to contributing to the nation's aspirational journey towards a healthier and prosperous future, emphasising our commitment to powering positive change on a global scale.



OUR VALUES

Innovate And Excel

Embracing a 'can do' attitude, our team consistently goes beyond the ordinary to provide innovative solutions to challenges, setting new benchmarks in the industry.

Integrity and Transparency

Honesty, ethics, and trust are the bedrock of our operations. We maintain transparency in all our functions, ensuring that your faith in us remains steadfast.

Quality And Safety

Uncompromisingly, we prioritise maintaining and enhancing the quality and safety of our products, adhering to the highest industry standards.



OUR PHILOSOPHY



Mission

Our mission 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.

OUR BRAND IDENTITY REFLECTS OUR VALUES

Pink

represents the good health of the society

Blue

represents the corporate culture of the Company

Green

represents the Company's presence in ayurvedic, nature-centric products, and supporting green India initiative



	Domestic	Exports	Davaindia
Presence & distribution	4,000+ Products covering major therapeutic segments	30+ Exports markets served	1,700+ SKU's in Davaindia portfolio
Product portfolio	1,050+ Distributors currently, present across India	250+ Formulations manufactured for exports	594+ Operational Davaindia stores
WHO	WHO recognized manufacturing partners	284 Product approvals received out of 586 dossiers applications	

Corporate Portrait

Accessible and affordable healthcare

Our business model revolves around three key verticals: Domestic, Exports, and Retail Pharmacy Chain (Davaindia). Each functions independently, yet all align harmoniously to fulfil our overarching goal of accessible healthcare for everyone.

At Zota Health Care Limited, our mission to provide affordable healthcare for all has fuelled our journey to becoming a revered pharmaceutical powerhouse. Since our inception in 1995, we've dedicated ourselves to manufacturing,

marketing, and exporting a diverse range of pharmaceutical, ayurvedic, nutraceutical, and over-the-counter (OTC) products to achieve our mission. Through our esteemed retail chain, Davaindia, we're reshaping the landscape of generic pharmacy, setting new standards for accessibility and excellence.

Headquartered at Surat, Gujarat, our humble beginnings paved the way for a resounding vision: making affordable healthcare a reality. Today, we stand as a beacon of hope, reaching millions with high-quality, cost-effective medicines. Our unwavering commitment to addressing chronic ailments like heart disease, diabetes, and thyroid disorders has propelled India's healthcare sector towards a brighter future.

CATALYST IN INDIA'S HEALTHCARE PANORAMA

Davaindia, our hallmark of transformation, is poised to redefine affordable access to medicines, in sync with the needs of India's 1.4 billion citizens. At Zota, our

customers are at the heart of all our operations, reflecting our unwavering philosophy of affordable healthcare. Our dedication to driving positive change has touched millions of lives and continues to shape our mission for the future.

A vertical of Zota Health Care Limited, Davaindia emerged in 2017, swiftly ascending to the ranks of India's Premier Retail Generic Pharmacy Chains. Our footprint spans 25 states, with 493 Franchisee-Owned Franchisee-Operated (FOFO) stores. Additionally, we lead 101 Company-Owned Company-Operated (COCO) stores through our wholly-owned subsidiary - Davaindia Health Mart Limited. Under the Davaindia banner, we offer a vast portfolio of over 1,700 SKUs, reflecting our seamless integration capabilities. Majority of these 1,700 SKUs are offered at significant discounts, ranging from 30-90%, as compared to their branded counterparts.

The strategic collaboration with Mr. Kapil Dev as Davaindia's brand ambassador has bolstered our retail presence and further honed our brand identity.

Functioning as a catalyst in India's healthcare panorama, we continuously explore emerging avenues within the generic pharmaceutical realm, pioneering affordable healthcare. Our unwavering focus on high-quality, cost-effective medication has cemented our leadership in India's generic pharmacy landscape. Navigating challenges with resilience and agility, we remain steadfast in our pursuit of creating a profound impact.

With a diverse basket of more than 4,000+ products in India and service of 284 approved product dossiers across markets in the Exports Business, the Zota group commands a formidable position in the healthcare industry.

ZOTA IN NUMBERS

28+

Years of market presence

30+

Presence in countries

400+

Employees

4,000+

Products

OUR STRENGTHS



Experienced workforce

We have a team of highly qualified and seasoned professionals hailing from the pharmaceutical industry. They adhere to unwavering standards to ensure the delivery of superior quality products at Zota Health Care Limited.



Wide-ranging product portfolio

With products spanning 24 divisions, our extensive portfolio covers various therapeutic categories. Zota meticulously creates products that align with customers' specific needs and preferences.



In-house research and development

Our commitment to innovation drives us to continually develop technologically advanced and unique products. Guided by our team of around 10 research scientists, each experts in their respective fields, we remain steadfast in our pursuit of cutting-edge solutions.

Our state-of-the-art manufacturing facility at Sachin SEZ caters to our export customers across 30+ countries.

Key Milestones

Evolving horizons

As time progressed, Zota Health Care embarked on an unceasing journey of adaptation and expansion, with each step leading to an enhanced version. After our inception as a domestic pharmaceutical branding and marketing business, we ventured into manufacturing and exporting quality medicines the world over.

Eventually we blossomed into India's largest private-sector generic pharmacy chain, allowing us to offer affordable healthcare solutions to customers through our expansive network of 594+ locations.

Foundational steps in domestic marketing

2000

Zota Health Care Private Limited was incorporated

2004

Acquired all brand names of Sayona Medicare Private Limited via an MOU

2007

Acquired Mexon Health Care Limited's trademark and brand name, along with its divisions, Health Park Laboratories and Aaron Biotech

2008

Zota Health Care Private Limited transformed into a Limited entity

2010

Zota Pharmaceuticals and Atoz Pharmaceuticals merged with Zota Health Care Private Limited

Into manufacturing global formulations and branded exports

2010

Inaugurated an export-oriented formulations manufacturing unit in Sachin, SEZ

2011

Commenced exports, expanding business to African countries

2012

Secured WHO-GMP approval for the manufacturing unit at SEZ

2013

Acquired trademark and brand names of Redix Lifecare; received 2 patents

2014

Obtained regulatory approvals from Kenya (PPB) and Sri Lanka (CDDA) for the Sachin SEZ plant; received 3 more patents

2015

Gained approval from Ethiopia's (FMHACA) regulatory body; received 1 additional patent

2017

Received regulatory approval for SEZ plant from Tanzania (TFDA)

India's premier generic pharmacy

2022

Davaindia secured its position as India's largest private sector generic pharmacy with over 500 locations nationwide

2023

Upgradation of Sachin SEZ site undertaken to meet EU GMP regulations, as the Company plans to expand exports to developed markets

Touching 600 Davaindia stores

Davaindia's hyper-growth

2019

Opened ~150 Davaindia outlets

Migrated to the Main Board of NSE

Launched 26 Davaindia outlets on a single day (26th Jan)

2020

Davaindia expanded to over 250 outlets, becoming the fastest-growing private sector generic pharmacy chain in India

Strengthening core and pioneering Davaindia

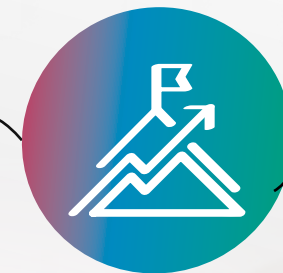
2017

Initiated an Initial Public Offering on NSE Emerge

Introduced Davaindia, a private-sector generic pharmacy, through three pilot outlets

2018

Surpassed ₹10+ Crore in Export Sales; achieved 75+ Davaindia stores



Business Verticals

Redefining pharmacy, reshaping lives

DIVERSE BUSINESS VERTICALS

At Zota Health Care, our success story is woven through a tapestry of diverse business verticals. Each vertical stands as a pillar of strength, contributing to our journey of innovation, growth, and impact. These distinct verticals embody our commitment to delivering exceptional products and services across various facets of the healthcare spectrum.

From our historic domestic marketing prowess to our trailblazing retail pharmacy chain, global exports, our diverse business verticals showcase our multifaceted approach to creating a healthier tomorrow.

1 Domestic marketing business

THE FOUNDATIONAL BUSINESS VERTICAL

Domestic marketing stands as the Company's foundational business vertical, anchoring its growth over time. Historically, this vertical has been a primary revenue contributor, playing a pivotal role in our journey. By directly distributing branded generic drugs, OTC products, and a range of pharmaceutical offerings, we have cultivated a robust distribution network spanning India.

Key aspects within this vertical

We source finished dosage forms from domestic formulations manufacturers recognized by WHO, and marketing them under our esteemed portfolio of brands.

Our extensive product range is marketed across the nation, reaching distributors who, in turn, serve retail pharmacies within their districts.

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

1,050+ 4,000+

Distributors currently present across India

Products covering major therapeutic segments

WHO

Partners with WHO recognised manufacturers

Revenue Contribution (in %)



Business Verticals

2 Global export business

EXTENDING EXCELLENCE BEYOND BORDERS

Our global exports business stands as a testament to our commitment to expanding our horizons and sharing excellence across borders. Nestled within our state-of-the-art manufacturing facility in Sachin SEZ, this vertical serves customers spanning more than 30 countries. Its very essence mirrors our dedication to upholding international quality standards, underscored by securing WHO-GMP approval for our manufacturing unit.

Our exports business, initiated in 2010, has blossomed into a global force, serving clients worldwide across diverse regions like CIS, Latin America, Africa, and Asia. Within our facility, we manufacture an array of generic formulations aligned with the dossiers registered in foreign markets.

Our global exports vertical isn't just about products; it's about a commitment to quality, accessibility, and global well-being. As we move forward, we continue to navigate the global landscape, fuelled by the belief that exceptional healthcare knows no boundaries.

Key aspects within this vertical

Commenced operations in 2010 within our manufacturing unit in Sachin SEZ

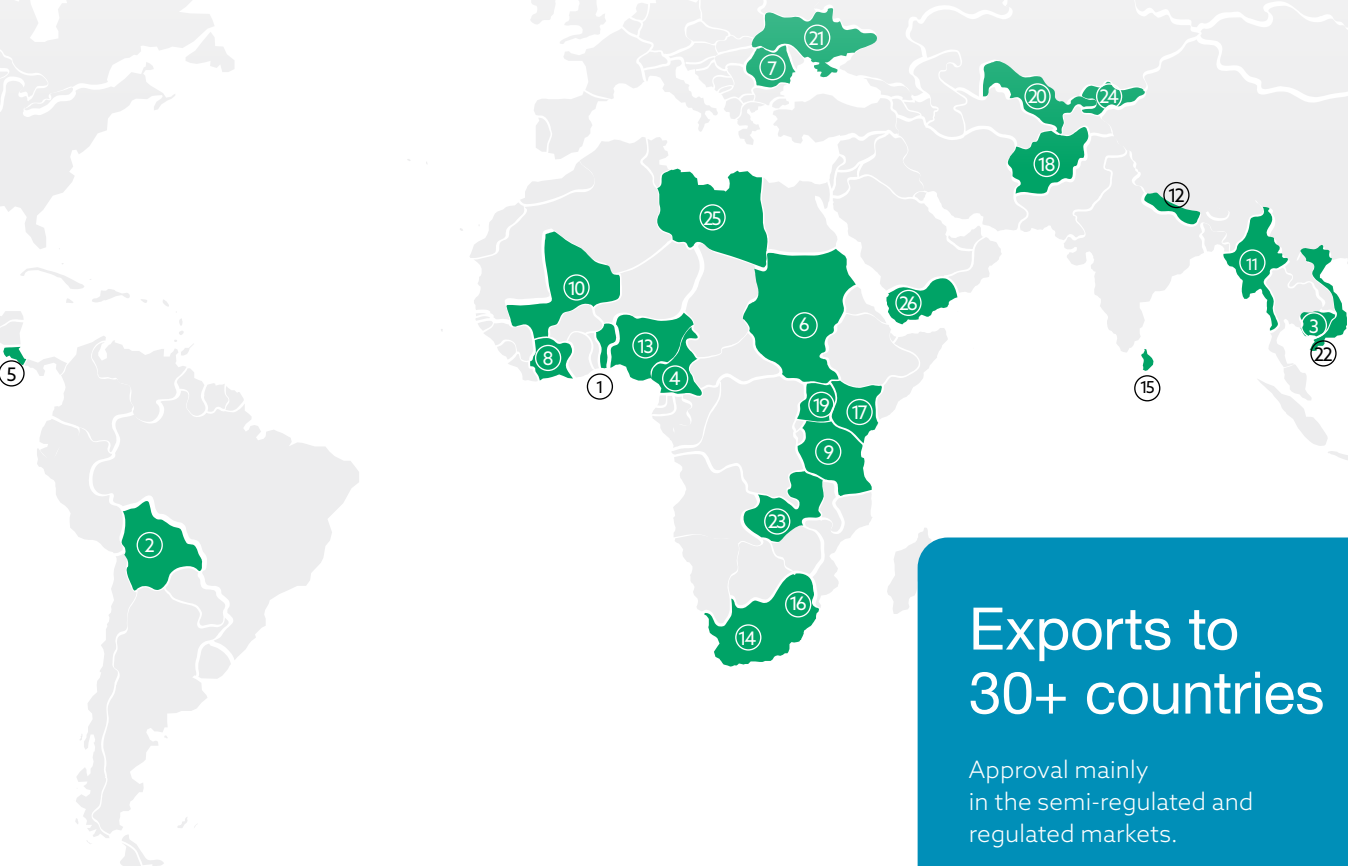
Manufacturing 250+ formulations within this unit

Company has 284 product approvals out of 586 dossiers applications filed

Nurturing a steadfast focus on product registrations in these diverse countries, holding all the Marketing Authorisations (MAs) and registrations for export markets

Exports to 30+ countries

Approval mainly in the semi-regulated and regulated markets.



Map not to scale, only for illustration purpose

Revenue Contribution (in %)



Key numbers

250+

Products manufactured

284

Dossiers registered

302

Dossiers pending approval

Growth

Led by exclusive foreign distribution network and exclusive MA holding

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

Business Verticals

3 Retail pharmacy chain

A NEW AGE IN PHARMACY

Davaindia, our Retail Pharmacy Chain, stands as a ground-breaking leap towards accessible healthcare. Unveiled in 2017, it has swiftly evolved into India's premier private-sector generic pharmacy chain. With a dynamic network spanning 594 locations across the nation, Davaindia is reshaping the very accessibility and affordability of essential and chronic medications.

Davaindia is fundamentally driven by providing quality generic medicines at significant discounts - a remarkable 30% to 90% lower than their branded counterparts. Our unwavering focus lies in private-label products within medicinal, OTC, and ayurvedic categories, with a notable emphasis on chronic therapies and ailments. This distinctive concept, initially comprising only 3 stores in 2017, has since surged to become the nation's largest private-sector retail generic pharmacy chain, boasting 594 active stores as of March 2023.

Davaindia's narrative isn't just about business; it's about a pioneering journey towards accessible and affordable healthcare. Through our commitment to innovation, excellence, and customer-centricity, we are scripting a transformative saga in the realm of pharmaceutical retail.

Key aspects within the realm of Davaindia

We foster a retail generic pharmacy chain model dedicated to delivering quality generic medicines

Our exclusive focus lies within the realms of private-label products, spanning Medicinal, OTC, Ayurvedic, Cosmetic, and Nutraceutical categories

A significant focus is directed towards addressing chronic therapies and ailments, resonating with the core healthcare needs of our customers

Born as a trailblazing concept, Davaindia embarked with 3 pilot stores in 2017, swiftly ascending to the pinnacle of the private-sector generic pharmacy domain

Our FOFO (Franchisee-Owned Franchisee-Operated) stores adhere to an asset-light franchise model, contributing to the scalability and accessibility of our offerings



OPERATING MODEL



Franchisee model

Asset-light franchise model for the majority of stores.



Exclusive sale of Davaindia products

Exclusive sales of private-label generic medicines, OTC, and ayurvedic products. 95% of the product portfolio is private-label brands.



Comprehensive portfolio

1,700+ SKUs with 70% medicinal products and 30% OTC products, with a special emphasis on chronic ailments such as cardiac, diabetic and thyroid.



Brand building

Brand building and consumer-facing advertisement and promotional campaigns with Mr. Kapil Dev as the brand ambassador undertaken by Davaindia.



Technology-based model

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.



New format stores'

Large-format, walk-in, company-owned and company-operated stores in key metropolitans & cities across the country.



Hyperlocal model

Implementing a hyperlocal model with on-demand delivery of medicines at consumers' homes.

Business Verticals

DAVAINDIA MODEL

We are eliminating the traditional pharmaceutical supply chain and passing the benefits to the consumers, as we source directly from the manufacturers and sell directly to the consumers.



Davaindia highlights

1,700+
SKUs

101
COCO stores

493
FOFO stores

95%
private labelled
products

594
total stores
across 25 States



2 store
variants

- Company-Owned
Company-Operated (COCO)
- Franchisee-Owned
Franchisee-Operated (FOFO)

8.5+ million
happy consumers till date

30% - 90%
savings on medicines as compared to
branded counterparts

SUPPLY CHAIN MANAGEMENT



We have outsourced the supply chain management to a third-party warehousing and logistics partner.

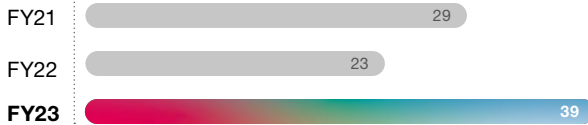


In Phase 1, a cutting-edge central warehousing and processing centre has been established in Surat.



We plan to replicate similar infrastructure across various zones nationwide in due course.

Revenue Contribution
(in %)



Davaindia Advantage and Footprint

Renaissance in affordable healthcare

DAVAINDIA ADVANTAGE

1

Quality

The quality in terms of efficacy and safety of Davaindia generic medicines is at par with the branded medicines available in the market.

We source the high quality generics from 45+ WHO-GMP approved plants.



2

Private Label

With 1700+ private label SKUs, the highest in this space, we offer a substantial variety of products for our customers.



3

Cost

Saving 30-90% for the customers as compared to branded counterparts



DAVAINDIA FOOTPRINT

FOFO Stores

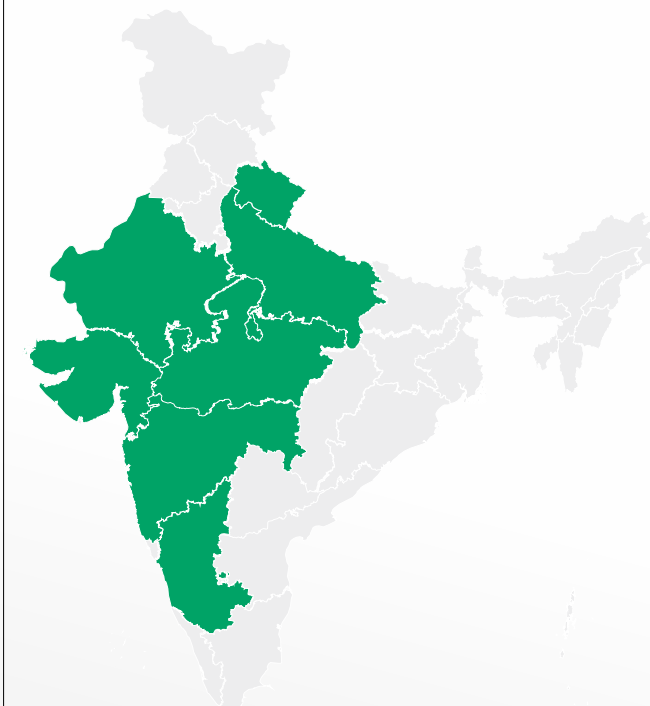


493

Operational FOFO stores as on 31st March 2023

● Franchise Owned
● Franchise Operated (FOFO) Stores

COCO Stores

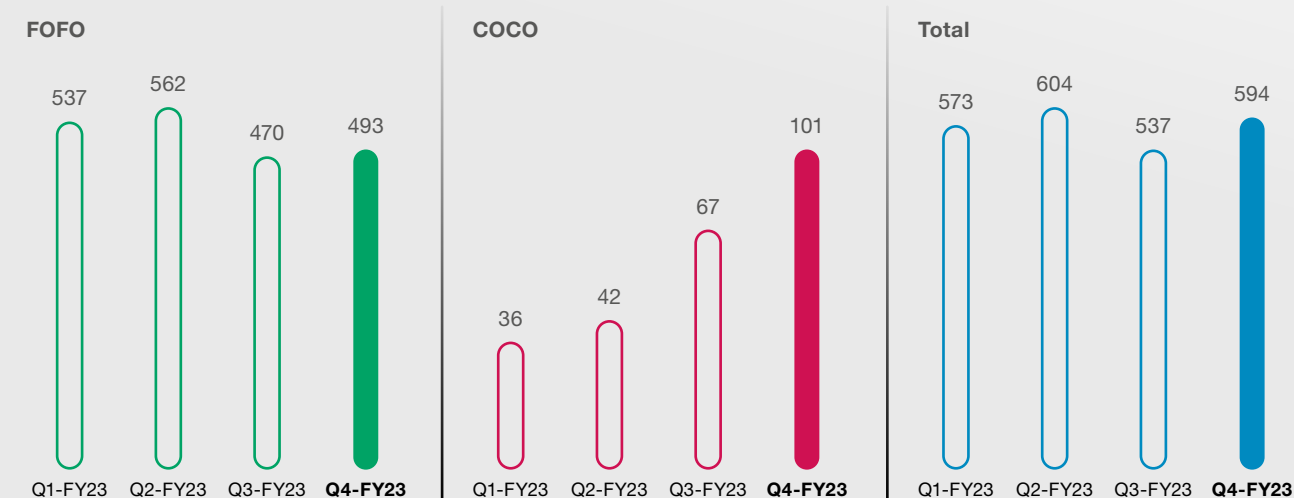


101

Operational COCO stores as on 31st March 2023

Operated by wholly-owned subsidiary
Davaindia Health Mart Limited

No. of Stores



Note – The Company did a one-time closure of under-performing FOFO stores in Q3FY23, leading to a decrease in total store count.

Brand-Building Efforts

Championing to take generics forward



A JOURNEY OF AWARENESS AND IMPACT

In a landscape where generic medicines represent a relatively new paradigm compared to traditional pharmaceuticals, the imperative to foster awareness about their features and benefits becomes paramount. This very need has been embraced by us at Davaindia, as we stand as torchbearers of educating, promoting, and myth dispelling within the realm of generic medicines. As a result, the resonance to our marketing endeavours echoes in the positive response from potential customers and aspiring franchises alike.



CHAMPIONING AWARENESS

We, at Davaindia, have gallantly taken up the mantle of driving awareness about the inherent virtues of generic medicines. It is through this commitment to education that we are not just building a brand but also transforming mindsets and fostering informed healthcare choices. As our Davaindia brand-building narrative unfolds, it's more than just marketing; it's a commitment to illuminate, transform, and empower. By redefining perceptions, fostering informed choices, and instilling trust, Davaindia stands as a beacon of not just accessible healthcare but also a visionary brand crafting a healthier tomorrow.



A MULTI-FACETED APPROACH

The realm of brand-building for Davaindia is a dynamic landscape, and our approach is equally comprehensive. Embracing a holistic 360-degree strategy, we have unfurled marketing and promotional initiatives across diverse platforms and media channels. From the resonance of radio waves to the visual storytelling of television, the tangible impact of print, the vast expanse of the internet, and the interconnectedness of social media - every avenue is traversed. The common thread binding these efforts is to etch the Davaindia brand into the consciousness of the masses, ensuring that it rests at the pinnacle of brand recall.



CATALYSING GROWTH

The impact of this aggressive brand-building journey is manifested in a host of ways. The resonance of Davaindia is witnessed not just in awareness but also in the quantifiable metrics of business growth:

- 1 Average wallet spends have received an uplift
- 2 Stores are bustling with heightened footfall
- 3 The number of inquiries from prospective franchisees has surged

This underscores the powerful synergy between our robust brand-building activities and tangible business impact.



AN ICONIC CELEBRITY AS A BRAND AMBASSADOR

As a brand ambassador, we at Davaindia are immensely proud to join hands with Mr. Kapil Dev, an iconic figure in the realm of Indian cricket. With a distinguished career as a former Indian cricket player and captain of the national cricket team, Mr. Kapil Dev brings a legacy of excellence and leadership that resonates seamlessly with our brand values.



A PARTNERSHIP FORGING EXCELLENCE

Our association with Mr. Kapil Dev goes beyond a mere collaboration; it's a commitment to excellence and a shared vision of fostering healthcare accessibility. His endorsement of Davaindia's products and brands stands as a testament to the quality and reliability that we represent.



QUALITY

The quality in terms of efficacy and safety of Davaindia generic medicines is at par with the branded medicines available in the market.

We source the high quality generics from 45+ WHO-GMP approved plants.



A RESONATING PRESENCE

The resonance of his presence can be felt through various promotional endeavours we have embarked upon. From captivating TV ads to impactful online campaigns, his endorsement adds a layer of credibility to our offerings. His association has not only enriched our brand narrative but also deepened our connection with our audience.



A SYMBOL OF VALUES

For us, Mr. Kapil Dev is more than just a brand ambassador; he's a living embodiment of values that we hold dear - honesty, excellence, and unyielding willpower. His journey and achievements stand as a reflection of the very principles we strive to uphold in every facet of our operations. It is this alignment of values that makes him the ideal candidate to carry forward our culture and spirit.



A CATALYST FOR THE FUTURE

With Mr. Kapil Dev as our brand ambassador, we stride into the future with renewed vigour. His association augments our pursuit of delivering affordable and accessible healthcare solutions, by infusing trust and confidence in every step we take.

Board of Directors

Visionaries and catalysts



MR. KETANKUMAR CHANDULAL ZOTA
Chairman and Non-Executive Director

Mr. Ketankumar Zota stands at the helm as the Promoter, Chairman, and Non-Executive Director of our Company. His journey began in 1984 with a modest retail medical venture, which evolved into Zota Pharmaceuticals in 1995, now known as Zota Health Care Limited. Holding a D-Pharmacy degree from Gujarat University, he has devoted over 38 years to the pharmaceutical industry. His dynamic leadership elevated our Company

to eminence, and he now spearheads the development and execution of new marketing strategies and initiatives. Recognised for his monumental contributions, he was honoured with the 'Lifetime Achievement Award' by the Drug Controller General of India and bestowed the title of 'Pharma Ratna Asia' at Pharma Ratan Universe - 2019.



MR. HIMANSHU MUKTILAL ZOTA
Whole-time Director

Mr. Himanshu Zota holds the position of Promoter and Whole-time Director within our Company. His educational journey encompasses a Diploma in Pharmacy granted by the Board of Technical Examinations on behalf of the Government of Maharashtra. Additionally, he is a Bachelor in Computer Application from Aptech Computer Education, Surat. His professional journey commenced as a Retail Pharmacist and a Distributor of a Medical Agency, eventually leading him to his enduring association with the Company since its inception. This robust journey accumulates to around 30 years

of experience in the Pharmaceutical Industry. Mr. Zota shoulders pivotal responsibilities ranging from strategic formulation, financial management, taxation, and accounting to information-technology-related affairs. His expertise also extends to overall management, project planning and execution, and forecasting upcoming shifts in the pharmaceutical landscape. Notably, he plays an instrumental role in the conception and realisation of the esteemed Davaindia project, solidifying his role as a key driver in the Company's evolution.



MR. MANUKANT CHANDULAL ZOTA
Whole-time Director

Mr. Manukant Zota holds the position of Promoter and Whole-time Director within our Company. He boasts a Master's degree in Mathematics, earned from Gujarat's prestigious Sardar Patel University. With an illustrious journey that began in 1995 within the Zota Group, he has been an integral part of our Company since inception, amassing an impressive

experience of approximately 26 years in the pharmaceutical arena. Mr. Zota takes charge of responsibilities, extending from overseeing the Company's accounting operations to spearheading its overall management and Corporate Social Responsibility (CSR) initiatives and implementation.



MR. KAMLESH RAJNIKANT ZOTA
Whole-time Director

Mr. Kamlesh Zota is a Promoter and Whole-time Director within our Company. A holder of a Bachelor's degree in Pharmacy from Gujarat University, his professional voyage spans over 27 years. His journey commenced as a Senior Technical Assistant at Torrent Pharma Limited, followed by a role as a Production Officer at Unique Pharmaceuticals Laboratories. These pivotal experiences paved the way for his association with our Company since its inception. Mr. Zota's significant role reverberates across various aspects of the business. His diligent efforts encompass securing regulatory clearances for various facilities,

such as NAFDAC, TFDA, FMHACA, PPD, NMRA, among others. Additionally, he spearheads multifaceted responsibilities, ranging from factory management to overseeing FDCA work for both domestic and export products. His purview extends to WHO certification, trademark and patent registration, customs and export documentation, and adherence to pharmaceutical-related regulatory norms. His comprehensive engagement embodies leadership and expertise in diverse spheres of the pharmaceutical landscape.



MR. MOXESH KETANBHAI ZOTA
Managing Director

Leading the way as the Managing Director of our Company, Mr. Moxesh Zota emerges as a dynamic force. He holds a Bachelor's degree in Pharmacy from Gujarat Technological University, complemented by a Master's degree in International Marketing and Business Management from BPP University in the United Kingdom. His adept leadership has propelled the organisation towards establishing a global footprint across more than 30 countries. Under his astute guidance, the Company has actively expanded its global reach. His unwavering commitment is evident through initiatives aimed at bolstering product registrations in foreign markets. Presently, the organisation boasts over

284 registered products across various countries, with an additional 302 products underway in the registration process. As the custodian of overall management, export business, and strategy design for new project implementation, Mr. Zota's prowess extends to diverse realms. His vision extends to researching future pharmaceutical market dynamics, steering international business development, and spearheading the crucial process of product registration. With a dynamic approach, he epitomises strategic leadership in a rapidly evolving pharmaceutical landscape.

Board of Directors

MR. DHIREN PRAFULBHAI SHAH

Independent Director

Dr. Dhiren Shah earned his Bachelor's and Master's degrees in Pharmacy from L. M. College of Pharmacy in Ahmedabad. He also holds a Master of Business Administration from IGNOU, specialising in 'Market Study for IntraOcular Lens', and a Ph.D. from Gujarat University, focusing on 'Exploitation of Natural Product in Formulation Design of a Model Drug'. His professional trajectory shines with experiences garnered from reputable organisations like Cipla. Beyond his corporate engagements, he shared his insights as an educator at institutions like Maliba Pharmacy College, Shree

Dhanvantary Pharmacy College, and C K Pithawalla Institute of Pharmaceutical Science and Research. Dr. Shah's indelible mark extends to his role as a Professor and Principal at Shree Naranjibhai Lalbhai Patel College of Pharmacy. His contributions to academia manifest in his co-authorship of seminal works such as 'Establishment of Herbal Monograph', 'Pharmaceutical Industrial Management', 'A Text Book of Pharmacognosy', and 'Exploitation of Natural Product in Formulation Design of a Model Drug'. Notably, he also assumes the mantle of Editor-in-Chief for the esteemed 'International Journal of Pharmaceutical Research'.

MRS. BHUMI MAULIK DOSHI

Independent Director

With a Bachelor's degree in Business, Mrs. Bhumi Doshi is currently pursuing Chartered Accountancy from the Institute of Chartered Accountants of India (ICAI). She is also working towards a master's degree in commerce from Veer Narmad South Gujarat University. Her

professional journey includes four years in the accounting department of D. D. Constructions Pvt. Limited and three years of expertise in Goods and Service Tax (GST) matters.

MRS. JAYSHREE NILESHKUMAR MEHTA

Independent Director

Hailing originally from Varahi, Patan, Mrs. Jayshree Mehta later moved to Surat. She graduated with first-class honours, earning a Diploma in Pharmacy from M.

N. College of Pharmacy, Gujarat University, Ahmedabad, in 1988. She has since been balancing the roles of a dedicated homemaker and a proficient retail pharmacist.

MRS. VARSHABEN GAURANG MEHTA

Independent Director

Bringing her expertise to our Company's Board, Mrs. Varshaben Mehta serves as a Non-Executive Independent Director. Holding a Bachelor of Ayurvedic Medicine and Surgery (BAMS) degree from O. H. Nazar Ayurvedic

University in Surat (Gujarat), she practises as a dedicated General Physician in Surat. Her clinic, Shreeji Clinic, stands as a testament to her commitment to healthcare.



MR. VITRAG SURESHKUMAR MODI

Independent Director

Mr. Vitrag Modi is a practising Chartered Accountant and a distinguished fellow member of the Indian Institute of Chartered Accountants (ICAI). He also holds a Bachelor's degree in Commerce from Veer Narmad South Gujarat University in Surat. In 2017, he successfully established his

own firm. His proficiency spans a diverse range of domains, including direct and indirect taxes, meticulous bank audits, comprehensive management and system audits, adept accounting practices, and comprehensive corporate services.

MR. LAXMI KANT SHARMA

Additional Executive Director

Mr. Laxmi Kant Sharma holds Bachelor's degree of B.Sc. in Biology from Rajasthan University, Jaipur He has also done Diploma in Pharmacy from Board of Technical Examinations, Maharashtra. He have acquired a strong foundation in field of retail pharmacy. His professional journey has been marked by diverse roles, ranging from serving as a Medical Representative and Area

Sales Manager for 6 years in various pharma companies, to contributing as a pharmacist in a Retail Pharmacy setting for 15 years. He is also associated with the Company from the year 2018 as Manager in Operations of Davaindia stores. He is equipped with a comprehensive understanding of both business and healthcare aspects of the pharmaceutical industry.

MR. DHAVAL CHANDUBHAI PATWA

Additional Non-Executive Director

Mr. Dhaval Chandubhai Patwa is fellow member of the Institute of Chartered Accountant of India (ICAI). He has completed Chartered Accountancy course in the year 2011. Along with that he has gained Diploma in Information Systems Audit. He has also done Bachelor of Commerce from the Veer Narmad South Gujarat University, Surat in the year 2010. Post qualification of

Chartered Accountant he in 2011 he has formed his own firm and doing practice. So, he is having total work experience of around 12 years. His core areas of working are Direct and Indirect Taxes, Bank Audits, Management and System Audit, Accounting and Corporate Services. He is not related to any other Director on the Board of the Company.



Letter to Shareholders

Marching ahead with confidence

Our unwavering mission to revolutionize healthcare in India by offering quality medicines at affordable prices has already touched the lives of more than 8.5 million consumers.

Dear Shareholders,

It is with great pleasure and enthusiasm that I present to you the 23rd Annual Report of our Company Zota Health Care Limited. The past year has been truly remarkable for our Company as we have made significant strides in achieving our primary goal: to provide quality & affordable generic medicines to the people of India, along with an exceptional customer experience through our dedicated network of 594 Davaindia stores across the country.

In the ever-evolving landscape of the pharmaceutical industry, ZHCL has not only kept pace but has surged ahead. Our commitment to expanding Davaindia was evident in the remarkable growth we witnessed this year. We added 80 new stores to our network (net of store closures), and what's even more remarkable about this achievement is the substantial growth of our large-format COCO stores. As of March 31, 2023, we operate 101 COCO stores across 8 states, compared to just 17 at the same time last year. Our COCO stores have not only been well-received by consumers but have also proven to be more profitable, solidifying our focus on this store format as we move forward. Taking into account the consumer response to our COCO stores, we also entered into a strategic agreement with Indian Oil Corporation Limited (IOCL) for rolling out COCO stores at IOCL petrol pumps. Under this model we have rolled out 6 stores so far, and are hopeful of doing significantly more in the coming year.

Our unwavering mission to revolutionize healthcare in India by offering quality medicines at affordable prices has already touched the lives of more than 8.5 million consumers. While our core philosophy has always been to pass on the inflated trade margins in the pharma value chain directly to consumers as savings, through our direct sales model via Davaindia stores, we have also been steadfast in sourcing only quality medicines from 45+ WHO-GMP approved manufacturing partners. It is important to deliver the best quality medicines in order to gain and build consumer trust on generic medicines. Moreover,

a distinctive feature of Davaindia's operating model is that nearly 95% of our 1700+ SKUs are private label products—a unique characteristic in the entire pharmacy chain industry. The goodwill that we gain through delivering quality and affordable medicines will be a key determinant in our long-term journey. Davaindia has been a pioneer in building its own brands as a generic pharmacy chain.

At the organizational level, we've undertaken several strategic developments over the past year. We have placed a significant emphasis on enhancing our managerial bandwidth and capabilities. We are proud to welcome Dr. Sujit Paul, an industry veteran with decades of experience, as our new CEO. In addition, we have hired several professionals with extensive industry backgrounds to lead key functions of the organisation such as COCO and FOFO operations, B2B and Ethical Marketing, HR, and IT.

Another crucial focus area has been strengthening our supply chain management. We have outsourced our supply chain operations to a third-party warehousing and logistics partner, who, in Phase 1, has established a state-of-the-art central warehousing and processing center in Surat. Our plans involve replicating such infrastructure across different geographical zones in the country in the coming years.

Furthermore, we have streamlined our operations and significantly reduced the store opening timeframe for both COCO and FOFO format stores. What used to take 90 days on average for COCO stores to open a store is now being executed in just 60 days, and by H1FY24, we aim to further reduce this to just 30 days.

Apart from our Retail Pharmacy Business, our Domestic Marketing and Exports business segments have had the following performances:

- Our domestic business continues to show resilience in context of the current domestic pharma industry scenario.
- Our export performance faced certain challenges in FY23 due to production disturbances at our plant, attributed to plant upgrade activities at the Sachin SEZ facility. These upgrades are geared toward complying with EU GMP regulatory requirements as part of our long-term vision to expand our export presence into new markets in the future.

Our Revenue from Operations for the year reached ₹13,836.60 Lakhs, registering a sales growth of 5% compared to ₹13,153.33 Lakhs in the previous year. While our Retail Pharmacy Chain vertical witnessed strong growth, it was partially offset by slower export business and flattish domestic sales. The EBITDA for the year was ₹1,056.82 Lakhs, compared to ₹1,699.51 Lakhs in FY22, primarily due to higher operational expenses associated with our aggressive store openings, employee costs on account of senior hirings, and the overall expansion of Davaindia. We anticipate these upfront expenses to normalize as a percentage of our top line as our newly added stores begin contributing to business. Consequently, our Net Profit for the year stood at ₹659.35 Lakhs, compared to ₹1,058.01 Lakhs in the previous year.

At the organizational level, we've undertaken several strategic developments over the past year. We have placed a significant emphasis on enhancing our managerial bandwidth and capabilities. Another crucial focus area has been strengthening our supply chain management.

Looking ahead, our business outlook remains robust, with Davaindia at the core of our financial performance in the future. Despite immediate challenges, we remain committed to pursuing growth in our Exports business vertical. We are confident that by adopting a long-term view of India's healthcare landscape and leveraging technology and efficient supply chain infrastructure in our operations, we will succeed in both of our core businesses.

In closing, I want to extend my heartfelt gratitude to our shareholders, dedicated team members, and all other stakeholders for your unwavering trust and support of Zota Health Care Limited and Davaindia. Together, we will continue to contribute to India's growth story in the years ahead, just as we have in the past.

Warm regards,

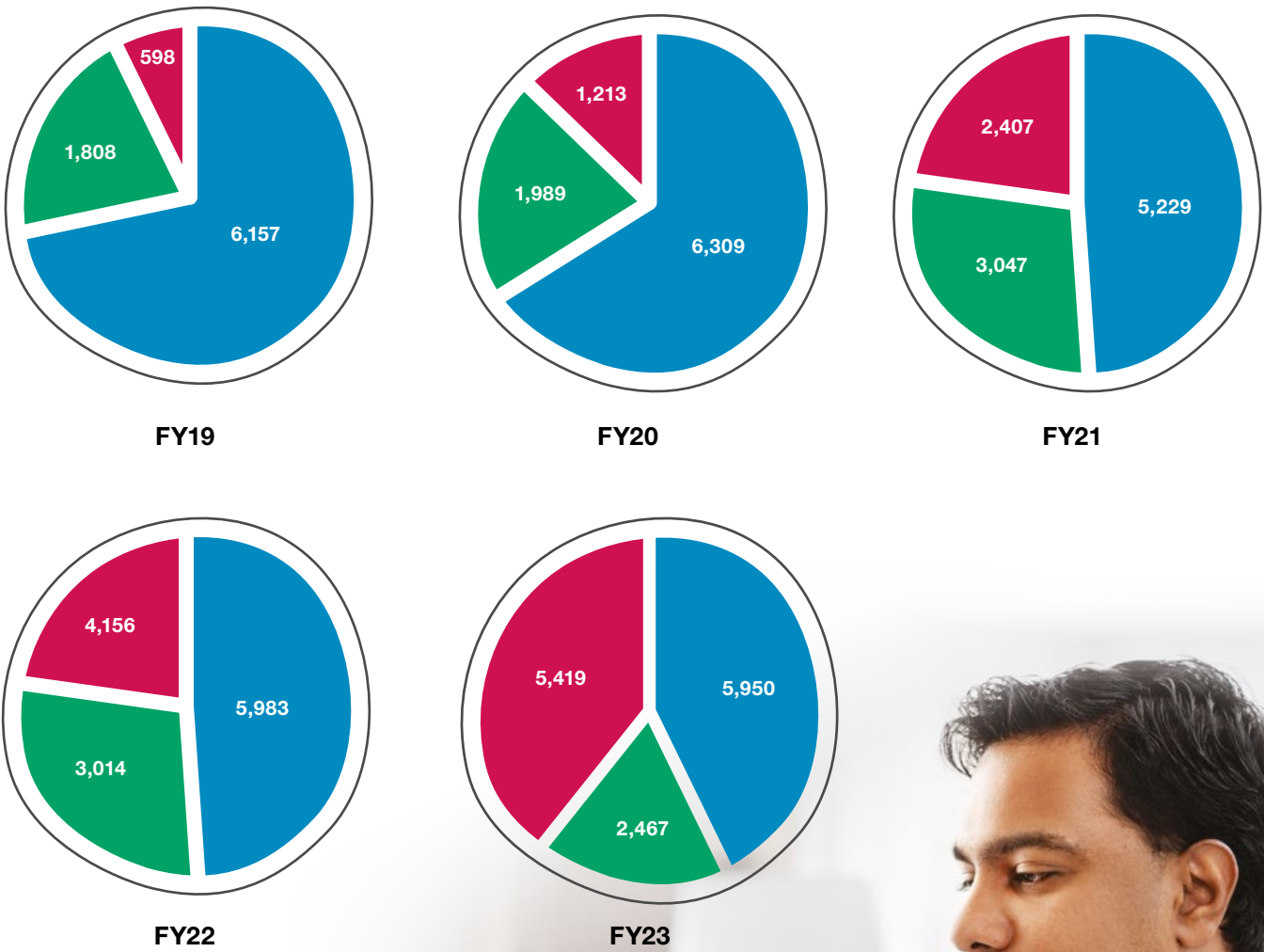
KETAN ZOTA
Chairman



Key Performance Indicators

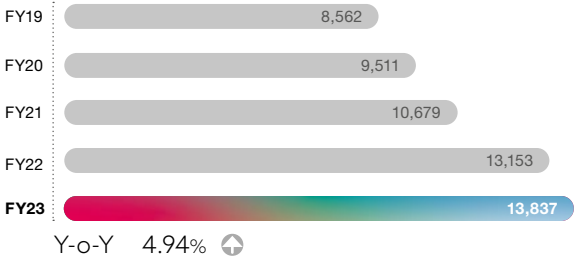
Increasing scale of operations

Revenue Mix
(in ₹ Lakhs)

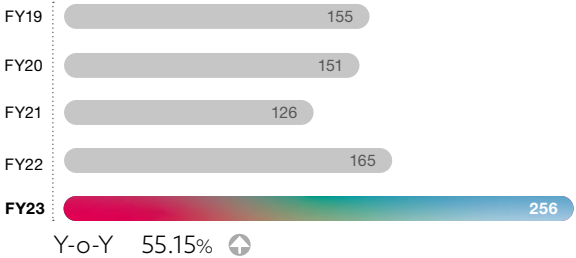


Marketing Exports
Retail Pharmacy Chain

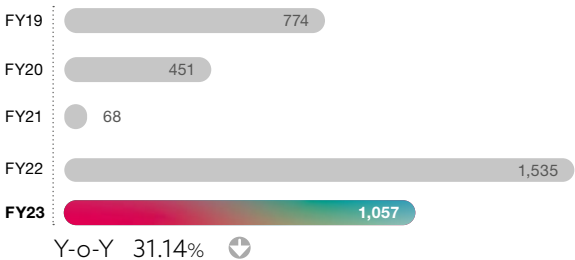
Revenue from Operations
(₹ in Lakh)



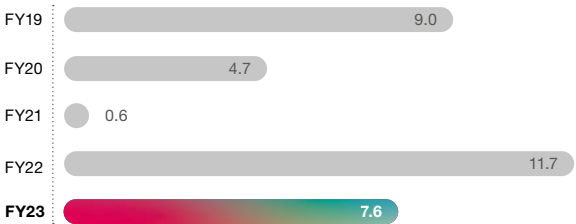
Other Income
(₹ in Lakh)



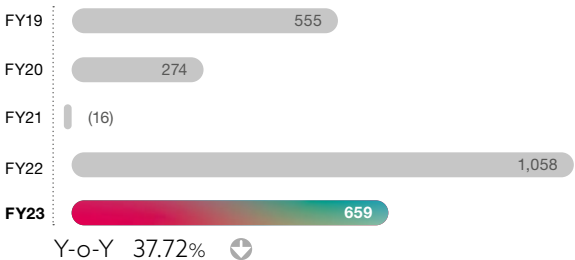
Operating Profit
(₹ in Lakh)



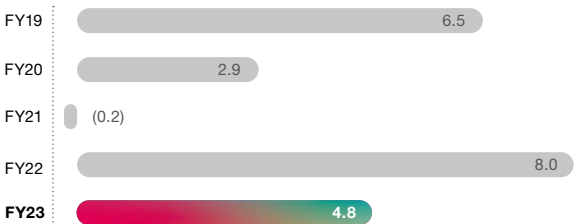
Operating Profit Margin
(In %)



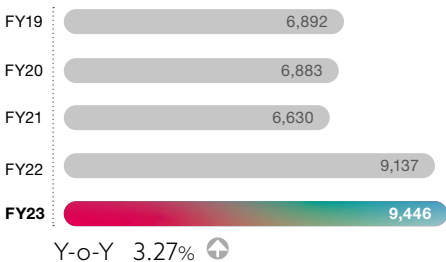
Profit after Tax
(₹ in Lakh)



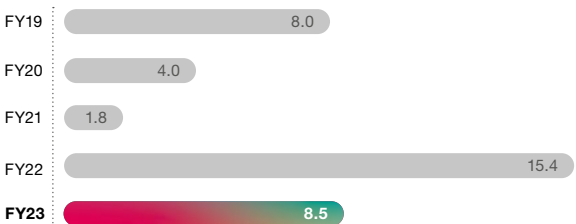
Profit after Tax Margin
(In %)



Shareholders' Funds
(₹ in Lakh)



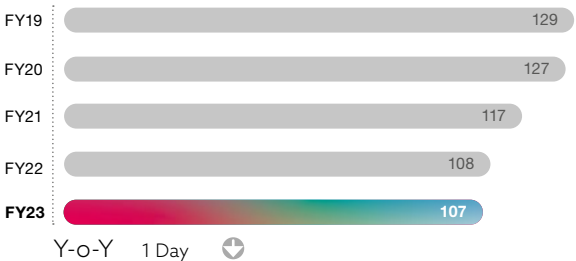
ROCE
(In %)



ROE
(in %)



Working Capital Days
(in Days)



Management Discussion & Analysis

GLOBAL PHARMACEUTICAL INDUSTRY

Overall growth trends are expected to moderate after the disruptions from the pandemic seem over. In this post-pandemic era, policymakers across developed and emerging economies are shifting from crisis to rebuilding modes.

Still, the largest driver of medicine spending through the next five years is expected to be global COVID-19 vaccinations, but leaving aside the pandemic, global spending on medicines continues to be driven by innovation and offset by losses of exclusivity and the lower costs of generics and biosimilars.

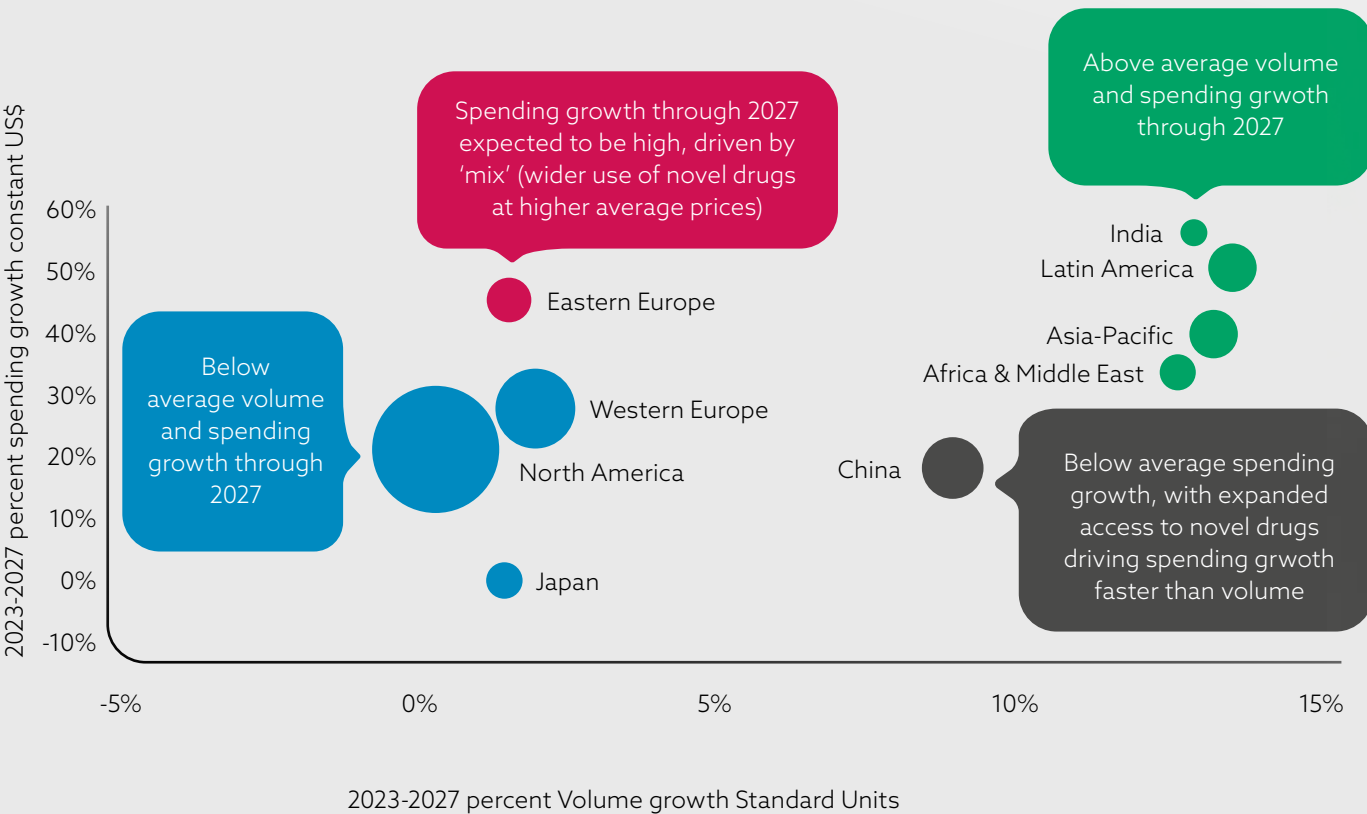
Excluding the spending for COVID-19 vaccines and therapeutics, the outlook for global medicine spending which has shifted considerably during the COVID-19 pandemic, is expected to be largely similar to the pre-COVID outlook.

The amount spent purchasing medicines from manufacturers before off-invoice discounts and rebates, also called global medicine spending, is expected to reach \$1.9 Tn by 2027, increasing at a rate of 3 - 6% per year. It was \$1.4 Tn in 2021.

This outlook is excluding the separate impact of spending on COVID-19 vaccines and therapeutics modelled separately.

Countries in Latin America, Asia-Pacific, Africa and the Middle East are expected to grow more than 10% by volume over the five years to 2027, while spending growth will increase by over 30%, indicating both population-driven volume growth and a shift in the mix of products to more expensive products.

The therapy areas with the highest forecast spending are oncology, immunology, and anti-diabetics, followed by cardiovascular.



Source: IQVIA

INDIAN PHARMACEUTICAL INDUSTRY

Holding a key position in the global pharmaceutical space, India emerges as a pivotal player, contributing significantly to the worldwide pharmaceutical value chain. Acting as a linchpin in the realm of high-quality, cost-effective pharmaceuticals, India's influence spans both domestic and international markets.

Globally, it holds a commanding 3rd place in volume and the 14th position in terms of value, retaining its position as the premier supplier of generics, constituting 20% of international pharmaceutical exports by volume.

With a flourishing pharmaceutical sector and government support, India is poised to climb to the 9th position by 2026.

An embodiment of quality, India houses the largest share of USFDA-approved pharmaceutical manufacturing units outside the United States. It shoulders the responsibility for over half of the world's demand for various vaccinations and more than 40% of the generic products in the United States.

Echoing its global reach, Indian pharmaceutical exports span across 200 nations. In the backdrop of COVID-19, Indian pharmaceutical companies have played a pivotal role in disseminating therapeutic medicines, COVID-19 vaccines, and essential medical supplies. As the industry aligns its portfolio with chronic therapeutic domains, India's pharmaceutical future holds promising prospects.

Source: Economic Survey



Management discussion & analysis

OUTLOOK

Forecasts paint a vibrant picture for the Indian pharmaceutical landscape. India's domestic pharmaceutical market is estimated at US\$ 41 billion in 2021 and is likely to grow to US\$ 65 billion by 2024 and is further expected to reach US\$ 130 billion by 2030. The ascent would position India among the top ten nations in pharmaceutical spending.

US\$ 41 billion in 2021

> US\$ 65 billion by 2024

> US\$ 130 billion by 2030

Emerging from the pandemic, India has elevated itself to a global vaccine manufacturing giant. Focusing on chronic therapies such as cardiovascular, anti-diabetes, anti-depressants, and anti-cancer medications holds the key to fostering exceptional growth in domestic sales.

The Indian government's resolute efforts to bolster affordable healthcare have stimulated market dynamics, favouring the pharmaceutical industry. Amid this transformation, generic pharmaceuticals' swift entry into the market and increased emphasis on rural healthcare initiatives, life-saving medications, and preventive vaccines are charting a promising trajectory.

As per the Economic Survey 2022-23, India's pharmaceutical exports witnessed a robust 24% growth in FY21, propelled by the surge in demand for critical drugs during the pandemic. Carrying forward this growth momentum, drug and pharmaceutical exports during April-October 2022 was 22% higher than the corresponding pre-pandemic period of FY20.

With a commitment to affordability and accessibility, India continues to redefine the healthcare landscape, bridging gaps, and etching its legacy as a beacon of pharmaceutical innovation.

Source: Economic Survey

GROWTH DRIVERS



Rapid urbanisation, increasing per capita incomes and improving affordability



Increasing penetration of insurance coverage - by both private and public insurers



Government impetus on healthcare spending and infrastructure



Increasing access to modern and innovative medicines



Growing awareness of OTC drugs



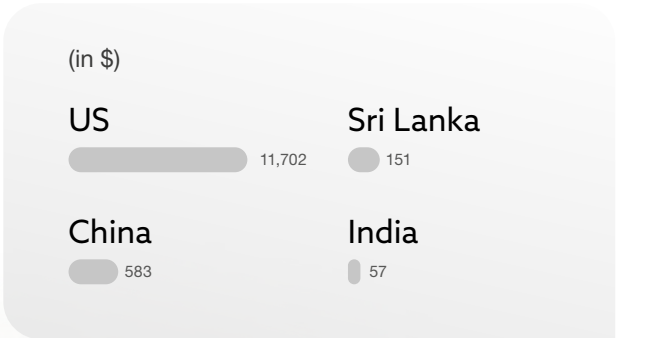
Increasing chronic ailments induced by changing lifestyles



THE IMPERATIVE FOR GENERIC MEDICINES IN INDIA
Need

India's stature as a significant exporter of generic drugs on the global stage paints a picture of vitality and prowess. However, the reality closer to home is a stark contrast. A major portion of the Indian population remains deprived of cost-effective healthcare. This dichotomy accentuates the critical role that generic medicines can play in transforming the healthcare landscape of the country.

India's healthcare landscape grapples with an unsettling equation. Despite its remarkable contributions to the world of generic drugs, the country ranks amongst the lowest public spenders on healthcare. A staggering 17% of the population devotes more than 10% of their household budget to healthcare, while ~7% of the population allocates over a quarter of their budget to this crucial aspect. This disparity in healthcare spending per capita - a mere \$57 in India compared to \$11,702 in the United States, \$583 in China, and \$151 in Sri Lanka - underlines the urgency to address the accessibility conundrum.



In the intricate fabric of healthcare expenditure, medicines emerge as the focal point, accounting for a significant 51% of the total out-of-pocket healthcare expenses. This statistic highlights the profound impact that the availability and affordability of generic medicines can have on the lives of millions.

India's healthcare challenges are further exacerbated by the looming spectre of chronic diseases. With approximately 77 million individuals grappling with diabetes and a forecast of a staggering 134 million by 2045 according to the International Diabetes Federation, the burden on healthcare expenditures grows exponentially. This dire scenario necessitates a healthcare strategy that offers affordable solutions without compromising on quality or efficacy.

Source: WHO-Global Health Expenditure Database for the year 2020.

PMBJP - Background

In the year 2008, the Department initiated the Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP) with the aim of ensuring accessible and reasonably priced quality generic medicines for everyone, particularly for those in need. This initiative established dedicated points of access called Pradhan Mantri Bhartiya Janaushadhi Kendras (PMBJK) across the nation, offering generic medicines to the public at significantly reduced rates compared to their branded equivalents.

PMBJP - 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 popularise 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



Management discussion & analysis

COMPANY OVERVIEW

Founded in 2000 with a heartfelt mission to make healthcare accessible to all, we are Zota Health Care Limited, often referred to as 'Zota', 'ZHCL', or 'the Company'. Our journey commenced in the vibrant city of Surat, Gujarat, and we've since been dedicated to the cause of providing affordable healthcare solutions.

We take immense pride in our role in enhancing access to high-quality, cost-effective medicines for chronic illnesses such as diabetes, heart conditions, and thyroid disorders. Our efforts contribute significantly to advancing India's healthcare landscape, providing a much-needed boost to the sector. Over the years, we have earned recognition for our unique ability to deliver top-tier generic pharmaceuticals at prices that are accessible to all.

Our operations span three distinct verticals - Domestic, Exports, and the Retail Pharmacy Chain (Davaindia). Each vertical functions independently, yet they all share a common purpose: ensuring that healthcare is within reach for everyone. Our state-of-the-art manufacturing facility at Sachin SEZ enables us to serve export markets spanning more than 30 countries. Meanwhile, Davaindia, our generic retail pharmacy chain, stands as a shining example with a strong presence of 594 stores across 25 states. We firmly believe that Davaindia is poised to be a catalyst in delivering affordable access to medicines, perfectly aligned with the healthcare needs of India's diverse population.

Our guiding principle has always been to place our customers at the heart of all our operations. This commitment drives us to champion the cause of affordable healthcare for all. As we continue on our journey, our passion to make a positive impact on global healthcare remains unwavering. We're proud to have touched the lives of countless individuals with our unwavering dedication. Looking ahead, we remain committed to creating meaningful changes in the world of healthcare and leaving a lasting, positive impact on lives worldwide.



BUSINESS VERTICALS



Domestic

Our Marketing business vertical revolves around the direct distribution of generic drugs, OTC products, and various pharmaceutical items through our extensive distribution network across India. This vertical has been the cornerstone of our growth and remains the largest contributor to our success. Within our domestic Marketing business, our approach involves sourcing finished dosage forms (FDFs) from domestic formulation manufacturers and subsequently marketing them under our portfolio of brands. Our stringent focus on product quality has led us to partner with WHO-recognised manufacturing allies.

Our expansive product portfolio spans over 4,000 offerings in diverse categories, including generics, OTC products, allopathic, ayurvedic, and more, catering to a wide spectrum of medical needs. Our business model is designed around direct distribution to our extensive



network of distributors strategically located across the country. These distributors, in turn, promote our products to retail pharmacies within their respective regions. Presently, we collaborate with over 1,050 distributors nationwide, ensuring that each district has an exclusive distributor to maintain exclusivity and minimise competitive overlap.

Rather than engaging directly in sales, distribution, and promotional activities, our distributors independently carry out ethical marketing and other sales-related efforts. This approach eliminates multiple intermediaries in the distribution chain, such as stockists, super-stockists, carrying and forwarding agents, and wholesalers. Instead, we incentivise our distributors directly, empowering them to enhance the effectiveness of product sales. This strategic distribution framework not only streamlines our operations but also fosters a more efficient and effective delivery of our products to the end customers.



Exports

Our venture into the export business vertical took flight in 2010, marking the inception of our formulations manufacturing facility situated within the Sachin SEZ. Presently, we hold approvals for our products in 30+ countries, with a significant focus on semi-regulated and regulated markets across Africa, Asia, CIS, and Latin American nations. Within our Sachin facility, we manufacture 284 formulations that serve both direct exports and contract manufacturing. Over the past five years, our dedication and investments toward product registration have yielded tangible results, evident through the approval of various products and the expansion of our export operations.

At present, our portfolio boasts 284 approved dossiers spread across numerous countries, while an additional 302 dossiers are awaiting approval. The cumulative performance of this vertical over recent years can be attributed to several factors. These include addressing the backlog in product approvals, a shift toward direct exports from merchant exports, and the utilisation of exclusive distributors within international markets.



Retail pharmacy chain

In the realm of our Retail Pharmacy Chain business vertical, our operations encompass a network of pharmacy outlets under the brand name Davaindia. Serving as India's most extensive private-sector retail generic pharmacy chain, Davaindia's fundamental value proposition lies in delivering quality generic medications at substantial discounts ranging from 30% to 90%, in comparison to their branded counterparts.

Davaindia is exclusively dedicated to private-label offerings spanning medicinal, over-the-counter (OTC), and ayurvedic categories. A pronounced emphasis is placed on addressing chronic therapies and ailments. This pioneering concept, which took its initial steps with just four stores in 2017, has since evolved into the largest private-sector generic pharmacy chain, encompassing 594 active stores as of 31st March 2023.

Davaindia operates on a distinct and innovative asset-light franchise model for a majority of its outlets. Moreover, our expansion strategy includes the establishment of company-owned, company-operated (COCO) as well as franchisee-owned, franchisee-operated (FOFO) format stores. These larger-format, walk-in establishments are overseen by our wholly-owned subsidiary, Davaindia Health Mart Limited. These stores are exclusively dedicated to the sale of Davaindia products, where over 95% of the offerings are private-label products.

Through the avenue of Davaindia, we have assumed a pioneering role in the realm of generic retail pharmacy. We firmly believe that this initiative will serve as a pivotal catalyst for ensuring accessible medication, aligning perfectly with the healthcare needs of India's 1.4 billion residents. Our commitment to providing cost-effective healthcare solutions remains steadfast, with customers positioned at the epicentre of our operations.

FINANCIAL PERFORMANCE

Revenue from Operations for the year reached ₹ 13,836.60 Lakhs, registering a sales growth of 5% compared to ₹ 13,153.33 Lakhs in the previous year. While the Retail Pharmacy Chain vertical witnessed strong growth, it was partially offset by slower export business and flattish domestic sales. The EBITDA for the year was ₹ 1,056.82 Lakhs, compared to ₹ 1,699.51 Lakhs in FY22, primarily due to higher operational expenses associated

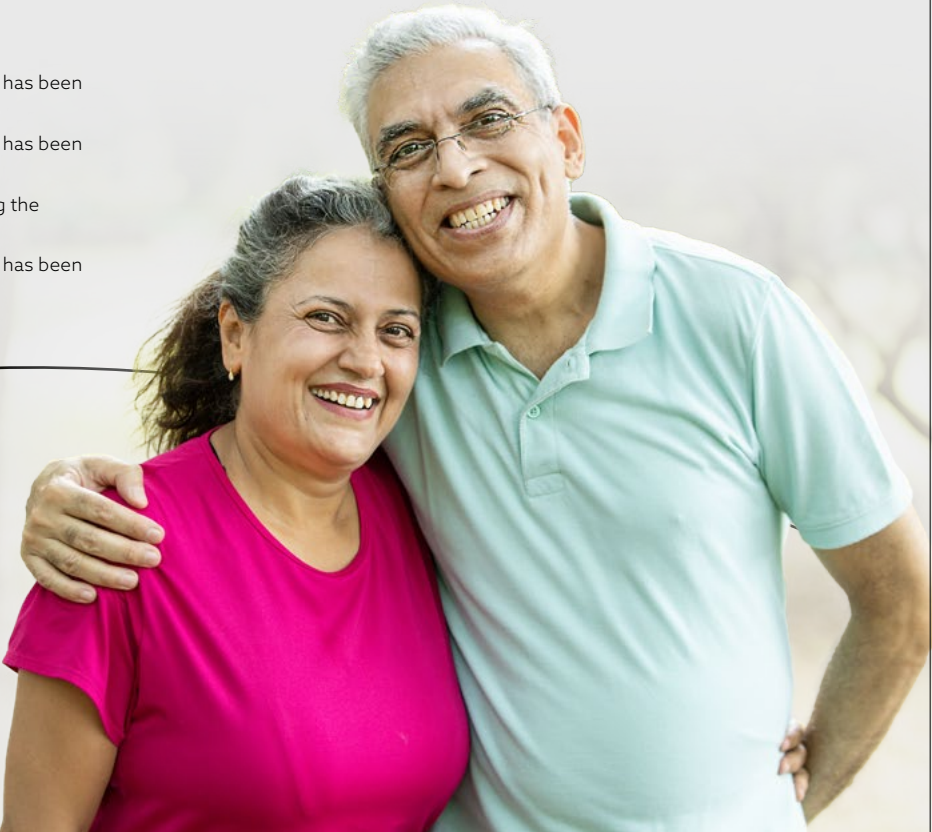
with our aggressive store openings, employee costs on account of senior hirings, and the overall expansion of Davaindia. The Company expects these upfront expenses to normalise as a percentage of the top line as the newly added stores begin contributing to business. Consequently, the Net Profit for the year stood at ₹ 659.35 Lakhs, compared to ₹ 1,058.01 Lakhs in the previous year.

FINANCIAL RATIOS

Particulars	FY23	FY22	Variation in %
Current Ratio ¹	3.00	2.29	31.28%
Debt-Equity Ratio	-	-	-
Debt Service Coverage Ratio	-	-	-
Return on Equity Ratio ²	0.07	0.12	-39.72%
Inventory Turnover Ratio	4.34	4.69	-7.51%
Trade Receivables Turnover Ratio	3.38	3.92	-13.72%
Trade Payables Turnover Ratio	4.46	5.16	-13.56%
Net Capital Turnover Ratio	2.36	3.11	-23.96%
Net Profit Ratio ³	0.05	0.08	-40.76%
Return on Capital Employed ⁴	0.09	0.15	-41.03%
Return on Investment ⁵	0.07	0.12	-39.72%

Note: Standalone figures

- 1 Increase in trade receivable.
- 2 As compare to the preceeding financial year, the profitability has been reduced on account of high operational expenses.
- 3 As compare to the preceeding financial year, the profitability has been reduced on account of high operational expenses.
- 4 Decrease in EBIT (profitability) as compared to profit during the preceeding financial year.
- 5 As compare to the preceeding financial year, the profitability has been reduced on account of high operational expenses.



POTENTIAL THREATS, RISKS AND CONCERNS

- Within the sphere of pharmaceuticals and healthcare, one of the most intricately regulated industries worldwide, we are bound to comply with a multitude of regulations outlined by relevant authorities
- Modifications in regulatory frameworks either in India or the countries we export to have the potential to impact our operational landscape
- Detrimental practices undertaken by a subset of industry participants could adversely impact the overall performance of emerging entities in the sector
- Our business model entails significant working capital requirements. A lack of adept management in this domain has the potential to negatively affect our operations
- Our retail pharmacy venture hinges on the strength of our brand. Thus, any unethical practices or customer dissatisfaction pertaining to our offerings possess the capacity to undermine our brand and, consequently, our business
- Operating within the export realm exposes us to the volatility of currency fluctuations. Unmitigated exposures to these shifts may translate to future financial losses

INTERNAL CONTROL AND ADEQUACY

We have implemented a robust internal control framework that aligns with the scale and intricacies of our operations. These mechanisms are meticulously crafted to furnish a substantial level of assurance regarding the safeguarding of all assets, preventing unauthorised utilisation or disposal. Moreover, they ensure that transactions are duly authorised, accurately recorded, and appropriately reported. In tandem, these systems govern the execution of our business operations in strict adherence to our stipulated policies and procedures.

Both our Audit Committee and management have conducted comprehensive assessments of the efficacy of these internal control systems. In cases where improvements were identified as necessary, we have undertaken concerted efforts to enhance the systems.

HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS

We firmly believe that our human resources stand as the primary catalysts propelling our Company's growth, representing a significant asset. Consequently, our success becomes intrinsically interwoven with the aspirations of our human resources. Acknowledging this integral link, we consistently channel our investments towards nurturing and enriching our workforce, while also establishing a distinctive market presence that entices and retains top-tier talent.

This resolute commitment has translated into sustained positive employee relations throughout the reviewed period, characterised by a congenial and harmonious atmosphere across all echelons. Upholding this sentiment, we remain dedicated to fostering and sustaining productive relations with our valued employees. As of 31st March 2023, we have a team of 338 employees.

CAUTIONARY STATEMENT

In our Management Discussion and Analysis, we outline the Company's objectives, projections, estimates, and expectations. It's important to note that these statements might be forward-looking in nature. As we navigate the future, there's the possibility of actual results differing materially from what's expressed or implied, primarily due to the influence of diverse risks and uncertainties.

Several critical factors could substantially impact our operations. These include the economic and political climate in India and the countries where we operate, the volatility in interest rates, shifts in government regulations and policies, changes in tax laws, statutes, and other pertinent variables. It's crucial to emphasise that our Company does not commit to updating these statements as conditions evolve.



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.) Varshababen 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**
 Mr. Laxmi Kant Sharma, **Additional Executive Director**
 Mr. (CA) Dhaval Chandubhai Patwa, **Additional 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
 E-mail: 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
 E-mail: info@zotahealthcare.com
 Website: www.zotahealthcare.com

AUDIT COMMITTEE

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

NOMINATION & REMUNERATION COMMITTEE

Varshababen Gaurang Mehta, **Chairman**
 Dhiren Prafulbhai Shah, **Member**
 Jayshreeben Nileshkumar Mehta, **Member**

STAKEHOLDER'S RELATIONSHIP COMMITTEE

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Himanshu Muktilal Zota, **Chairman**
 Ketankumar Chandulal Zota, **Member**
 Varshababen Gaurang Mehta, **Member**

INTERNAL AUDITOR'S

Pradeep K. Singhi & Associates

BANKER TO THE COMPANY

Axis Bank Limited
 State Bank of India
 Yes Bank Limited

23rd ANNUAL GENERAL MEETING

Date: 29 September, 2023

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 **23rd Annual General Meeting** of the members of **Zota Health Care Limited** ('the Company') will be held on **Friday, the 29 day of September, 2023 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 31 March, 2023, together with the Reports of the Board of Directors and Auditors thereon.
2. Declaration of final dividend on equity shares @ 10% i.e. ₹ 1/- per Equity share for the financial year 2022-23.
3. To appoint a Director in place of Mr. Himanshu Muktilal Zota, Director (Holding DIN 01097722), who retire by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.

SPECIAL BUSINESSES:

4. To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 196, 197 & 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification or re-enactment thereof for the time being in force), pursuant to recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, and in furtherance to special resolution passed in the 21st Annual General Meeting held on 30 September, 2021, any other applicable laws, if any, the consent of members of the Company be and is hereby accorded for revision in remuneration payable to Mr. Moxesh Ketanbhai Zota (DIN: 07625219), Managing Director of the Company, as set out below with effect from 1 October, 2023 for the remaining period of his present term of appointment up to 6 October, 2026, Company shall pay to Mr. Moxesh Ketanbhai Zota remuneration as set out below:

- (1) **Remuneration:** ₹ 3,50,000/- per month and commission of 0.1% of annual turnover;
- (2) **Sitting Fees:** ₹ 5000/- per meeting for attending meeting of the Board or Committees thereof."

"RESOLVED FURTHER THAT in case of loss or inadequate profit Mr. Moxesh Ketanbhai Zota shall be entitled to receive the remuneration as stated above as the Minimum Remuneration."

"RESOLVED FURTHER THAT all other term of appointment shall be same as per re-appointment

made in the 21st Annual General Meeting held on 30 September, 2021."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 196, 197 & 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification or re-enactment thereof for the time being in force), pursuant to recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, and in furtherance to special resolution passed in the 19th Annual General Meeting held on September 21, 2019, any other applicable laws, if any, the approval of members of the Company be and is hereby accorded for revision in remuneration payable to Mr. Kamlesh Rajanikant Zota (DIN: 00822705), Whole Time Director of the Company, as set out below with effect from October 01, 2023 for the remaining period of his present term of appointment up to 31 March, 2025, Company shall pay to Mr. Kamlesh Rajanikant Zota remuneration as set out below:

- (1) **Remuneration:** ₹ 3,50,000/- per month and commission of 0.1% of annual turnover;
- (2) **Sitting Fees:** ₹ 5000/- per meeting for attending meeting of the Board or Committees thereof."

"RESOLVED FURTHER THAT in case of loss or inadequate profit Mr. Kamlesh Rajanikant Zota shall be entitled to receive the remuneration as stated above as the Minimum Remuneration."

"RESOLVED FURTHER THAT all other term of appointment shall be same as per re appointment made in the 19th Annual General Meeting held on September 21, 2019."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 196, 197 & 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof for the time being in force), pursuant to recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, and in furtherance to special resolution passed in the 19th Annual General Meeting held on 21 September, 2019, any other applicable laws, if any, the approval of members of the Company be and is hereby accorded for revision in remuneration payable to Mr. Himanshu Muktilal Zota (DIN: 01097722), Whole Time Director, as set out below with effect from 1 October, 2023 for the remaining period of his present term of appointment up to 31 March, 2025, Company shall pay to Mr. Himanshu Muktilal Zota remuneration as set out below:

- (1) **Remuneration:** ₹ 3,50,000/- per month and commission of 0.1% of annual turnover;
- (2) **Sitting Fees:** ₹ 5000/- per meeting for attending meeting of the Board or Committees thereof."

"RESOLVED FURTHER THAT in case of loss or inadequate profit Mr. Himanshu Muktilal Zota shall be entitled to receive the remuneration as stated above as the Minimum Remuneration."

"RESOLVED FURTHER THAT all other term of appointment shall be same as per re appointment made in the 19th Annual General Meeting held on 21 September, 2019."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 196, 197 & 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof for the time being in force), pursuant to recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, and in furtherance to special resolution passed in the 19th Annual General Meeting held on September 21, 2019, any other applicable laws, if any, the approval of members of the Company be and is hereby accorded for revision in remuneration payable to Mr. Manukant Chandulal Zota (DIN: 02267804), Whole Time Director, as set out below with effect from 1 October, 2023 for the remaining period of his present term of appointment up to 31 March, 2025, Company shall pay to Mr. Manukant Chandulal Zota remuneration as set out below:

- (1) **Remuneration:** ₹ 1,50,000/- per month;
- (2) **Sitting Fees:** ₹ 5000/- per meeting for attending meeting of the Board or Committees thereof."

"RESOLVED FURTHER THAT in case of loss or inadequate profit Mr. Manukant Chandulal Zota shall be entitled to receive the remuneration as stated above as the Minimum Remuneration."

"RESOLVED FURTHER THAT all other term of appointment shall be same as per re appointment made in the 19th Annual General Meeting held on 21 September, 2019."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. To consider and if through fit, to pass with or without modification, the following resolution as **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of section 152, 197 & 198 read with Schedule V of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other applicable laws, if any, consent of the members be and is hereby accorded to appoint Mr. Laxmi Kant Sharma (DIN-10266796) as Executive Director of the Company, who was appointed as Additional Director w.e.f. 26 August, 2023, in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this ensuing Annual General Meeting, be and is hereby appointed as Executive Director of the Company for the period of five years starting from 26 August, 2023 to 25 August, 2028 at following terms and conditions and he is liable to retire by rotation:

- (1) Period of appointment: Appointment for a term of five consecutive years commencing from 26 August, 2023 till 25 August, 2028;
- (2) Remuneration: ₹ 70,000/- per month;
- (3) Sitting Fees: ₹ 5000/- per meeting for attending meeting of the Board or Committees thereof."

"RESOLVED FURTHER THAT in case of loss or inadequate profit Mr. Laxmi Kant Sharma shall be entitled to receive the remuneration as stated above as the Minimum Remuneration."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. To consider and if through fit, to pass with or without modification, the following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of section 149 and 152 read with Schedule IV of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other applicable laws, if any, consent of the members be and is hereby accorded to appoint Mr. Dhaval Chandubhai Patwa (DIN: 10283028), who was appointed as an Additional Director designed as an Independent Director on the Board of Directors of the Company w.e.f. 26 August, 2023, in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this ensuing Annual General Meeting, be and is hereby appointed as an Independent Director of the Company for the period of five years starting from 26 August, 2023 to 25 August, 2028 at following terms and conditions:

- (1) **Period of appointment:** Appointment for a term of five consecutive years commencing from 26 August, 2023 till 25 August, 2028;
- (2) **Remuneration:** NIL;
- (3) **Sitting Fees:** ₹ 5000/- per meeting for attending meeting of the Board or Committees thereof.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

10. To consider and if through fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 188 read with Companies (Meeting of Board and its Powers) Rules, 2014, as amended from time to time and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable laws, if any, pursuant to the consent of the Audit Committee and the consent of the Board of Directors of the Company, and in supersession of the earlier resolution passed by the members, approval of the Members be and is hereby accorded for below mentioned related party transactions:

- a) continuing the existing related party transaction(s) with respect to payment of remuneration and/or salary entered with Mr. Kamlesh Rajanikant Zota, Mr. Himanshu Muktilal Zota and Mr. Manukant Chandulal Zota, the Whole-Time Directors of the Company, Mr. Moxesh Ketanbhai Zota, Managing Director of the Company, Mr. Niral Muktilal Zota and Mr. Viren Manukant Zota, Senior Marketing Managers of the Company, as detailed explained in Explanatory Statement w.e.f. 1 October, 2023.”

“RESOLVED FURTHER THAT the above related party transaction(s) to be entered and already been entered either individually or collectively may exceed the threshold for material related party transactions or 10% of total turnover of the Company and is done at arm’s length basis.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

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

Sd/-

Ashvin Variya

Company Secretary &
Compliance Officer

Date: 4 September, 2023

Place: Surat

Notes:

1. The Ministry of Corporate Affairs ("MCA") inter-alia vide its General Circulars No.14/2020 dated 8 April, 2020, No. 17/2020 dated 13 April, 2020, No. 22/2020 dated 15 June, 2020, No. 33/2020 dated 28 September, 2020, No. 39/2020 dated 31 December, 2020, No. 10/2021 dated 23 June, 2021, No. 20/2021 dated 8 December, 2021, No. 03/2022 dated 5 May, 2022 and No. 10/2022 dated 28 December, 2022 issued by the Ministry of Corporate Affairs (herein after referred to as "MCA Circulars") and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and AGM be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. In terms of the MCA circular, since this AGM is being held through VC/OAVM pursuant to the MCA's circulars, physical attendance of Members has been dispensed with. 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.
3. Corporate Members pursuant to Section 113 of the Companies Act, 2013 intending to attend the AGM through their authorized representatives, are requested to send to the Company, a certified copy of relevant Board resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting.
4. Pursuant to the Circular No. 14/2020 dated 8 April, 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. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
5. 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.
6. 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.
7. 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 8 April, 2020, 13 April, 2020 and 5 May, 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.
8. The Explanatory Statement according to Section 102 of the Act setting out material facts concerning the special businesses under Item Nos. 4 to 10 of the Notice is annexed hereto.
9. 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 8 April, 2020, No. 17/2020 dated 13 April, 2020, No. 22/2020 dated 15th June, 2020, No. 33/2020 dated 28 September, 2020, No. 39/2020 dated 31 December, 2020, No. 10/2021 dated 23rd June, 2021, No. 20/2021 dated 8 December, 2021, No. 03/2022 dated 5 May, 2022 and No. 10/2022 dated 28 December, 2022.
10. In compliance with the aforesaid MCA Circulars and SEBI Circular. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January, 2021, Notice of the AGM along with Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/RTA/Depositories. Members may note that the AGM Notice along with Annual Report 2022-23 will also be available on the Company's website at www.zotahealthcare.com, on website of National Stock Exchange of India Limited at www.nseindia.com and on the website of NSDL <https://www.evoting.nsdl.com>
11. 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.
12. Members seeking any information/document as referred in the notice are requested to write to the Company on or before 28 September, 2023 through email at cszota@zotahealthcare.com. The same will be addressed by the Company suitably.
13. Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 23 September, 2023 to Friday, 29 September, 2023 (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.

14. 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. Friday, 29 September, 2023 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 Friday, 22 September, 2023 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 Friday, 22 September, 2023".
15. 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 1 April, 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.
16. 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.
17. 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.
18. 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 s available at website of the Company www.zotahealthcare.com under investor relation tab).
19. 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.
20. E-voting:
- 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 MCA Circulars, 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.
 - 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.
 - The members who have voted though e-voting are also entitled to attend/participate in the AGM through VC/OAVM but not entitled to cast their vote during the meeting.
 - The Board of Directors of the Company has appointed Mr. Ranjit 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 Friday, 22 September, 2023. Members whose names are appearing on Register of Members on Friday, 22 September, 2023 are entitled to vote through e-voting.
- vi) The e-voting facility will be start from Tuesday, 26 September, 2023 at 9:00 A.M. and will end on Thursday, 28 September, 2023 on 5:00 P.M.
21. 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.
22. The details of directors appointment or re-appointment/revision in remuneration as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as below:

Name of Director	Mr. Moxesh Ketanbhai Zota (Managing Director) (DIN:07625219)	Mr. Kamlesh Rajanikant Zota (Whole-Time Director) (DIN: 00822705)	Mr. Himanshu Muktilal Zota (Whole-Time Director) (DIN: 01097722)	Mr. Manukant Chandulal Zota (Whole-Time Director) (DIN: 02267804)	Mr. Laxmi Kant Sharma (Executive Director) (DIN: 10266796)	Mr. Dhaval Chandubhai Patwa (Non-Executive Independent Director) (DIN: 10283028)
D.O.B	12/11/1990	17/01/1973	30/05/1974	17/04/1951	15/10/1975	13/05/1990
Age (in years)	32	50	49	72	47	33
Brief resume of the Director including nature of expertise in specific functional areas and Experience	At present Mr. Moxesh Ketanbhai Zota serves as Managing Director of the Company. He is associated with the Company since 2014. 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. 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.	Mr. Kamlesh Rajanikant Zota have an aggregate experience of around 26 years in the Pharmaceutical Industry. He has played lead role in getting regulatory approval for various facilities like NAFDAC, TFDA, FMHACA, PPD, NMRA, etc. 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. Himanshu Muktilal Zota has been associated with our Company since the time of its incorporation, thus having an aggregate experience of around 29 years in the Pharmaceutical Industry. He has played an instrumental role in initiating and managing Zota Health Care Limited and also played important role in transforming Zota Health Care Limited into one of the fastest growing Companies in Pharma sector. He is entrusted with responsibilities like strategy formulation, finance, taxation & accounting, IT, 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 Davaindia project.	Mr. Manukant Chandulal Zota has been associated with the Zota Group since the year 1995 and subsequently has been associated with our Company since its incorporation and thus has an aggregate experience of around 24 in the Pharmaceutical Industry. He is entrusted with the responsibility of dealing with the daily accounting activities of our Company. He is also looking after overall management and CSR activities and its implementation.	Mr. Laxmi Kant Sharma holds Bachelor's degree of B.Sc. in Biology from Rajasthan University, Jaipur He has also done Diploma in Pharmacy from Board of Technical Examinations, Maharashtra. He have acquired a strong foundation in field of retail pharmacy. His professional journey has been marked by diverse roles, ranging from serving as a Medical Representative and Area Sales Manager for 6 years in various pharma companies, to contributing as a pharmacist in a Retail Pharmacy setting for 15 years. He is also associated with the Company from the year 2018 as Manager in Operations of Davaindia stores. He is equipped with a comprehensive understanding of both business and healthcare aspects of the pharmaceutical industry.	Mr. Dhaval Chandubhai Patwa is fellow member of the Institute of Chartered Accountant of India (ICAI). He has completed Chartered Accountancy course in the year 2011. Along with that he has gained Diploma in Information Systems Audit. He has also done Bachelor of Commerce from the Veer Narmad South Gujarat University, Surat in the year 2010. Post qualification of Chartered Accountant he in 2011 he has formed his own firm and doing practice. So, he is having total work experience of around 12 years. His core areas of working are Direct and Indirect Taxes, Bank Audits, Management and System Audit, Accounting and Corporate Services. He is not related to any other Director on the Board of the Company.

Name of Director	Mr. Moxesh Ketanbhai Zota (Managing Director) (DIN:07625219)	Mr. Kamlesh Rajanikant Zota (Whole-Time Director) (DIN: 00822705)	Mr. Himanshu Muktilal Zota (Whole-Time Director) (DIN: 01097722)	Mr. Manukant Chandulal Zota (Whole-Time Director) (DIN: 02267804)	Mr. Laxmi Kant Sharma (Executive Director) (DIN: 10266796)	Mr. Dhaval Chandubhai Patwa (Non-Executive Independent Director) (DIN: 10283028)
Date of Appointment (DD/MM/YYYY)	07/10/2016	12/07/2000	12/07/2000	12/07/2000	26/08/2023	26/08/2023
Qualification	B.Pharm, MBA	B.Pharm	D.Pharmacy, B.C.A	M.Sc.	B.Sc. (Biology), D. Pharm	CA, B.Com
Number of Equity Shares held in the Company	4,94,150	19,91,103	32,32,780	21,82,070	NIL	NIL
Number of Board Meetings attended during the Financial Year 2022-23	6	6	6	6	NIL	NIL
Directorships held in other Companies	1	1	1	NIL	NIL	NIL
Chairmanships of Committees in other Companies	NIL	NIL	NIL	NIL	NIL	NIL
Memberships of Committees in other Companies	NIL	NIL	NIL	NIL	NIL	NIL
Relationships between Directors of the Company inter-se	Mr. Moxesh Ketanbhai Zota is son of Ketankumar Chandulal Zota, Chairman of the Company.	N.A.	N.A.	Mr Manukant Chandulal Zota is brother of Mr. Ketankumar Chandulal Zota, Chairman of the Company.	N.A.	N.A.
Terms and conditions of appointment/reappointment along with details of remuneration sought to be paid and remuneration last drawn by such person.	Remuneration of ₹ 3.5 Lakhs per month + commission of 0.1% of annual turnover, with effect from 1 st October, 2023 for the remaining period of his present term of appointment up to 6 October, 2026.	Remuneration of ₹ 3.5 Lakhs per month + commission of 0.1% of annual turnover, with effect from 1 October, 2023 for the remaining period of his present term of appointment up to 31 March, 2025.	Remuneration of ₹ 3.5 Lakhs per month + commission of 0.1% of annual turnover, with effect from 1 October, 2023 for the remaining period of his present term of appointment up to 31 March, 2025.	Remuneration of ₹ 1.5 Lakhs per month, with effect from 1 October, 2023 for the remaining period of his present term of appointment up to 31 March, 2025.	Appointed as Executive Director for the period of five years starting from 26 August, 2023 at the remuneration of ₹ 70,000/- per month.	Appointed as Independent Director for the period of five years starting from 26 August, 2023.

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 Tuesday, 26 September, 2023 at 9:00 A.M. and ends on Thursday, 28 September, 2023 on 5:00 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. Friday, 22 September, 2023 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 Friday, 22 September, 2023.

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


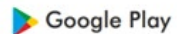


The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

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 9 December, 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 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.
<p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center;">   </div> <div style="display: flex; justify-content: center; align-items: center; margin-top: 10px;">   </div>	
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

Type of shareholders	Login Method
	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
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 022 - 4886 7000 and 022 - 2499 7000
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 toll free no. 1800 22 55 33

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 homepage 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 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. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.
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.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Sarita Mote 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 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 9 December, 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 AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/shareholders, who will be present in the 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 AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the 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 AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the 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" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join 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.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESSES PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4 to 7:

Mr. Moxesh Ketanbhai Zota was re-appointed as Managing Director by way of a special resolution passed by the members at the 21st Annual General Meeting of the Company held on 30 September, 2021 with effect from 7 October, 2021 for period of five years upto 6 October, 2026.

Mr. Kamlesh Rajanikant Zota, Mr. Himanshu Muktilal Zota and Mr. Manukant Chandulal Zota were re-appointed as Whole-Time Directors of the Company by way of a special resolution passed by the members of the Company at the 19th Annual General Meeting held on 21 September, 2019 with effect from 1 April, 2020 for period of five years upto 31 March, 2025.

Further, in the respective members meetings as stated above, the members of the Company by way of special resolution have also approved for the remuneration payable to the respective directors.

The Managing Director and Whole-Time Director(s) have provided dedicated services and significant contribution to the overall growth of the Company. The Board taking into consideration industry standards and to commensurate with the services rendered by Mr. Moxesh Ketanbhai Zota, Managing Director of the Company and Mr. Kamlesh Rajanikant Zota, Mr. Himanshu Muktilal Zota and Mr. Manukant Chandulal Zota, Whole-Time Directors of the Company, the Board has the view that the present remuneration which is being paid to the directors as aforementioned is not sufficient one and the

same has to be revised. Hence, the Board of Directors in its meeting held on 14 August, 2023 on the recommendation of the Nomination and Remuneration Committee of the Board has decided to revise the remuneration payable to the directors as stated in the item no. 4, 5, 6 & 7.

Accordingly, Board do hereby sought Members approval for revision in remuneration payable to Mr. Moxesh Ketanbhai Zota, Managing Director of the Company and Mr. Kamlesh Rajanikant

Zota, Mr. Himanshu Muktilal Zota and Mr. Manukant Chandulal Zota, Whole-Time Directors of the Company as provided in the item no. 4, 5, 6 & 7 for their respective remaining terms.

The brief profile of Directors in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) are provided in note no. 22 of this Notice.

The performance of the Company have improved and is expected to improve further in the coming years. However, in view of adverse conditions, it incur losses due to uncontrollable reasons, resulting in inadequate profits to pay managerial remuneration. In such an event, Mr. Moxesh Ketanbhai Zota, Managing Director of the Company and Mr. Kamlesh Rajanikant Zota, Mr. Himanshu Muktilal Zota and Mr. Manukant Chandulal Zota, Whole-Time Directors of the Company may be entitled to minimum remuneration. Accordingly, the statement as required under Section II, Part II of the Schedule V to the Act with reference to Special Resolution at Item No. 4, 5, 6 & 7 are as follow:

1. General Information

- a) **Nature of Industry:** The Company is engaged in manufacturing and marketing of pharmaceutical products and caters both domestic and international markets.
- b) **Date or expected date of commencement of commercial production:** July, 2000
- c) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** N.A.
- d) **Financial performance based on given indicators:**

(₹ in Lakhs)

Particulars	Standalone	
	For The Year Ended 31 March, 2023	For The Year Ended 31 March, 2022
Revenue from operations	13836.60	13153.33
Other Income	255.87	164.56
Profit/(loss) before tax and Exceptional Items	808.50	1419.14
Exceptional Items	53.79	-
Profit/(loss) before Taxation	862.29	1419.14
Income Tax	204.68	368.84
Deferred Tax	1.75	7.71
Profit after Taxation	659.35	1058.01

- e) **Foreign Investments or collaborations, if any:**

During the last financial year, the Company has neither made any foreign investment nor entered into any foreign collaboration. The Company has foreign investments and collaboration which has been done in past financial years are as below:

Date of making investments	Name of entity in which investment has been made	Amount (in ₹)
06-07-18	Zota Health Care Lanka (Pvt) Ltd	86680

2. Information about the appointee

- a) **Background details:**

The background details and profile of Mr. Moxesh Ketanbhai Zota, Mr. Kamlesh Rajanikant Zota and Mr. Himanshu Muktilal Zota and Mr. Manukant Chandulal Zota are stated in "Brief resume of the Director including nature of expertise in specific functional areas and Experience" in note no. 22 to this Notice.

b) Past remuneration:

The remuneration paid to the Director(s) for the financial year 2022-23 is as below:

Name of the Directors	Designation	Remuneration paid during Financial Year 2022-23
Mr. Moxesh Ketanbhai Zota	Managing Director	31.99
Mr. Kamlesh Rajanikant Zota	Whole-Time Director	31.99
Mr. Himanshu Muktilal Zota	Whole-Time Director	32.34
Mr. Manukant Chandulal Zota	Whole-Time Director(s)	32.04

c) Recognition or awards: N.A.**d) Job profile and his suitability:****I. Mr. Moxesh Ketanbhai Zota, Managing Director**

At present Mr. Moxesh Ketanbhai Zota serves as Managing Director of the Company. He is associated with the Company since 2014. 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. 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.

II. Mr. Kamlesh Rajanikant Zota, Whole-Time Director

Mr. Kamlesh Rajanikant Zota have an aggregate experience of around 26 years in the Pharmaceutical Industry. He has played lead role in getting regulatory approval for various facilities like NAFDAC, TFDA, FMHACA, PPD, NMRA, etc. 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.

III. Mr. Himanshu Muktilal Zota, Whole-Time Director

Mr. Himanshu Muktilal Zota has been associated with our Company since the time of its incorporation, thus having an aggregate experience of around 29 years in the Pharmaceutical Industry. He has played an instrumental role in initiating and managing Zota Health Care Limited and also played important role in transforming Zota Health Care Limited into one of the fastest growing Companies in Pharma sector. He is entrusted with responsibilities like strategy formulation, finance, taxation & accounting, IT, 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 Davaindia project.

IV. Mr. Manukant Chandulal Zota, Whole-Time Director

Mr. Manukant Chandulal Zota has been associated with the Zota Group since the year 1995 and subsequently has been associated with our Company since its incorporation and thus has an aggregate experience of around 24 in the Pharmaceutical Industry. He is entrusted with the responsibility of dealing with the daily accounting activities of our Company. He is also looking after overall management and CSR activities and its implementation.

e) Remuneration proposed:

The details of proposed remuneration to be paid to the directors are as below:

Particulars	Name of the Directors			
	Mr. Moxesh Ketanbhai Zota, Managing Director	Mr. Kamlesh Rajanikant Zota, Whole-Time Director	Mr. Himanshu Muktilal Zota, Whole-Time Director	Mr. Manukant Chandulal Zota, Whole-Time Director
Remuneration	₹ 3,50,000/-	₹ 3,50,000/-	₹ 3,50,000/-	₹ 1,50,000/-
Commission	0.1% of Annual Turnover	0.1% of Annual Turnover	0.1% of Annual Turnover	--
Sitting Fees	₹ 5000/- per meeting	₹ 5000/- per meeting	₹ 5000/- per meeting	₹ 5000/- per meeting

f) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

Taking into account the Industry in which Company Operates, Size of the Company, Experience, Skills, Expertise's and responsibilities that have been handled by the Managing Director and Whole-Time Directors of the Company, the remuneration payable is equivalent with the remuneration packages paid in the peer companies.

g) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Apart from the remuneration paid to them as Managing Director/Whole-Time Directors as stated above and their respective shareholding held directly or indirectly in the Company, Mr. Moxesh Ketanbhai Zota being the son of Mr. Ketankumar Chandulal Zota, Chairman of the Company and Mr. Manukant Chandulal Zota being brother of Mr. Ketankumar Chandulal Zota, Chairman of the Company, the Directors do not have any pecuniary relationship directly or indirectly with the Company and its managerial personnel.

3. Other Information

(1) Reasons of loss or inadequate profits	As you all are kind aware that Zota Health Care Limited has launched its most esteemed project DAVAINDIA back in the year 2017, DAVAINDIA is retail generic pharmacy chain.
(2) Steps taken or proposed to be taken for improvement	With the blend of Company Owned Company Operated (COCO) and Franchise Owned Franchise Operated (FOFO) stores under this project more than 594+ stores have already been opened up till 31 March, 2023. As of now DAVAINDIA is India's largest private sector generic pharmacy chain. For aggressive escalation of the project and to take the advantage of first movers, the Company has incurred huge working capital expenses in the project. The Company is poised that with increasing numbers of new stores and sales volume, the Company shall able to tapering the effect of expenses.
(3) Expected increase in productivity and profits in measurable terms	

The Board recommends the Resolutions as set out at Item no. 4, 5, 6 & 7 of the Notice as Special Resolutions, for approval of the Members.

Pursuant to Section 102 of the Companies Act, 2013, The Board of Directors of the Company do hereby confirm that except Mr. Moxesh Ketanbhai Zota and Mr. Ketankumar Chandulal Zota, to the extent of their shareholding none of its Director or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, in the item no. 4.

Pursuant to Section 102 of the Companies Act, 2013, The Board of Directors of the Company do hereby confirm that except Mr. Kamlesh Rajanikant Zota, to the extent of his shareholding; none of its Director or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, in the aforesaid item no. 5.

Pursuant to Section 102 of the Companies Act, 2013, The Board of Directors of the Company do hereby confirm that except Mr. Himanshu Muktilal Zota, to the extent of his shareholding; none of its Director or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, in the aforesaid item no. 6

Pursuant to Section 102 of the Companies Act, 2013, The Board of Directors of the Company do hereby confirm that except Mr. Manukant Chandulal Zota and Mr. Ketankumar Chandulal Zota, to the extent of his shareholding; none of its Director or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, in the aforesaid item no. 7.

Item No. 8:

Mr. Laxmi Kant Sharma (DIN: 10266796) was appointed as the Additional Director to be designated as Executive Director of the Company by the Board of Directors of the Company in its meeting held on 26 August, 2023. In terms of Section 161(1) of the Companies Act, 2013. Mr. Laxmi Kant Sharma can hold office only up to the date of the ensuing Annual General Meeting.

On the recommendation of Nomination and Remuneration Committee of the Board of Directors of the Company, The Board of Directors has appointed him as Executive Director for the term of five years starting from 26 August, 2023, subject to the members approval in ensuing general meeting and he is liable to retire by rotation. He will receive the remuneration of ₹ 70,000/- per month and sitting fees of ₹ 5000/- per meeting. The Board is of the opinion that the appointment and presence of Mr. Laxmi Kant Sharma on the Board as the Managing will be desirable, beneficial and in the best interest of the Company.

The Company has received the consent from Mr. Laxmi Kant Sharma as required under the provisions of Section 152 of the Companies Act, 2013 and the Rules framed thereunder and also declaration confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The brief profile of Mr. Laxmi Kant Sharma in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) are provided in the note no. 22 of this Notice.

The performance of the Company have improved and is expected to improve further in the coming years. However, in view of adverse conditions, it incur losses due to uncontrollable reasons, resulting in inadequate profits to pay managerial remuneration. In such an event, Mr. Laxmi Kant Sharma, may be entitled to minimum remuneration. Accordingly, the statement as required under Section II, Part II of the Schedule V to the Act with reference to Special Resolution at Item No. 8 is as follow:

1. General Information

- a) **Nature of Industry:** The Company is engaged in manufacturing and marketing of pharmaceutical products and caters both domestic and international markets.
- b) **Date or expected date of commencement of commercial production:** July, 2000
- c) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** N.A.
- d) **Financial performance based on given indicators:**

(₹ in Lakhs)

Particulars	Standalone	
	For The Year Ended 31 March, 2023	For The Year Ended 31 March, 2022
Revenue from operations	13836.60	13153.33
Other Income	255.87	164.56
Profit/(loss) before tax and Exceptional Items	808.50	1419.14
Exceptional Items	53.79	-
Profit/(loss) before Taxation	862.29	1419.14
Income Tax	204.68	368.84
Deferred Tax	1.75	7.71
Profit after Taxation	659.35	1058.01

- e) **Foreign Investments or collaborations, if any:**

During the last financial year, the Company has neither made any foreign investment nor entered into any foreign collaboration. The Company has foreign investments and collaboration which has been done in past financial years are as below:

Date of making investments	Name of entity in which investment has been made	Amount (in ₹)
06-07-18	Zota Health Care Lanka (Pvt) Ltd	86680

2. Information about the appointee

- a) **Background details:**

The background details and profile of Mr. Laxmi Kant Sharma stated in "Brief resume of the Director including nature of expertise in specific functional areas and Experience" in note no. 22 to this notice.

- b) **Past remuneration:**

Mr. Laxmi Kant Sharma has been appointed as the executive director w.e.f. 26 August, 2023. Hence, his past remuneration details are not available.

- c) **Recognition or awards:** N.A.

- d) **Job profile and his suitability:**

Mr. Laxmi Kant Sharma holds Bachelor's degree of B.Sc. in Biology from Rajasthan University, Jaipur He has also done Diploma in Pharmacy from Board of Technical Examinations, Maharashtra. He have acquired a strong foundation in field of retail pharmacy. His professional journey has been marked by diverse roles, ranging from serving as a Medical Representative and Area Sales Manager for 6 years in various pharma companies, to contributing as a pharmacist in a Retail Pharmacy setting for 15 years. He is also associated with the Company from the year 2018 as Manager in Operations of Davaindia stores. He is equipped with a comprehensive understanding of both business and healthcare aspects of the pharmaceutical industry.

e) Remuneration proposed:

The details of proposed remuneration to be paid to Mr. Laxmi Kant Sharma is as below:

- a. Remuneration:** ₹ 70,000/- per month;
- b. Sitting Fees:** ₹ 5000/- per meeting for attending meeting of the Board or Committees thereof.

f) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

Taking into account the Industry in which Company Operates, Size of the Company, Experience, Skills, Expertise's and responsibilities that is being handling by Mr. Laxmi Kant Sharma, the remuneration payable is equivalent with the remuneration packages paid in the peer companies.

g) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Apart from the remuneration paid to Mr. Laxmi Kant Sharma for the position of Executive Director, he does not have any pecuniary relationship directly or indirectly with the Company and its managerial personnel.

3. Other Information

(1) Reasons of loss or inadequate profits	As you all are kind aware that Zota Health Care Limited has launched its most esteemed project DAVAINDIA back in the year 2017, DAVAINDIA is retail generic pharmacy chain.
(2) Steps taken or proposed to be taken for improvement	With the blend of Company Owned Company Operated (COCO) and Franchise Owned Franchise Operated (FOFO) stores under this project more than 594+ stores have already been opened up till 31 March, 2023. As of now DAVAINDIA is India's largest private sector generic pharmacy chain. For aggressive escalation of the project and to take the
(3) Expected increase in productivity and profits in measurable terms	advantage of first movers, the Company has incurred huge working capital expenses in the project. The Company is poised that with increasing numbers of new stores and sales volume, the Company shall able to tapering the effect of expenses.

Pursuant to Section 102 of the Companies Act, 2013, The Board of Directors of the Company do hereby confirm that except Mr. Laxmi Kant Sharma; none of its Director or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, in the aforesaid item no. 8.

The Board of Directors recommends the Special Resolution as set out in Item No. 8 in the Notice for approval of the Shareholders.

Item No. 9:

Considering the present board composition and taking into consideration the appointment of Mr. Laxmi Kant Sharma as the executive director on the Board of the Company and in accordance with the provisions of Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to have at least half of the total number of Directors on the Board as Independent Directors; Mr. Dhaval Chandubhai Patwa (DIN: 10283028) was appointed as an Additional Director designated as Independent Director of the Company by the Board of Directors of the Company in its meeting held on August 26, 2023. In terms of Section 161(1) of the Companies Act, 2013. Mr. Dhaval Chandubhai Patwa can hold office only up to the date of the ensuing Annual General Meeting.

On the recommendation of Nomination and Remuneration Committee of the Board of Directors of the Company, The Board of Directors has appointed him as a Non-Executive designated as an Independent Director for the term of consecutive five years starting from 26 August, 2023, subject to the member's

approval in ensuing general meeting and he is not liable to retire by rotation. Apart from the sitting fees as may be decided by the Board of Directors from time to time for attending Board or Committee meetings, he will not receive any remuneration. Mr. Dhaval Chandubhai Patwa is independent to the Company and possesses required qualifications and skills.

The Company has received the consent from Mr. Dhaval Chandubhai Patwa as required under the provisions of Section 149(6) of the Companies Act, 2013 and the Rules framed thereunder as well as Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also declaration confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

Further, the name of Mr. Dhaval Chandubhai Patwa is already there in the Independent Director's Databank and considering his experience as a practicing chartered accountant he has got exempted from the clearing the online proficiency self-assessment test as mandated by the Indian Institute of Corporate Affairs.

In the opinion of the Board of Directors, Mr. Dhaval Chandubhai Patwa possesses the requisite integrity, expertise and experience and fulfil the criteria of Independence as specified under Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time.

The brief profile of Mr. Dhaval Chandubhai Patwa in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) are provided in note no. 22 of this Notice.

Pursuant to Section 102 of the Companies Act, 2013, The Board of Directors of the Company do hereby confirm that except Mr. Dhaval Chandubhai Patwa; none of its Director or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, in the aforesaid item no. 9.

The Board of Directors recommends the Special Resolution as set out in Item No. 9 in the Notice for approval of the Shareholders.

Item No. 10:

The members of the Company in 14th Annual General Meeting dated 30 September, 2014 and 19th Annual General Meeting dated 21 day of September, 2019 have approved the series of related party transactions which contains various parties, in which members have also approved related party transactions for paying remuneration to Mr. Kamlesh Rajanikant Zota, Mr. Himanshu Muktilal Zota, Mr. Manukant Chandulal Zota, Whole-Time Directors of the Company and Mr. Moxesh Ketanbhai Zota, Managing Director of the Company. And also the salaries paid to Mr. Niral Muktilal Zota and Mr. Viren Manukant Zota, the Senior Marketing Managers of the Company.

With effect from 1 October, 2023, the Company is going to revise the remuneration payable to the Directors as below:

Particulars	Name of the Directors			
	Mr. Moxesh Ketanbhai Zota, Managing Director	Mr. Kamlesh Rajanikant Zota, Whole-Time Director	Mr. Himanshu Muktilal Zota, Whole-Time Director	Mr. Manukant Chandulal Zota, Whole-Time Director
Remuneration	₹ 3,50,000/-	₹ 3,50,000/-	₹ 3,50,000/-	₹ 1,50,000/-
Commission	0.1% of Annual Turnover	0.1% of Annual Turnover	0.1% of Annual Turnover	--
Sitting Fees	₹ 5000/- per meeting	₹ 5000/- per meeting	₹ 5000/- per meeting	₹ 5000/- per meeting

Further, the salaries paid to Mr. Niral Muktilal Zota and Mr. Viren Manukant Zota, the Senior Marketing Managers of the Company shall be revised to ₹ 70,000/- per month and commission of 0.2% of annual turnover.

In terms of revision in remuneration payable to Mr. to Mr. Kamlesh Rajanikant Zota, Mr. Himanshu Muktilal Zota, Mr. Manukant Chandulal Zota, Whole-Time Directors of the Company and Mr. Moxesh Ketanbhai Zota, Managing Director of the Company with effect from 1 October, 2023; the total monthly remuneration payable to the directors is exceeding the threshold of ₹ 2.5 Lakhs per month. Further, the salaries and commission payable to Mr. Niral Muktilal Zota and Mr. Viren Manukant Zota, the Senior Marketing Managers of the Company might exceeds the threshold of ₹ 2.5 Lakhs per month. As per provisions of section 188 of the Companies Act, 2013 read with rules made thereunder whenever the monthly salaries or remuneration paid to the related parties exceeds ₹ 2.5 Lakhs per month then approval of the members by way of ordinary resolution required. Hence, in view of proposed revision of remuneration and salaries of related parties; it is required to obtain members approval.

Further, Regulation 23 of the SEBI Listing Regulations, inter alia, states that effective from 1 April, 2022, all Material Related Party Transactions ('RPT') shall require prior approval of the shareholders by means of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm's length pricing basis. A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹ 1,000 crore or 10% of the annual consolidated turnover of a listed entity as per the last audited financial statements of the listed entity, whichever is lower. The proposed revision in remuneration and salaries of the related parties as stated above might exceeds the threshold of material related party transaction. Hence, it is required to obtain members approval.

Nature of related party transaction for which member's approval is sought is as below:

Name of Individual/ Company/ Partnership firm with whom Company has entered into related party transactions	Mr. Moxesh Ketanbhai Zota (Managing Director) (DIN:07625219)	Mr. Kamlesh Rajanikant Zota (Whole-Time Director) (DIN: 00822705)	Mr. Himanshu Muktilal Zota (Whole-Time Director) (DIN: 01097722)	Mr. Manukant Chandulal Zota (Whole-Time Director) (DIN: 02267804)	Mr. Laxmi Kant Sharma (Executive Director) (DIN: 10266796)	Mr. Dhaval Chandubhai Patwa (Non-Executive Independent Director) (DIN: 10283028)
Person who is interested in Related Party Transaction along with designation	Mr. Ketankumar Chandulal Zota (Chairman) and Mr. Moxesh Ketanbhai Zota (Managing Director)	Mr. Kamlesh Rajanikant Zota (Whole-Time Director)	Mr. Himanshu Muktilal Zota (Whole-Time Director)	Mr. Ketankumar Chandulal Zota (Chairman) and Mr. Manukant Chandulal Zota (Whole-Time Director)	Mr. Himanshu Muktilal Zota, (Whole-Time Director)	Mr. Manukant Chandulal Zota, (Whole-Time Director)
Amount/ Value Involved in transaction	Remuneration of ₹ 3.5 Lakhs per month + commission of 0.1% of annual turnover	Remuneration of ₹ 3.5 Lakhs per month + commission of 0.1% of annual turnover	Remuneration of ₹ 3.5 Lakhs per month + commission of 0.1% of annual turnover	Remuneration of ₹ 1.5 Lakhs per month	Salary of ₹ 0.70 Lakhs per month + commission of 0.2% of annual turnover	Salary of ₹ 0.70 Lakhs per month + commission of 0.2% of annual turnover
Tenure	with effect from 1 October, 2023 for the remaining period of his present term of appointment up to 6 October, 2026	with effect from 1 October, 2023 for the remaining period of his present term of appointment up to 31 March, 2025	with effect from 1 October, 2023 for the remaining period of his present term of appointment up to 31 March, 2025	with effect from 1 October, 2023 for the remaining period of his present term of appointment up to 31 March, 2025	--	--
Nature of Transaction	Remuneration	Remuneration	Remuneration	Remuneration	Salary (holding place of profit)	Salary (holding place of profit)

The related party transactions with Mr. Kamlesh Rajanikant Zota, Mr. Himanshu Muktilal Zota, Mr. Manukant Chandulal Zota, Whole-Time Directors of the Company and Mr. Moxesh Ketanbhai Zota, Managing Director of the Company and Mr. Niraj Muktilal Zota and Mr. Viren Manukant Zota, the Senior Marketing Managers of the Company, have already been approved by first the Audit Committee of the Company in its meeting held on 14 August, 2023 and the same have been further approved by the Board of Directors in its meeting held on 14 August, 2023.

The Board Directors recommend the matter and the resolution set out under Item no. 10 for the approval of the Members by way of passing an Ordinary Resolution.

Pursuant to Section 102 of the Companies Act, 2013, The Board of Directors of the Company do hereby confirm that except the parties as aforementioned involved in this resolution and Mr. Ketankumar Chandulal Zota, Chairman of the Company, to the extent of their shareholding none of its Director or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, in the aforesaid item no 10.

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 31 March, 2023.

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 Year Ended 31 March, 2023	For The Year Ended 31 March, 2022	For The Year Ended 31 March, 2023	For The Year Ended 31 March, 2022
Revenue from operations	13836.60	13153.33	13995.69	13119.31
Other Income	255.87	164.56	195.61	163.04
Profit/ (loss) before tax and Exceptional Items	808.50	1419.14	(522.89)	1243.48
Exceptional Items	53.79	-	53.79	-
Profit/ (loss) before Taxation	862.29	1419.14	(469.10)	1243.48
Income Tax	204.68	368.84	204.69	368.85
Deferred Tax	1.75	7.71	96.51	16.13
Profit after Taxation	659.35	1058.01	577.28	890.76

DIVIDEND

The Board of Directors are gratified to recommend the final dividend at the rate of 10% i.e. ₹ 1/- per equity share for the financial year 2022-23. 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 31 March, 2023; the Company has transferred ₹ 14,466/- to the Investor and Education Protection Fund ('IEPF') in respect of the unclaimed dividend of Company for financial year 2014-15. 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 2022-23.

STATEMENT OF COMPANY'S AFFAIRS

The fiscal year 2022-23 has remained intact and in-line with the growth prospects set out in the fiscal year 2021-22. In light of the future requirements, the Company has improved the basic infrastructures which includes but not limited to shifting entire dispatch to the new third-party state-of-art modern central warehouse and plant upgradation exercise at Surat Special Economic Zone. The new central warehouse will helps company to take competitive edged in foreseeable future and deliver our goods to the customers at shorter period of time. Further, the

upgraded plant at SEZ Plant will boost manufacturing efficiency and will also help us to get EU GMP approved the plant.

Due to infrastructural improvements during the fiscal year 2022-23 the overall performance of the Company has remained flattish. The Revenues from operations in financial year 2022-23 grew by 5.2% YoY driven by higher revenue growth of Davaindia.

During the year, Revenues from Davaindia has been grew by 30.40% YoY and Revenues from Domestic business has remained subdued and the same has been declined marginally by (0.5%) on YoY basis. Revenue of Export business has been declined due to unviability of the plant due to plant upgradation exercise and the same has been declined by (18.1%) on YoY basis. During the year, EBITDA stood at 1056.81 Lakhs as compared to ₹ 1699.51 Lakhs during the preceding financial year. PAT stood at ₹ 659.4 Lakhs as compared to ₹ 1058.01 Lakhs during the preceding financial year due to high operation expenses of Davaindia. Performance of various business verticals of the Company during financial year 2022-23 is as below:

DOMESTIC BUSINESS*

During the year, with ever increasing awareness of generic drugs and larger network of Davaindia Generic Pharmacy Chain have pushed sales of Davaindia resulted in increased sales of Davaindia, helps to improve the overall sales of Domestic business. During the year, domestic Revenue was up by 12.14% on YoY basis at ₹ 11369.85 Lakhs. EBITDA was at ₹ 627.90 Lakhs due to optimized operational expenses of Davaindia and PAT was up by at ₹ 535.45 Lakhs in FY23.

*Here, Domestic business includes operations of DAVAINDIA.

EXPORT BUSINESS

During the year, the revenue from Export business has been declined on account of unviability of plant due to plant upgradation exercise carried out during the Q3FY24 & Q4FY23. In FY 23 Exports Revenues decreased by 18.1% at ₹ 2466.75 Lakhs. EBITDA at ₹ 428.91 Lakhs with healthy margins of 16.66% and PAT at ₹ 329.80 Lakhs for FY23.

DAVAINDIA

- During the FY22 Revenues from Davaindia operations has grown 30.39% on YoY at ₹ 5419.4 Lakhs.
- Davaindia has led the revolution of patients opting for generic medicines against branded counterparts. As of FY23, Davaindia has catered to more than 8.5 million happy customers.
- Davaindia expansions continues, in FY23 taking the total operational stores count to 594 which included 493 Franchisee Owned Franchisee Operated (FOFO) and 101 Company Owned Company Operated (COCO) stores, which are being operated by M/s Davaindia Health Mart Limited, the wholly owned subsidiary of the Company.
- A higher number of ~ 1,700 SKU's with around 100% 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 served and the average wallet spends have been increased QoQ basis during the FY23 are as below:

Particulars	Quarter Ended			
	Q1-FY23	Q2-FY23	Q3-FY23	Q4-FY23
No. of Customers Served (in Lakhs)	6.4	7.6	8.6	9.4
Average Wallet Spends (₹)	248	254	269	268

Note: Figures shown herein above included operation of FOFO & COCO stores.

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 31 March, 2023.

MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR

After completion of financial year on 18 July, 2023; the Company has issued and allotted 6,87,000 equity shares on preferential basis to the persons covered under non-promoter group category at the rate of ₹ 303/- per equity shares, which included premium of ₹ 293/- per equity share, on the same date the Company has also issued and allotted 6,87,000 fully convertible warrants at the issue price of ₹ 303/- out of which 25% upfront money i.e. 75.75/- per warrant has already been received by the Company, balance 75% payment against the warrant has to be received within 18 months from the date of allotment. On receipt of full amount of warrant issue price, the warrant will be convertible into fully paid up equity share capital. Apart from this 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 Twelve (12) directors; one Non-Executive Chairman, one Managing Director, three Whole-time Directors, one Additional Executive Director, one Additional Non-Executive Independent Director and remaining five being the Non-Executive 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
Mr. Laxmi Kant Sharma*	Additional Executive Director
Mr. Dhaval Chandubhai Patwa*	Additional Non-Executive Independent Director

*Appointments of Mr. Laxmi Kant Sharma and Mr. Dhaval Chandubhai Patwa have been made after the completion of financial year 2022-23; on 26 August, 2023.

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. Himanshu Muktilal Zota, Whole-Time 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
Dr. Sujit Paul	Chief Executive Officer

Dr. Sujit Paul as the Chief Executive Officer of the Company w.e.f. January 16, 2023. Apart from this during the year there was no change in the Key Managerial Personnel of the Company. \

MEETING OF THE BOARD OF DIRECTORS

The Board of Directors of the company have met Six (6) times during the year. Details of the same are stated as below:

Sr. No.	Date of Meeting	Board Strength	No. of Director Present
1	30/05/2022	10	10
2	13/08/2022	10	10
3	02/09/2022	10	10
4	14/11/2022	10	10
5	11/01/2023	10	10
6	13/02/2023	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

The Company has in place a robust process for approval of Related Party Transactions and on Dealing with Related Parties. The Material Related Party Transactions approved by the Members of the Company are also reviewed/monitored on quarterly basis by the Audit Committee of the Company as per Regulation 23 of the Listing Regulations and Section 177 of the Companies Act, 2013.

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.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is available on the Company's website and can be accessed at chrome- <https://www.zotahealthcare.com/wp-content/uploads/2022/02/Policy-on-Related-Party-Transactions.pdf>.

The company has carried out varied CSR activities during the financial year 2022-23, 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	09/04/2022	3	3
2	29/07/2022	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

The Committee members including the Chairman of the Committee are 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

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

"Finding ourselves in the service of society"

In alignment with the purpose stated above our Company has from the very beginning of applicability of Corporate Social Responsibility, made and continuous to make and 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.

THE COMPANY DURING THE YEAR UNDER REVIEW YOUR COMPANY CONTINUED TO FOCUS ON THE ANIMAL WELFARE AND PROMOTING EDUCATION OBJECTIVES.

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

During the year, the members of Committee met only once. Details of the Meetings are stated as below:

Sr. No.	Date of Meeting	Strength of Committee	No. of Members Present
1	03/01/2023	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.

- The Committee also administers the Company's Employee Stock Option Schemes formulated from time to time including "Zota- Employee Stock Option Plan-2022" and takes appropriate decisions in terms of the concerned Scheme(s).

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_Managerial_Personnel_and_Senior_Management_Employee.pdf

AUDIT COMMITTEE

The members of Audit Committee of the Company including the Chairman are Independent Directors except Mr. Himanshu Muktilal Zota and possess requisite qualifications and strong financial knowledge. 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 four (4) times, details of the same are as stated below:

Sr. No.	Date of Meeting	Strength of Committee	No. of Members Present
1	30/05/2022	4	4
2	13/08/2022	4	4
3	14/11/2022	4	4
4	13/02/2023	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 meeting is as follows:

Sr. No.	Date of Meeting	Strength of Committee	No. of Members Present
1	29/03/2023	3	3

INDEPENDENT DIRECTORS' MEETING

The Independent Directors met on 29 March, 2023, 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 behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or policy and makes provision for direct access to the Chairman of the Audit Committee. 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. Risk management process has been established across the Company and is designed to identify, assess and frame a response to threats that affect the achievement of its objectives and all the major functions and revolves around the objectives of the organization. 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:

- That in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departments;
- 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 if 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 2021-22. Mr. Ranjit Binod Kejriwal is a peer reviewed auditor. The Secretarial Audit Report for the financial year 2022-23, 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 of the Companies Act, 2013, Cost Audit is applicable for following businesses such as Coffee, Drugs and Pharmaceuticals, Insecticides, Milk Powder, Organic Chemicals, Other Machinery, Petroleum Products and Tea, etc. 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 CEO & CFO have 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 2022-23. The certificate received from CEO & 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 30 May, 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 Chief Executive Officer 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 30 May, 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,

UTILISATION OF FUNDS

The details of utilization of funds raised through preferential allotment as at 31 March, 2023 are as below:

Original Object	Original allocation (₹ in Lakhs)	No. of Members Present(₹ in Lakhs)
Expansion of DAVAINDIA Project	1500.00	1500.00
Working capital requirement	150.00	150.00
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 31 March, 2023; 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:

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, the Company has not issued and allotted any shares. However, after completion of financial year on 18 July, 2023; the Company has issued and allotted 6,87,000 equity shares on preferential basis to the persons covered under non-promoter group category at the rate of ₹ 303/- per equity shares, which included premium of ₹ 293/- per equity share, on the same date the Company has also issued and allotted 6,87,000 fully convertible warrants at the issue price of ₹ 303/- out of which 25% upfront money i.e. 75.75/- per warrant has already been received by the Company, balance 75% payment against the warrant has to be received within 18 months from the date of allotment. On receipt of full amount of warrant issue price, the warrant will be convertible into fully paid up equity share capital. 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 ₹ 25.85 crores and on fully diluted basis it stood at ₹ 26.53 crores.

Particulars	Amount (₹ in Lakhs)
total assets	0.95
total revenues	0.00
total net profit	(0.08)

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 31 March, 2023 are as below:

Particulars	Amount (₹ in Lakhs)
total assets	6619.11
total revenues	1460.95
total net loss	(1129.04)

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_Subsiary.pdf

ESOP PLAN

Pursuant to the approval of the Members at the Extraordinary General Meeting held on 17 February, 2023, the Company adopted the '**Zota Health Care - Employee Stock Option Plan 2022**' ("ZHL ESOP 2022"). With a view to reward the eligible and potential Employees for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Scheme to attract and retain talents in the organization. The Company views Employee Stock Options as a means that would enable the Employees to get a Share in the value they create for the Company in future. The Company has '**Employee Stock Option Scheme namely, Zota Health Care - Employee Stock**

Option Plan 2022' ("ZHL ESOP 2022"), stock options under ZHL ESOP 2022 are yet to be granted.

The details of **ZHL ESOP 2022** pursuant to SEBI (Share Based Employee Benefits and Sweat Equity), Regulations, 2012, as at 31 March, 2023 is uploaded on the website of the Company web link: https://www.zotahealthcare.com/wp-content/uploads/2023/09/ESOP_Disclosure_2022-23.pdf. In terms of Regulation 13 SEBI (Share Based Employee Benefits and Sweat Equity), Regulations, 2012, the Certificate from PCS Ranjit Kejriwal, Secretarial Auditor, would be placed before the shareholders at the ensuing AGM and is also attached herewith as **Annexure - 11**.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

As stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility & Sustainability 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 - 12** and is also made available on the Website of the Company at https://www.zotahealthcare.com/wp-content/uploads/2023/09/Zota-AR23_BRSR.pdf

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.

OTHER DISCLOSURES

There are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016 and there is no instance of one-time settlement with any Bank or Financial Institution.

CYBER SECURITY INCIDENT

During the year, there are no incidents of cyber security breach reported.

ACKNOWLEDGEMENT

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

For and on behalf of the Board
ZOTA HEALTH CARE LIMITED

Date: 4 September, 2023
Place: Surat

Sd/-
Moxesh K. Zota
(Managing Director)
(Din: 07625219)

Sd/-
Himanshu M. Zota
(Whole-Time Director)
(Din: 01097722)

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	Dr. Sujit Paul	CEO	Salary & Commission	N.A.	N.A.	11.01.2023	NIL
12	HeliRitesh Shah	Director's relative	Salary	N.A.	₹ 0.15 Lakhs per month	12.10.2018	NIL
13	Himanshu M. Zota	Whole-Time Director	Commission	N.A.	Commission on sales, 0.1% of annual turnover	21.08.2019	NIL
14	Kamlesh R. Zota	Whole-Time Director	Commission	N.A.	Commission on sales, 0.1% of annual turnover	21.08.2019	NIL
15	Manukant C. Zota	Whole-Time Director	Commission	N.A.	Commission on sales, 0.1% of annual turnover	21.08.2019	NIL
16	Moxesh K. Zota	Managing Director	Commission	N.A.	Commission on sales, 0.1% of annual turnover	25.06.2021	NIL

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. Ketankumar C. Zota	Non-executive Chairman	Sitting Fees	N.A	₹ 0.05 Lakhs per meeting	^	N.A.
18	Mr. Moxesh K. Zota	Executive Managing Director	Sitting Fees	N.A	₹ 0.05 Lakhs per meeting	^	N.A.
19	Mr. Himanshu M. Zota	Executive Whole Time Director	Sitting Fees	N.A	₹ 0.05 Lakhs per meeting	^	N.A.
20	Mr. Manukant C. Zota	Executive Whole Time Director	Sitting Fees	N.A	₹ 0.05 Lakhs per meeting	^	N.A.
21	Mr. Kamlesh R. Zota	Executive Whole Time Director	Sitting Fees	N.A	₹ 0.05 Lakhs per meeting	^	N.A.
22	Mrs. Varshababen Gaurang Mehta	Non-Executive Independent Director	Sitting Fees	N.A	₹ 0.05 Lakhs per meeting	^	N.A.
23	Mrs. Bhumi Maulik Doshi	Non-Executive Independent Director	Sitting Fees	N.A	₹ 0.05 Lakhs per meeting	^	N.A.
24	Mr. Vitrag Sureshkumar Modi	Non-Executive Independent Director	Sitting Fees	N.A	₹ 0.05 Lakhs per meeting	^	N.A.
25	Mr. Dhiren Prafulbhai Shah	Non-Executive Independent Director	Sitting Fees	N.A	₹ 0.05 Lakhs per meeting	^	N.A.
26	Mrs. Jayshreeben Nileshkumar Mehta	Non-Executive Independent Director	Sitting Fees	N.A	₹ 0.05 Lakhs per meeting	^	N.A.
27	Davaindia Health Mart Limited	Wholly Owned Subsidiary Company	Interest	Unsecured loan for the tenure of seven years	Interest of 7.30% per annum	03.02.2023	N.A.
28	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 25 June, 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.

For and on behalf of the Board
ZOTA HEALTH CARE LIMITED

Date: 4 September, 2023
Place: Surat

Sd/-
Moxesh K. Zota
(Managing Director)
(Din: 07625219)

Sd/-
Himanshu M. Zota
(Whole-Time Director)
(Din: 01097722)

Annexure-2

Annual Report on CSR Activities for financial year 2022-23

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES AS PER SECTION 135 OF THE COMPANIES ACT, 2013

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.

The CSR Committee so constituted formulated Policy on Corporate Social Responsibility (CSR Policy) and the Board of Directors of the Company ('Board') has approved the same as per recommendation of CSR Committee. Web link: <http://www.zotahealthcare.com/wp-content/uploads/2021/07/CSR-PolicyV2.pdf>

2. Composition of the CSR Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	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	Chairman Whole-Time Director	2	2
2.	Mr. Ketankumar Chandulal Zota	Member Non-Executive Chairman	2	2
3.	Mrs. Varshababen Gaurang Mehta	Member Non-Executive Independent Director	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. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.: Not Applicable

5. Average net profit of the Company for last three financial year:

Financial Year	Profit as per Section 198 (Amount in Lakhs)
2019-20	388.02
2020-21	(134.42)
2021-22	1419.14
Total Profit during last three years	1775.62
Average Profit during last three years	591.87

(a) Two percent of average net profit of the Company as per Section 135(5) i.e. for last three financial years: ₹ 11.84 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: NIL

(d) Total CSR obligation for the financial year (5a+5b-5c): ₹ 11.84 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Company spent on CSR Projects other than Ongoing Project and detail mentioned in Annexure-A
- (b) Amount spent in Administrative Overheads: NIL
- (c) Amount spent on Impact Assessment, if applicable: NIL
- (d) Total amount spent for the Financial Year (a+b+d+e): ₹ 15.59 Lakhs
- (e) CSR amount spent or unspent for the Financial Year: NIL

Total Amount Spent for the Financial Year (in ₹)	Amount unspent (in Lakhs.)				
	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 Fund	Amount	Date of Transfer
₹ 15.59 Lakhs	--	--	--	--	--

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

Sr. No.	Particular	Amount in Lakhs.
(1)	(2)	(3)
1.	Two percent of average net profit of the Company as per Section 135(5)	11.84
2.	Total amount spent for the Financial Year	15.59
3.	Excess amount spent for the financial year [(ii)-(i)]	3.75
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5.	Amount available for set-off in succeeding financial years [(iii)-(iv)]	3.75

7. Details of Unspent CSR amount for the preceding three financial years: Not Applicable

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9. 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

Annexure A

1	2	3	4	5	6	7	8	9	10	
Sr. No.	Name of Project	Item from the list of activities in schedule VII of the act	Local area yes/no	Location of the project		Amount allocated for the project (in ₹)	Amount spent in the current financial year	Amount transferred to unspent CSR account for the project as per Section 135(6)	Mode of implementation	
				State	District				-Direct (yes/No)	Name of implementation agency
1	Animal Welfare	IV	No	Gujarat	Patan	1508000	No	Jivdaya Gaushala Charitable Trust, Varahi	CSR00008951	1
										Animal Welfare
2	Promoting Education	II	No	Gujarat	Ahemdabad	51000	No	L.M College of Pharmacy, Ahemdabad	CSR00017216	2
										Promoting Education

For and on behalf of the Board
ZOTA HEALTH CARE LIMITED

Sd/-
Moxesh K. Zota
(Managing Director)
(Din: 07625219)

Sd/-
Himanshu M. Zota
(Whole-Time Director)
(Din: 01097722)

Date: 4 September, 2023
Place: Surat

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 five (5) Executive Directors and seven (7) 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 twelve (12) directors which includes one (1) Non-Executive Chairman, one (1) Managing Director, three (3) Whole-time Directors, (1) Additional Executive Director, (1) Additional Non-Executive Independent 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
Mr. Laxmi Kant Sharma*	Additional Executive Director
Mr. Dhaval Chandubhai Patwa*	Additional Non-Executive Independent Director

*Appointments of Mr. Laxmi Kant Sharma and Mr. Dhaval Chandubhai Patwa have been made after the completion of financial year 2022-23; on 26 August 26, 2023.

The Details of Directorship held by the Directors as on 31 March, 2023 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 31.03.2023
			Member	Chairman				
Mr. Ketankumar Chandulal Zota	Chairman/PD/NED	NIL	NIL	NIL	NIL	YES	6	3051363
Mr. Moxesh Ketanbhai Zota	MD/ED	1	NIL	NIL	NIL	YES	6	494150

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 31.03.2023
			Member	Chairman				
Mr. Himanshu Muktilal Zota	WTD/PD/ED	1	NIL	NIL	NIL	YES	6	3232780
Mr. Manukant Chandulal Zota	WTD/PD/ED	NIL	NIL	NIL	NIL	YES	6	2182070
Mr. Kamlesh Rajanikant Zota	WTD/PD/ED	1	NIL	NIL	NIL	YES	6	1991103
Mrs. Varshababen Gaurang Mehta	ID/NED	NIL	NIL	NIL	NIL	YES	6	4838
Mrs. Bhumi Maulik Doshi	ID/NED	Nil	Nil	Nil	NIL	YES	6	1400
Mr. Vitrag Sureshkumar Modi	ID/NED	Nil	Nil	Nil	NIL	YES	6	704
Mr. Dhiren Prafulbhai Shah	ID/NED	Nil	Nil	Nil	NIL	YES	6	0
Mrs. Jayshreeben Nileschkumar Mehta	ID/NED	Nil	Nil	Nil	NIL	YES	6	1700
Mr. Laxmi Kant Sharma*	AED	Nil	Nil	Nil	NIL	N.A.	N.A.	0
Mr. Dhaval Chandubhai Patwa*	ANEID	Nil	Nil	Nil	NIL	N.A.	N.A.	0

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

*Appointments of Mr. Laxmi Kant Sharma and Mr. Dhaval Chandubhai Patwa have been made after the completion of financial year 2022-23; on August 26, 2023.

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 Six (6) Board Meetings held during the financial year 2022-23; the details of the same are as follow:

30/05/2022 13/08/2022 02/09/2022 14/11/2022 11/01/2023 13/02/2023

(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: <https://www.zotahealthcare.com/wp-content/uploads/2023/04/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.

	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		√		√		√	√
Mr. Vitrag Sureshkumar Modi Independent Director		√		√	√	√	√
Mr. Dhiren Prafulbhai Shah Independent Director	√	√	√			√	√
Mrs. Jayshreeben Nileshkumar Mehta Independent Director	√	√	√			√	√
Mr. Laxmi Kant Sharma* Additional Executive Director	√	√	√			√	√
Mr. Dhaval Chandubhai Patwa* Additional Non-Executive Independent Director		√		√	√	√	√

*Appointments of Mr. Laxmi Kant Sharma and Mr. Dhaval Chandubhai Patwa have been made after the completion of financial year 2022-23; on 26 August, 2023.

(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 29 March, 2023, 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.

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 Four (4) times during the financial year 2022-23; the details of the same are as follows:

30/05/2022 13/08/2022 14/11/2022 13/02/2023

Attendances of members for the meetings of Audit Committee held during the year 2022-23 are as below:

Name	Categories	No. of Meeting Attended
Mr. Vitrag Sureshkumar Modi	Chairman	4
Mrs. Varshababen Gaurang Mehta	Member	4
Mr. Himanshu Muktilal Zota	Member	4
Mrs. Bhumi Maulik Doshi	Member	4

The term of reference of Audit Committee is as below:

- (i) Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- (ii) Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- (iii) Examination of the financial statement and auditor's report thereon.
- (iv) Approval or any subsequent modification of transactions of the company with related parties.
- (v) Scrutiny of inter-corporate loans and investments.
- (vi) Valuation of undertakings or assets of the company, wherever it is necessary.
- (vii) Evaluation of internal financial controls and risk management systems.
- (viii) Monitoring the end use of funds raised through public offers and related matters.
- (ix) 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 give 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 One (1) time during the financial year 2022-23; the details of the same are as follows:

03/01/2023

Attendances of members for the meetings of Nomination & Remuneration Committee held during the year 2022-23 are as below:

Name	Categories	No. of Meeting Attended
Mrs. Varshababen Gaurang Mehta	Chairman	1
Mr. Dhiren Prafulbhai Shah	Member	1
Mrs. Jayshreeben Nileshkumar Mehta	Member	1

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.
- The Committee also administers the Company's Employee Stock Option Schemes formulated from time to time including "Zota- Employee Stock Option Plan-2022" and takes appropriate decisions in terms of the concerned Scheme(s).
- 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	Categories	Remuneration (₹ In Lakhs)		
		Salary	Commission	Sitting
Mr. Ketankumar Chandulal Zota	Non-executive Chairman	Nil	Nil	0.40
Mr. Moxesh Ketanbhai Zota	Executive Managing Director	18	13.69	0.30
Mr. Himanshu Muktilal Zota	Executive Whole Time Director	18	13.69	0.65
Mr. Manukant Chandulal Zota	Executive Whole Time Director	18	13.69	0.35
Mr. Kamlesh Rajanikant Zota	Executive Whole Time Director	18	13.69	0.30
Mrs. Varshababen Gaurang Mehta	Non-Executive Independent Director	Nil	Nil	0.70
Mrs. Bhumi Maulik Doshi	Non-Executive Independent Director	Nil	Nil	0.55
Mr. Vitrag Sureshkumar Modi	Non-Executive Independent Director	Nil	Nil	0.55
Mr. Dhiren Prafulbhai Shah	Non-Executive Independent Director	Nil	Nil	0.40
Mrs. Jayshreeben Nileshkumar Mehta	Non-Executive Independent Director	Nil	Nil	0.45
Mr. Laxmi Kant Sharma*	Additional Executive Director	N.A.	N.A.	N.A.
Mr. Dhaval Chandubhai Patwa*	Additional Non-Executive Independent Director	N.A.	N.A.	N.A.

*Appointments of Mr. Laxmi Kant Sharma and Mr. Dhaval Chandubhai Patwa have been made after the completion of financial year 2022-23; on August 26, 2023.

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_Management_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 2022-23 on 29/03/2023.

Attendance of members for the meeting of Stakeholder's Relationship Committee held during the year 2022-23 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, Sagrapura, 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 2022-23; the details of the same are as follows:

09/04/2022 29/07/2022

Attendance of members for the meeting of Social Responsibility Committee held during the year 2022-23 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
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) <i>The registered office of the company i.e. Zota House, 2/896, Hira Modi Street, Sagrapura, Surat – 395002, Gujarat was considered as the deemed venue for the meeting.</i>
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) <i>The registered office of the company i.e. Zota House, 2/896, Hira Modi Street, Sagrapura, Surat – 395002, Gujarat was considered as the deemed venue for the meeting.</i>
2021-22	Tuesday, 27 th day of September, 2022 at 11:00 A.M.	The AGM was held through Video Conferencing (VC) or Other Audio Visual Means (OAVM) <i>The registered office of the company i.e. Zota House, 2/896, Hira Modi Street, Sagrapura, Surat – 395002, Gujarat was considered as the deemed venue for the meeting.</i>

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
26 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 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
27 September, 2022	Adoption of Annual Accounts, Auditor's & Director's Report	Ordinary	N.A.*	11651916	N.A.*	0
	Declaration of dividend at the rate of 15%	Ordinary	N.A.*	11651916	N.A.*	0
	Re-appointment of Mr. Ketankumar Chandulal Zota, Director (DIN-00822594), as a director, retire by rotation	Ordinary	N.A.*	11651916	N.A.*	0

*As the 20th, 21st & 22nd AGM of the Company were held through Video Conferencing (VC)/Other Audio Visual Means (OAVM); No votes were casted through Ballot Papers.

b) Postal Ballot:

During the year, two resolutions have been passed and approved through postal ballot process, the voting details of the same are as below:

Date of AGM	Resolution	Ordinary/ Special	Favor		Against	
			Ballot	e-Voting	Ballot	e-Voting
17 February, 2023	To approve 'Zota Health Care - Employee Stock Option Plan 2022'	Special	N.A.*	26076	N.A.*	134
	To extend approval of 'Zota Health Care - Employee Stock Option Plan 2022' to the employees of Holding Company, its Subsidiary Company (ies) and/or Associate Company(ies), Group Company(ies) [present and future]	Special	N.A.*	26076	N.A.*	134

*As the Postal Ballot procedure was conducted only by way of e-voting; No votes were casted through Ballot Papers.

Procedure for Postal Ballot

The Board of Directors of the Company in its meeting held on 11 January, 2023 have decided to obtain the consent of the members by way of Postal Ballot, by way of e-voting only, for the following special businesses:

- 1) To approve 'Zota Health Care - Employee Stock Option Plan 2022'. (Special Resolution)
- 2) To extend approval of 'Zota Health Care - Employee Stock Option Plan 2022' to the employees of Holding Company, its Subsidiary Company (ies) and/or Associate Company(ies), Group Company(ies) [present and future]. (Special Resolution)

The Board of Directors in its meeting held on 11 January, 2023 have appointed Mr. Ranjit R. Kejriwal, Practicing Company Secretary as the Scrutinizer, to conduct the postal ballot, by way of e-voting only, in fair and transparent manner for the items sited out in the notice of Postal Ballot.

The Company had appointed National Securities Depository Limited (NSDL) as a service provider for the purpose of providing remote e-voting facilities to the members of the Company.

The Board of Directors in its meeting held on 11 January, 2023 have approved following calendar of events for the Postal Ballot process:

Event	Date (DD/MM/YYYY) and Day
Intimation of Board Meeting	03.01.2023 Tuesday
Date on which consent is given by the Scrutinizer	03.01.2023 Tuesday
Outcome of Board Meeting	11.01.2023 Wednesday
Date of Appointment of Scrutinizer	11.01.2023 Wednesday
Date of Board Resolution authorizing postal ballot notice	11.01.2023 Wednesday
Submission of Calendar of Events to Stock Exchange, RTA & Depositories	11.01.2023 Wednesday
Creation of EVEN for e-voting	13.01.2023 Friday
Cut-off date for deciding voting rights of the Shareholders	13.01.2023 Friday
Proposed date of Dispatch of Notice of Postal Ballot	16.01.2023 Monday
Completion of Dispatch of Notice of Postal Ballot	16.01.2023 Monday
Newspaper advertisement for Postal Ballot and e-voting	17.01.2023 Tuesday
Submission of Newspaper advertisement to Stock Exchange	17.01.2023 Tuesday
Commencement of Postal Ballot, by way of remote e-voting only	19.01.2023 Thursday AT 9:00 A.M.
Conclusion of Postal Ballot, by way of remote e-voting only	17.02.2023 Friday AT 05:00 P.M.
Last date for casting vote through remote e-voting	17.02.2023 Friday TILL 05:00 P.M.
Resolution Passed Date (deemed general meeting)	17.02.2023 Friday
Receipt of the Scrutinizer Report	18.02.2023 Saturday
Declaration of Results by the Chairman	19.02.2023 Sunday
Submission of Voting Results	19.02.2023 Sunday

The Company has dispatched the Notice of Postal Ballot, by way of e-voting only, to all the members whose name were available on the register of members/list of beneficial owners maintained by National Securities Depository Limited ("NSDL")/ Central Depository Services (India) Limited ("CDSL") as on cut off date Friday, 13 January, 2023. The Company has completed dispatched of the Notice of Postal Ballot on Monday, 16 January, 2023. Apart from this the Company has also dispatched notice of Postal Ballot along with Postal Ballot Form through email to all those members whose email IDs were registered with the Company/RTA/Depository Participants as on the cut off date Friday, 13 January, 2023.

The Notice of the Postal Ballot along with details of e-voting was published in the "Times of India" English edition, Ahmedabad and "Gujarat Guardian" Gujarati edition (Vernacular Language), Surat on 17 January, 2023 as per the requirement of the Companies Act, 2013.

All the votes casted on NSDL's e-voting portal by the shareholders between 19 January, 2023 to 17 February, 2023 up to 5:00 P.M., as date fixed by the Company for the remote e-voting on the postal ballot have been considered by the Scrutinizer for scrutiny purpose.

The Scrutinizer has submitted his report on 18 February, 2023 and the same has been authorized by the Chairman of the Company on February 18, 2023.

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, Sagrampura, 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 due time frame as 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 30 June, 2022	13 August, 2022
Unaudited Financial Results for the quarter and half year ended 30 September, 2022	14 November, 2022
Unaudited Financial Results for the quarter and nine month ended 31 December, 2022	13 February, 2023
Audited Financial Results for the quarter and year ended 31 March, 2023	30 May, 2023

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 & Gujarat Guardian (Vernacular) and Free Press Gujarat & Business Standard (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.

2. Annual Report:

In compliance with the aforesaid 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 15 January, 2021 and Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated 13 May, 2022; Notice of the AGM along with the Annual Report 2021-22 was sent only through electronic mode to all the members whose name were available on the register of members/list of beneficial owners maintained by National Securities Depository Limited ("NSDL")/Central Depository Services (India) Limited ("CDSL") as on cutoff date Friday, 2 September, 2022. Annual Report for the FY 2021-22 has also been uploaded on the NEAPS portal of NSE prior 21 days of the 22nd Annual General Meeting and the same can be accessed from the website of NSE at www.nseindia.com. The Annual Report for the FY 2021-22 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 2021-22 have been sent to the shareholders. The Company has issued a public notice in respect of information regarding 22nd Annual General Meeting scheduled in 'The Times of India', English edition, Ahmedabad on 4 September, 2022 and 'Gujarat Guardian' Gujarati edition, Surat, on 4 September, 2022 as per the MCA Circulars.

3. Postal Ballot:

In compliance with the aforesaid MCA Circulars and the Securities and Exchange Board of India (SEBI) Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January, 2021 and Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated 13 May, 2022; the Notice of Postal Ballot, by way of e-voting only, to all the members whose name were available on the register of members/list of beneficial owners maintained by National Securities Depository Limited ("NSDL")/Central Depository Services (India) Limited ("CDSL") as on cutoff date Friday, 13 January, 2023. The Postal Ballot Notice has also been uploaded on the NEAPS portal of NSE and the same can be accessed from the website of NSE at www.nseindia.com and also uploaded on the website of the Company at www.zotahealthcare.com.

The Notice of the Postal Ballot along with details of e-voting was published in the "Times of India" English edition, Ahmedabad and "Gujarat Guardian" Gujarati edition (Vernacular Language), Surat on 17 January, 2023 as per the requirement of the Companies Act, 2013.

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.

Company has begun the initiative of save tress 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. E-mail 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	Friday, the 29 th day of September, 2023 at 11:00 A.M. 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, Sagrapura, Surat - 395002, Gujarat)
Financial Year	From 1 April to 31 March of the following year
Date of Book Closure	From Saturday, the 23 rd day of September, 2023 to Friday, the 29 th day of September, 2023 (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 30 May, 2023 has recommended dividend at the rate of 10% i.e. ₹ 1/- 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. Friday, 29 September, 2023 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 Friday, 22 September, 2023 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 Friday, 22 September, 2023".

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
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
2020-21	10	30/09/2021	05/11/2028

IEPF- Investor Education and Protection Fund

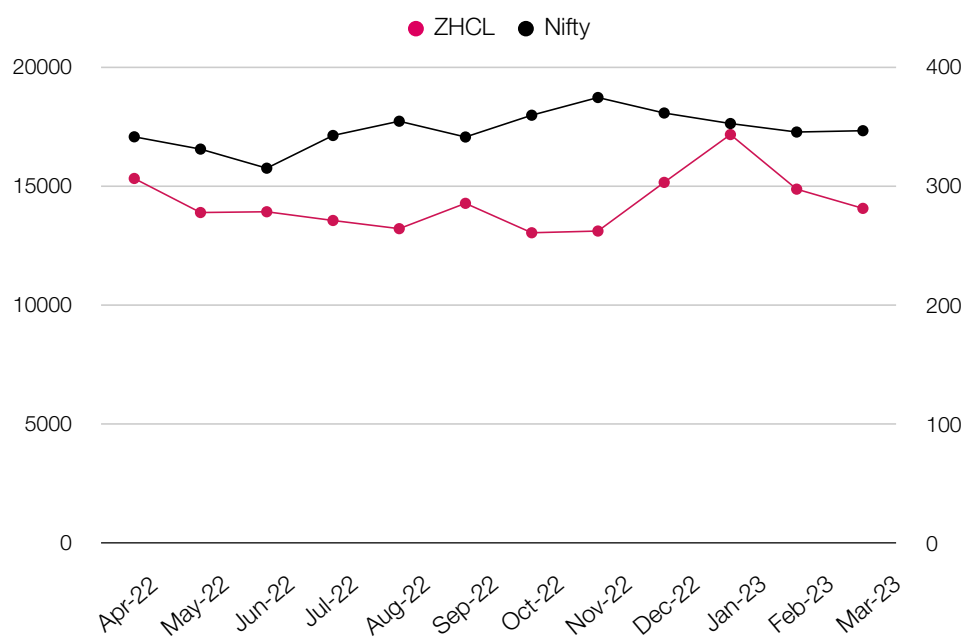
Unpaid/Unclaimed Dividend Transferred to Investor Education and Protection Fund

During the year, the Company has transferred fund amounting ₹ 14,466/- of the unpaid/unclaimed dividend amount of the Financial Year 2014-15 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 of market price high, low for the year 2022-23 is given below:

Month	High (₹)	Low (₹)	Volume (No. of Shares)	Turnover (In Lakhs)
Apr 2022	348.7	299	17,064	1598.85
May 2022	314	257.65	11,705	955.57
June 2022	289	224.95	13,931	1090.6
July 2022	295	257.15	7,166	585.46
Aug 2022	283.6	258.65	8,147	710.27
Sep 2022	350	252.65	36,862	3151.18
Oct 2022	300	258.1	12,874	872.03
Nov 2022	284	257.55	15,017	789.02
Dec 2022	312	251	26,099	2802.84
Jan 2023	377.65	305.95	1,06,434	5055.26
Feb 2023	347.95	295.05	27,374	1247.94
Mar 2023	311.95	270.8	20,722	1932.29



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 31 March, 2023

Nominal Values (₹)	Shareholders	%Age	Total Shares	Amount (₹)	%Age
Upto - 5000	5562	75.35	562773	5627730	2.24
5001 - 10000	670	9.08	517336	5173360	2.06
10001 - 20000	563	7.63	817893	8178930	3.25
20001 - 30000	179	2.43	452134	4521340	1.8
30001 - 40000	103	1.4	356115	3561150	1.42
40001 - 50000	70	0.95	319060	3190600	1.27
50001 - 100000	109	1.48	772834	7728340	3.07
100001 & Above	126	1.71	21362182	213621820	84.9
Total	7382	100	25160327	251603270	100

Category	Number of Shareholders	No. of Shares held	Shareholding %
Promoter & Promoter' Relatives	37	17139742	68.12
Key Managerial Personnel	1	1814	0.01
Relatives of promoters (other than "Immediate Relatives" of promoters disclosed under "Promoter and Promoter Group" category)	4	210929	0.84
Individuals holding nominal share capital up to ₹ 2 Lakhs	6645	3852070	15.31
Individuals holding nominal share capital in excess of ₹ 2 Lakhs	17	1321533	5.25
Clearing member	10	12622	0.05
Bodies Corporate	48	668277	2.66
Firm	29	1168483	4.64
HUF	369	703980	2.8
Non -Resident Indian (NRI)	73	80877	0.32
Total	7233	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 8 June, 2018 and further vide its press release PR No.:12/2019 dated 27 March, 2019 clarified that transfer of shares (except in case of transmission or transposition of securities) shall not be processed from 1 April, 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 10 May, 2017, further migrated to the Main Board of National Stock Exchange w.e.f. 19 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 31 March, 2023 out of total 25160327 equity shares 25078428 i.e. 99.67% 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
Phone No.: 022 28520461/462, Fax: 022 28511809
Email: service@satellitecorporate.com

(b) Registered Officer

"Zota House", 2/896, Hira Modi Street,
Sagrampura, Surat - 395002, Gujarat
Phone 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. Also the Audit Committee takes note of related party transactions entered by the Company for each half year ended in their meeting. The Audit Committee has also granted omnibus approval for entering into related party transaction and the same is reviewed quarterly by the members of Audit Committee. Company's policy on related party transaction is available on below link:

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 https://www.zotahealthcare.com/wp-content/uploads/2019/11/VIGIL_MECHANISM.pdf. The Directors of the Company affirms that no personnel have been denied access to the Audit Committee.

Reconciliation of Share Capital

As stipulated by the Securities and Exchange Board of India (SEBI), a Practicing Company Secretary shall carry out audit of Reconciliation of Share Capital and provide a report to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit inter-alia, confirms that the total listed and paid-up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form and total number of shares in physical form. This reconciliation is carried out for every quarter and report of Practicing Company Secretary is submitted to Stock Exchange and is also placed before the Board to take a note of the same.

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_Subsiidiary.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 - 13**.

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-23(13) of Consolidated Financial Statement.

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 31 March, 2023 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	1500.00
Working capital requirement	Not Applicable	150.00	Not Applicable	150.00
General Corporate Purpose	Not Applicable	30.00	Not Applicable	30.00

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

The details of complaints filed, disposed & pending as on 31 March, 2023 are given below:

Original Object	Sexual Harassment	Discrimination at Workplace	Child labour
Number of complaints filed during the financial year	Nil	Nil	Nil
Number of complaints disposed of during the financial year	Nil	Nil	Nil
Number of complaints pending as on end of the financial year	Nil	Nil	Nil
Action Taken for the complaints received	Nil	Nil	Nil

12. DISCRETIONARY REQUIREMENTS

The Board

The Company has separated posts of Chairman, MD and CEO and the Chairman 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.

For and on behalf of the Board
ZOTA HEALTH CARE LIMITED

Date: 4 September, 2023
Place: Surat

Sd/-
Moxesh K. Zota
(Managing Director)
(Din: 07625219)

Sd/-
Himanshu M. Zota
(Whole-Time Director)
(Din: 01097722)

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)
 - 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 2022-23 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 2022-23 was ₹ 1962.07 Lakhs.

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

Foreign Exchange outgo during the financial year 2022-23 was ₹ 33.71 Lakhs.

For and on behalf of the Board
ZOTA HEALTH CARE LIMITED

Date: 4 September, 2023

Place: Surat

Sd/-
Moxesh K. Zota
(Managing Director)
(Din: 07625219)

Sd/-
Himanshu M. Zota
(Whole-Time Director)
(Din: 01097722)

Annexure - 5

Form No. MR-3

Secretarial Audit Report

For the financial year ended 31 March, 2023

[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 31 March, 2023 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 **31 March, 2023** 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; **(Not applicable to the company during the review period)**
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the company during the review period)**
 - 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) (Amendment) Regulations, 2016; (Not applicable to the company during the review period) and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the company during the review period)**
- 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:

- *Promoter group member, has violated the provisions of sebi (prohibition of insider trading) regulations, 2015, as informed by the company that company and compliance officer have taken proper action and penalized her and also reported to the stock exchange and sebi. The company has imposed penalty of ₹. 11,728/- Against the concerned shareholder.*
- *The company filed updated financial result for the period ended 30.09.2022, After 45 days from the quarter ended on 30.09.2022.*

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.

Sd/-

Name of PCS: Ranjit Binod Kejriwal

FCS No.: 6116

C P No.: 5985

UDIN: F006116E000936914

PR: 12004GJ424500

Date: 4 September, 2023

Place: Surat

This report is to be read with our letter dated 4 September, 2023 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 4 September, 2023 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/-
Name of PCS: Ranjit Binod Kejriwal
FCS No.: 6116
C P No.: 5985
UDIN: F006116E000936914
PR: 12004GJ424500

Date: 4 September, 2023
Place: Surat

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 2022-23, ratio of the remuneration of the employees of the Company for the financial year 2022-23 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. 2022-23 (in ₹ Lakhs)	% increase in Remuneration in the F.Y. 2022-23	Ratio of Remuneration of each Director/to median remuneration of employees
1	Mr. Ketankumar Chandulal Zota Non-Executive Chairman	0.40	-24.53	0.23:1
2	Mr. Moxesh Ketanbhai Zota Managing Director	31.99	2.27	18.18:1
3	Mr. Himanshu Muktilal Zota Whole Time Director	32.34	2.28	18.38:1
4	Mr. Kamlesh Rajanikant Zota Whole Time Director	31.99	2.27	18.18:1
5	Mr. Manukant Chandulal Zota Whole Time Director	32.04	2.59	18.20:1
6	Mrs. Varshababen Gaurang Mehta Non-Executive Independent Director	0.70	-17.65	0.40:1
7	Mrs. Bhumi Maulik Doshi Non-Executive Independent Director*	0.55	-22.54	0.31:1
8	Mr. Vitrag Sureshkumar Modi Non-Executive Independent Director*	0.55	-22.54	0.31:1
9	Mr. Dhiren Prafulbhai Shah Non-Executive Independent Director*	0.40	-28.57	0.23:1
10	Mrs. Jayshreeben Nileshkumar Mehta Non-Executive Independent Director*	0.45	-26.23	0.26:1
11	CS Ashvin Variya Company Secretary & Compliance Officer	12.76	43.05	7.25:1
12	Mr. Viral Madviwala Chief Financial Officer	7.54	14.24	4.28:1
13	Dr. Sujit Paul* Chief Executive Officer	65.35	-	36.93:1

* Dr. Sujit Paul has been appointed as the Chief Executive Officer of the Company w.e.f. 16 January, 2023.

(i) Names of the top ten employees in terms of remuneration drawn from the Company in the financial year 2022-23:

Sr. No.	Name & Designation	Qualification and Experience	Remuneration (₹ In Lakhs)	Date of Appointment	Age (In years)	Particulars of Last Employment	Relative of Director/Manager
	Dr. Sujit Paul – Chief Executive Officer	Bachelor of Science Honours, has also done QMC, Masters of Business Administration (MBA) and Doctorate in Management (20 years)	65.35	16/01/2023	47	Reliance Retail Limited as Vice President and Business Head of B2C, Retail Pharmacy, Hospital and New Projects, StayHappy as a Managing Director, Columbia Asia Hospitals Pvt. Ltd. as a Vice President, Trust Chemist and Drugist Ltd. - Retail and Online Wellness and Pharmacy Chain as a Sr. Vice President, Emeditek Services Limited as a Sr. Vice President, Apollo Pharmacy Retail as General Manager, City Info Services Pvt. Ltd. as General Manager, Chandras Chemicals Ent Ltd. as a Head Marketing (Product Manager), Kodiak India Ltd. as a Photoshop Coordinator, Bata India Ltd. as a District Manager and as a Territory Sales in charge at Asian Paints.	N.A.
2	Himanshu Muktilal Zota - Whole-Time Director	Diploma in Pharmacy (31 years)	32.34	01/04/2015	49	N.A.	N.A.
3	Manukant Chandulal Zota- Whole-Time Director	M.SC (28 years)	32.04	01/04/2015	72	N.A.	Brother of Mr. Ketankumar Chandulal Zota (Chairman)
4	Moxesh Ketanbhai Zota - Whole-Time Director	B.Pharm, Master of Science – BPP University (UK) (9 years)	31.99	07/10/2016	32	N.A.	Son of Mr. Ketankumar Chandulal Zota (Chairman)
5	Kamlesh Rajanikant Zota Whole-Time Director	B.Pharm (29 years)	31.99	01/04/2015	50	<ul style="list-style-type: none"> Technical Assistant – Torrent Pharmaceuticals Ltd, Production Officer – Unique Pharmaceuticals Laboratories, 	N.A.
6	Niral Zota - Senior Marketing Manager	H.S.C. (25 years)	21.65	01/04/2010	46	N.A.	Brother of Mr. Himanshu Zota (Whole Time Director)
7	Viren Zota - Senior Marketing Manager	B.B.A. (16 years)	21.65	01/04/2008	39	N.A.	Son of Mr. Manukant 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
8	Sanjeev Kapila - Vice President Marketing (DavaIndia)	B.A., D. Pharm (31 years)	16.14	20/10/2020	52	<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.
9	Jitendra V Raigade - Manager Regulatory Affairs	M.Sc. Clinical Research & Regulatory Affairs (12 years)	13.40	22/05/2019	38	Assistant Manager - Unosource Pharma Limited	N.A.
10	Ashvin Variya- Company Secretary & Compliance Officer	C.S., LL.B, B.com; (9 Years)	12.76	01/09/2015	33	N.A.	N.A.

- (ii) The median remuneration of employees of the Company during the Financial Year was ₹ 1.76 Lakhs.
- (iii) In the Financial year, the median remuneration of employees is increased by 7.32%.
- (iv) There were 338 permanent employees on the rolls of the Company as on 31 March, 2023;
- (v) Average percentage increase made in the salaries of employees other than the managerial personnel in comparison of the last financial year is 2.35%. There is an average increase of 30.80% 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.

For and on behalf of the Board
ZOTA HEALTH CARE LIMITED

Sd/-
Moxesh K. Zota
(Managing Director)
(Din: 07625219)

Sd/-
Himanshu M. Zota
(Whole-Time Director)
(Din: 01097722)

Date: 4 September, 2023
Place: Surat

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 31 March, 2023 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 31 March, 2023 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 31 March, 2023;
 - b. during year company has adopted IND AS apart from this there are no significant changes in accounting policies during the financial year ended 31 March, 2023; and
 - c. that there are no instances of significant fraud of which we have become aware.

For and on behalf of the Board
ZOTA HEALTH CARE LIMITED

Date: 30 May, 2023
Place: Surat

Sd/-
Viral Mandviwala
(Chief Financial Officer)

Sd/-
Dr. Sujit Paul
(Chief Executive Officer)

Annexure - 8

DECLARATION BY CHIEF EXECUTIVE OFFICER 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 31 March, 2023 as applicable to them as laid down in Companies Act, 2013 with the code of conduct of Board of directors and senior management.

For **Zota Health Care Limited**

Sd/-

Dr. Sujit Paul

(Chief Executive Officer)

Date: 4 September, 2023

Place: Surat

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 31 March, 2023 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
ICAI Firm Reg. No.: 131449W

Sd/-
CA. Shivangi Parekh
Proprietor
M. No.: 118936
UDIN: 23118936BGWQDS2356

Date: 4 September, 2023
Place: Surat

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

Sr. 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	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
1	Zota Healthcare Lanka (Pvt) Ltd*	01 April, 2022 To 31 March, 2023	Sri Lankan Rupees (LKR) (1 LKR= 0.2564 INR)	51,680	(37,288)	35,346	28,706	Nil	Nil	(7752)	Nil	(7752)	Nil	100
2	Davalindia Health Mart Limited	01 April, 2022 To 31 March, 2023	N.A	20,000,000	(128,520,175)	661,910,719	770,430,894	Nil	146,094,710	(122,379,973)	(9,476,027)	(112,903,946)	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 Joint 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

For and on behalf of the Board
ZOTA HEALTH CARE LIMITED

Sd/-
Moxesh K. Zota
(Managing Director)
(Din: 07625219)

Sd/-
Himanshu M. Zota
(Whole-Time Director)
(Din: 01097722)

Date: 4 September, 2023
Place: Surat

Annexure - 11

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,
The Members,
Zota Healthcare Limited

I, **Ranjit Binod Kejriwal**, Company Secretary in practice, have been appointed as the Secretarial Auditor vide a resolution passed at its meeting held on 25 June, 2021 by the Board of Directors of Zota Health Care Limited (hereinafter referred to as **‘the Company’**), having CIN L24231GJ2000PLC038352 and having its registered office at Zota House, 2/896, Hira Modi Street, Sagrampura, Surat - 395002, Gujarat. This Certificate is issued under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as **“the Regulations”**),

for the year ended 31.03.2023.

MANAGEMENT RESPONSIBILITY:

It is the responsibility of the Management of the Company to implement the Scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

VERIFICATION:

The Company has implemented ‘Zota Health Care – Employee Stock Option Plan 2022’ viz Employee Stock Option Scheme/ Employee Stock Purchase Scheme/Stock Appreciation Rights Scheme/General Employee Benefits Scheme/Retirement Benefit Scheme in accordance with the Regulations and the Special Resolution(s) passed by the members at the through Postal Ballot ending on 17 February, 2023.

For the purpose of verifying the compliance of the Regulations, I/We have examined the following:

1. Scheme(s) received from/furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors held on 11 January, 2023;
4. Minutes of the Postal Ballot held for approving the scheme dated 17 February, 2023;
5. Shareholders resolution passed at General Meetings w.r.t variation in the scheme (if any); **Not Applicable as no Variation**
6. Shareholders resolution passed at General Meeting w.r.t approval for implementing the scheme(s) through a trust(s); **Not Applicable**
7. Minutes of the meetings of the Compensation Committee/ Nomination and Remuneration Committee dated 3 January, 2023 recommending the Employees Stock Option Plan, 2022 to the Board of Directors;

8. Trust Deed; **Not Applicable**
9. Details of trades in the securities of the company executed by the trust through which the scheme is implemented; **Not Applicable**
10. Relevant Accounting Standards as prescribed by the Central Government;
11. Detailed terms and conditions of the scheme as approved by Compensation Committee are yet to be framed. **Hence the same does not form part of this certification;**
12. Bank Statements towards Application money received under the scheme(s); **Not Applicable**
13. Valuation Report;
14. Exercise Price/Pricing formula;
15. Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10 of these Regulations;
16. Disclosure by the Board of Directors;
17. Relevant provisions of the Regulations, Companies Act, 2013 and Rules made thereunder;
18. Other relevant document/filing/records/information such as Form MGT-14 filed for Board Meeting and Postal Ballot, Scrutinizer report as sought and made available to us and the explanations provided by the Company.

CERTIFICATION:

In my/our opinion and to the best of my/our knowledge and according to the verifications as considered necessary and explanations furnished to me/us by the Company and its Officers, I/we certify that the Company has implemented the **‘Zota Health Care – Employee Stock Option Plan 2022’** Employee Stock Option Scheme/Employee Stock Purchase Scheme/Stock Appreciation Rights Scheme/General Employee Benefits Scheme/Retirement Benefit Scheme in accordance with the applicable provisions of the Regulations and Resolution(s) of the Company in the Postal Ballot.

ASSUMPTION & LIMITATION OF SCOPE AND REVIEW:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.

3. 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.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

Signature: Sd/-

Name of PCS: Ranjit Binod Kejriwal

FCS No.: 6116

C P No.: 5985

UDIN: F006116E000936914

PR: 12004GJ424500

Date: 4 September, 2023

Place: Surat

Annexure - 12

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

Business Responsibility and Sustainability Report

SECTION A: GENERAL DISCLOSURES

i. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L24231GJ2000PLC038352
2. Name of the Listed Entity	ZOTA HEALTH CARE LIMITED
3. Year of incorporation	2000
4. Registered office address	Zota House 2/896 Hira Modi Street Sagrapura Surat, Gujarat - 395002, India.
5. Corporate address	Zota House, Bhagwan Aiyappa Complex, Next To Batliboi, Udhna-Navsari State Highway, Surat, Gujarat - 394210, India.
6. E-mail	info@zotahealthcare.com
7. Telephone	+91 261 2331601
8. Website	www.zotahealthcare.com
9. Financial year for which reporting is being done	2022-23
10. Name of the Stock Exchange(s) where shares are listed	Equity shares are listed on National Stock Exchange of India Limited
11. Paid-up Capital	₹ 25,16,03,270 divided into 2,51,60,327 equity shares of. ₹ 10 each
12. Name and contact details of the person who may be contacted in case of any queries on the BRSR report	CS Ashvin Variya Company Secretary & Compliance Officer Ph No.: +91 261 2331601 Email: cszota@zotahealthcare.com
13. Reporting boundary	Disclosure made in this report are on a standalone basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

Sr. No	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Pharmaceutical	Manufacturing & Marketing of Pharmaceutical products	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No	Product/Service	NIC Code	% of total Turnover contributed
1.	Whole sale of pharmaceutical and medical goods	46497	82.17
2.	Manufacture of allopathic pharmaceutical preparations	21002	17.83

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	1	4	5
International	0	1	1

17. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States)	26
International (No. of Countries)	30

b. What is the contribution of exports as a percentage of the total turnover of the entity?: 17.83%

c. A brief on types of customers

We are engaged in the business of manufacturing and marketing of pharmaceutical, nutraceutical, ayurvedic, wellness and OTC products. Geographically our customers are divided into two parts i.e. Domestic and International. The details of the same are as follows:

i. Domestic:

In Domestic customer type our customer base is our retail partners, distributors, franchisees, whole sellers and end users.

ii. International:

In International customer type our customer base is our distributors and end users.

IV. Employees**18. Details as at the end of Financial Year:**

a. Employees and workers (including differently abled):

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1	Permanent (D)	338	250	73.96	88	26.04
2	Other than Permanent (E)	NIL	NIL	NIL	NIL	NIL
3	Total employees (D + E)	338	250	73.96	88	26.04
WORKERS						
4	Permanent (F)	NIL	NIL	NIL	NIL	NIL
5	Other than Permanent (G)	NIL	NIL	NIL	NIL	NIL
6	Total workers (F + G)	NIL	NIL	NIL	NIL	NIL

b. Differently abled Employees and workers:

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	NIL	NIL	NIL	NIL	NIL
2	Other than Permanent (E)	NIL	NIL	NIL	NIL	NIL
3	Total employees (D + E)	NIL	NIL	NIL	NIL	NIL
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	NIL	NIL	NIL	NIL	NIL
5	Other than Permanent (G)	NIL	NIL	NIL	NIL	NIL
6	Total workers (F + G)	NIL	NIL	NIL	NIL	NIL

19. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	10	3	30
Key Managerial Personnel	3	0	0

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.75	7.43	12.57	9.98	13.25	10.02	10.87	8.55	9.00
Permanent Workers	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

V. Holding, Subsidiary and Associate Companies (including joint ventures)**21. (a) Names of holding/subsidiary/associate companies/joint ventures**

	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	M/s Zota Healthcare Lanka (Pvt) Ltd	Subsidiary	100 % held by Zota Health Care Limited	No. The BRSR is for Zota Health Care Limited Standalone only
2	M/s Davaindia Health Mart Limited	Subsidiary	100% held by Zota Health Care Limited	No. The BRSR is for Zota Health Care Limited Standalone only

VI. CSR Details**22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes**

(ii) Turnover (in ₹ Lakhs): 13836.6

(iii) Net worth (in ₹ Lakhs): 9446.31

VII. Transparency and Disclosures Compliances**23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	(If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	The Company has formed various policies and channel's by which communities can raise any concerns.	NIL	NIL	--	NIL	NIL	--
Investors (other than shareholders)	Yes	Company has registered on SCORES platform for redressal of investor complaint in which investor can lodged any complaint against the Company for any grievance.	NIL	NIL	--	NIL	NIL	--
Shareholders	Yes	Yes, Shareholders can register their complaints/ grievances at the Company's following email id: cszota@zotahealthcare.com	NIL	NIL	--	NIL	NIL	--
Employees and workers	Yes	All employees' grievances are being heard at appropriate level.	NIL	NIL	--	NIL	NIL	--

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	(If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Customers	Yes	The Company has dedicated helpline number and email for handling customer grievances.						
Value Chain Partners	Yes	The Company has formed and adopted Vigil Mechanism and Whistle-Blower Policy, any value chain partner can raise their concerns through the procedure laid down in such policy and the same is available on the website of the Company.	NIL	NIL	--	NIL	NIL	--

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Environmental Impact	R	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.	In our manufacturing facilities we are manufacturing only tablet and capsules and manufacturing of the same has not created any emissions or waste. Further, in case of third party manufacturers our efforts are to procure the products from the vendors which are following various standards for protecting environment.	Failure to protect the environment will leads to financial penalties by the regulatory authorities and hamper to the brand image of the Company.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Supply Chain Management	R	At Zota we have outsourced our supply chain to the third party, who have fully AI based state-of-art dispatch facility as Surat. It is important for the Company that quality and effectiveness of the medicines or products remains intact.	Being a pharmaceutical Company it is important aspect for the Company that efficacy of the medicines/products remains in line with the whatsoever formulations or dosage provided in the medicines. To maintain the efficacy of the medicines it has to be preserved under certain weather conditions in warehouse as well as at the time of transit. Our Supply Chain Partner has all such facilities in warehouse as well as for transport by which efficacy and quality of the medicines/products are not getting hampered.	If our medicines/products are not maintained at the appropriate weather conditions then the efficacy of the medicines/products will be reduced and the end user may not get the results of the products.
3	Waste Management	R	<p>As the presence of the Company in pharmaceutical segment, our medicines/products are coming with the expiry date, after completion of certain period of the medicines/products has to be destroyed. On the other front, sometime regulatory authorities are putting a ban on selling of some medicines or fixed dosage combination, in this scenario the medicines has to be destroyed.</p> <p>Further, our manufacturing facility is situated as Surat Special Economic Zone, which is declared as a pollution free zone and all the waste that is resulted in the production is being cleared by the Company as per norms of SEZ.</p>	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.	If the expired/banned medicines are not disposed in the standard manner then it might have crate water, soil and air pollution and on identification of such events will leads to get penalized from the regulatory authorities.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Employees Wellness	R	At Zota, we believe that human capital is playing pivotal role in the success of any organization. Our always endeavour is to provide the safe working environment to the employees and keep them as well their families wellbeing at helm.	The Company has adopted various programmes for the employee's wellness, such as providing mediclaim to the employees which covers their family members as well, personal accident insurance, providing nutritional snacks, providing refreshment facilities in the office premises by which mental health of the employees can be maintained, etc. Furthermore, we are providing free and safe working environment wherein mental and physical wellbeing of the employee is protected.	If employee of the Company is not mentally or physically fit then the productivity will be impacted which may resulted into delay into completion of various tasks.
5.	Equal Opportunity	O	At Zota, we are providing inclusive workplace wherein equal opportunity is being given to all people irrespective of their gender, race, caste, colour or geographical background.	The Company has set an inclusive workplace ecosystem that recruits people from diverse culture without taking into consideration of their gender, religion, race, cast, colour or geographical background.	Equal opportunity to all the people will bring talent and experience in the Company, and ultimately helpful in the upliftment of nation and gender equality.
6.	Code of Conduct and Grievance Redressal	R	Being a listed entity at Zota, we have set a several code of conducts for the Board of Directors, KMPs and Senior Managerial personnel's wherein we have set various principles to govern the business in ethical way.	To conduct the business in most ethical and transparent way, the Company has formed various code such as Code for Insider Trading, Code of Conduct for Board of Directors, KMPs and Senior Managerial Personnel's, Vigil Mechanism and Whistler-blower Policy. Board of Directors, KMPs and Senior Managerial Personnel's have to abide by these codes.	In case of non-abiding of the Codes will lead to non-compliances and violation of principles of the Company.

* 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

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	Executive Directors: <ol style="list-style-type: none"> Code of Conduct for Board of Directors and Senior Management. Vigil Mechanism and Whistler-Blower Policy. Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading By Insider. Social Media Policy. Independent Directors: <ol style="list-style-type: none"> Code of Conduct for Board of Directors and Senior Management. Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading By Insider. Familiarisation Programmes. Non-Executive Directors: <ol style="list-style-type: none"> Code of Conduct for Board of Directors and Senior Management. Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading By Insider. 	100%

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Key Management Personnel	2	1. Code of Conduct for Board of Directors and Senior Management. 2. Vigil Mechanism and Whistler-Blower Policy. 3. Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading By Insider. 4. Social Media Policy.	100%
Employees other than BODs and KMPs	2	1. Code of Conduct for Board of Directors and Senior Management. 2. Vigil Mechanism and Whistler-Blower Policy. 3. Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading By Insider. 4. Anti-sexual Harassment Awareness.	100%
Workers	2	1. Social Media Policy. 2. Anti-sexual Harassment Awareness.	100%

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format:

Type	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (in ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
a. Monetary					
Penalty/Fine	N.A.	N.A.	N.A.	N.A.	N.A.
Settlement	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding fee	N.A.	N.A.	N.A.	N.A.	N.A.
b. Compounding fee					
Imprisonment	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of regulatory/enforcement agencies/judicial institutions.
N.A.	N.A.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy

No. However, the Company has formed and adopted Vigil Mechanism and Whistle-blower Policy and the web link of the same is as below: http://www.zotahealthcare.com/wp-content/uploads/2019/11/VIGIL_MECHANISM.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption

Category	FY 2022-23	FY 2021-22
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest

Topic	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of KMPs	NIL	NIL	NIL	NIL

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

N.A.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year

Total number of training and awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Code of Conduct for Franchisee	100% As a part of franchisee agreement all franchise have signed and executed necessary agreement

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same

The Company has formed a Code of Conduct for Board of Directors and Board of Directors are annually required to make affirmation that they have complied with the Code of Conduct. By providing affirmation Board of Directors are also confirming that they are avowing conflict of interest.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Category	FY 2022-23	FY 2021-22	
R&D	0	0	Our main business activity is of Manufacturing and Marketing of Pharmaceutical products. For manufacturing, we have manufacturing plant at Surat Special Economic Zone (Sur SEZ), Sachin, Surat. Wherein we are manufacturing general tablet and general capsules. As per the bylaws of Sur SEZ manufacturing of general tablets and general capsules are considered as pollution free activities and no environment clearance certificate is required for the said activities. 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.
Capax	100	100	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

No

b. If yes, what percentage of inputs were sourced sustainably?

Not Applicable

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste

- a) **Plastics:** Being a pharmaceutical Company for packaging we are using aluminium foil and cardboard paper and usage of plastics is very negligible.
- b) **E-waste:** Our procurement team is handling all e-waste to the intermediary agency from which we are purchasing the electronics items. Afterwards they are reusing the same.
- c) **Hazardous:** 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.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same

No. 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.

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.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/Service	% of total Turnover contributed	% of total Turnover contributed	Whether conducted by independent external agency (Yes/No)	Whether conducted by independent external agency (Yes/No)
NO					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same

N.A.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry)

As the Company is dealing in the pharmaceutical, the Company cannot reuse input material into production.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)	NIL	NIL	NIL	NIL	NIL	NIL
Plastics (including packaging)	NIL	NIL	NIL	NIL	NIL	NIL
Hazardous waste	NIL	NIL	0.002	NIL	NIL	0.001
Others	NIL	NIL	NIL	NIL	NIL	NIL

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

As mentioned in above point no. 4 there were no reclaimed of products and their packaging materials in FY 2022-23 and FY 2021-22.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the wellbeing of employees:

% of employees covered by											
Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	250	250	100	250	100	N.A.	N.A.	NIL	NIL	NIL	NIL
Female	88	88	100	88	100	88	100	N.A.	N.A.	NIL	NIL
Total	338	338	100	338	100	88	100	NIL	NIL	NIL	NIL
Other than Permanent Employees											
Male	NIL	NIL	NIL	NIL	NIL	N.A.	N.A.	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL	NIL	N.A.	N.A.	NIL	NIL
Total	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

b. Details of measures for the wellbeing of workers:

The Company does not have any worker. So, details pertaining to this section is not application.

2. Details of retirement benefits, for current financial year and previous financial year.

Sr. No.	Benefits	FY 2022-23			FY 2021-22		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	83.73	N.A.	Yes	77.10	N.A.	Yes
2	Gratuity	100	N.A.	N.A.	100%	N.A.	N.A.
3	ESI	63.90	N.A.	Yes	62.96	N.A.	Yes

3. Accessibility of workplaces: Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

Yes

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy

No, as such the Company does not have any policy. However, we firmly believe in equal opportunities and treating everyone without any discrimination. The Company has also incorporated the principle of equal opportunity in the Anti-sexual Harassment Policy and Social Media Policy and the same is there on the website of the Company at www.zotahealthcare.com

5. Return to work and Retention rates of permanent employees and workers that took parental leave

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	N.A.	N.A.	N.A.	N.A.
Female	100%	100%	N.A.	N.A.
Total	100%	100%	N.A.	N.A.

Note: Return to work rate is determined considering return of Female employees to work after completion of maternity leave. As the Company is not providing parenting leave the details pertaining to return to work rate in case of Male employees is not provided.

Retention rate is determined considering retention of Female employee for 12 months after returning from the maternity leave. As the Company is not providing parenting leave the details pertaining to retention rate in case of Male employees is not provided.

On Skill Upgradation

Category	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Employee						
Male	250	250	100	222	222	100
Female	88	88	100	75	75	100
Total	338	338	100	297	297	100
Workers						
Male	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

9. Details of performance and career development reviews of employees and worker

Category	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employee						
Male	250	250	100	222	222	100
Female	88	88	100	75	75	100
Total	338	338	100	297	297	100
Workers						
Male	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

10. Health and safety management system

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system?

Yes, manufacturing site situated at Surat Special Economic Zone have an Occupational Health and Safety management system in place as specified under Factories Act, Indian Boilers Act, Environment Protection Act, and The Epidemic Disease Act among others. The Occupational Health and Safety management system covers all employees working in the plant.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has formed and implemented various Standard Operation Procedures (SOPs) to mitigate the work-related hazards. Under SOPs the Company has given authority to the dedicated person who will periodically do inspections of such risk and accordingly prepare a plan of action to mitigate those risks.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)

Yes, the Company has formed and implemented various Standard Operation Procedures (SOPs) for employees to identify and report work-related hazards. In addition to this the Company arrange health and safety training for all the employees through which they have been trained for preventing and mitigating these risks.

- d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, All employees/workers are fully taken care of on account of all medical - exigencies or otherwise.

11. Details of safety related incidents, in the following format

Safety Incident/Number	Category*	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company is providing group mediclaim facility to every employee of the Company along with the ESIC. Furthermore, a first aid facility has also been provided at the workplace. The Company is also arranging health camps, seminars and health awareness programs for the better health of employees. The Company is also following standard SOPs at manufacturing site for the work related safety of the employees.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year

Category	% Of your plants and offices that were assessed. (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

Not Applicable.

Leadership Indicators**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)**

Yes, the Company is providing Group Personal Accident Insurance to all employees.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners

All statutory dues like TDS/GST of the value chain partners are validated and checked with the data's available on the Governments Portal and in case of any mismatch, accounts team take necessary measurements and issue necessary instructions to the value chain partners.

3. Provide the number of employees/workers having suffered high consequence work related injury/ill health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment

Category	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Male	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

During the employment with the Company, we periodically arrange skill-upgradation and induction training to the employees, this will enable the employees to pursue employment post retirement or termination, based on the acquired skillset.

5. Details on assessment of value chain partners:

Category	% Of your plants and offices that were assessed. (by entity or statutory authorities or third parties)
Health and safety practices	40%
Working Conditions	40%

No Independent assessment of above mentioned point was carried out.

6. Provide details of any corrective actions taken or underway to address significant risks concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity

The Company is identify the key stakeholder group based on the impact assessment procedure. In Impact assessment process the Company is identifying the impact of the Company's operations on the people wherein the Company is operating. During this exercise, the Company considers the Company's positive and negative impacts on the people and prepare a list of potential stakeholders.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	Yes	Email, SMS, Meetings, Notice Board, Application – Website, Feedback	Ongoing	<ul style="list-style-type: none"> To keep employee informed about the business strategies and plans. To receive the feedback of the employees and to know their needs.
Investors	No	Email, SMS, Newspaper, Pamphlets, Advertisement, Meetings, Notice Board, Website, Annual Report along with necessary attachments, Filing on NSE Electronic Application Processing System (NEAPS), SEBI Complaints Redress System (SCORES), Surveys.	Annually, Half Yearly, Quarterly, Monthly, On occurrence of any event within stipulated time period	<ul style="list-style-type: none"> To keep investors informed about the Company's business operations and financial position and keep them well aware about the Company's plans. To receive investors feedback.

2. Details of minimum wages paid to employees and workers, in the following format

Category	FY 2022-23					FY 2021-22				
	Equal to Minimum Wage			More than Minimum Wage		Equal to Minimum Wage			More than Minimum Wage	
	Total (A)	No. (B)	% (B/A)	No. (C)	% (C/A)	Total (D)	No. (E)	% (E/D)	No. (F)	% (F/D)
Employee Permanent										
Male	250	0	0	250	100	222	0	0	222	0
Female	88	0	0	88	100	75	0	0	75	100
Other than Permanent										
Male	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Other than Female	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Worker Permanent										
Male	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Other than Permanent										
Male	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

3. Details of remuneration/salary/wages, in the following format

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BOD)*	4	32.09	0	0
Key Managerial Personnel	3	28.43	0	0
Employees other than BoD and KMP	243	2.06	88	1.17
Worker	N.A.	N.A.	N.A.	N.A.

*Does not includes commission and sitting fees paid to Non-Executive Directors.

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

The Company has formed and adopted Vigil Mechanism and Whistle-blower Policy under which stakeholders can report violation of any rules, regulations, acts, guidelines or code of conduct.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced/Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has formed and adopted Anti-Sexual Harassment Policy and Vigil Mechanism and Whistle-blower policy for preventing discrimination and harassment of employees. Under this mechanism any employee can file the complaints as per the detailed procedures laid down in the policies.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

No

9. Assessments for the year:

Category	% Of your plants and offices that were assessed. (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Not Applicable

Leadership Indicators**1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints**

Till date the Company has not received any complaint and henceforth no such modification has been made.

2. Details of the scope and coverage of any Human rights due-diligence conducted

We are running our business in the most ethical way and in compliance with all applicable regulations and/or acts.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

4. Details on assessment of value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	7%
Forced/involuntary labour	7%
Sexual harassment	0
Discrimination at workplace	7%
Wages	7%
Others – please specify	7%

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above

During the year, no significant risks/concerns were identified.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**Essential Indicators****1. Details of total energy consumption (in Giga-Joule (GJ) Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	443.26 GJ	480.68 GJ
Total fuel consumption (B)	20 GJ	25.5 GJ
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	463.26 GJ	506.18 GJ
Energy intensity per rupee of turnover (Total energy consumption/turnover in Lakhs Rupees)	0.03	0.03

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, the Company is not identified as designated consumer under the Performance Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	1863	2035
(iv) Seawater/desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1863	2035
Total volume of water consumption (in kilolitres)	1863	2035
Water intensity per rupee of turnover (Water consumed/turnover in Lakhs Rupees)	0.13	0.15

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format: A

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx			
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)		Not Applicable*	
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

* As the manufacturing plant of the Company situated at Surat Special Economic Zone, which is declared as pollution free zone and no approval of environment control board is required; the details of this section is not applicable to the Company.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent		
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent		
Total Scope 1 and Scope 2 emissions per rupee of turnover			
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

Not Applicable*

* As the manufacturing plant of the Company situated at Surat Special Economic Zone, which is declared as pollution free zone and no approval of environment control board is required; the details of this section is not applicable to the Company.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide detail.

No

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0.50	0.33
E-waste (B)	0.02	0.01
Bio-medical waste (C)	0.79	0.58
Construction and demolition waste (D)	5.75	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Expired Medicines/Products (G)	0.002	0.001
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0	0
Total (A+B + C + D + E + F + G + H)	7.06	0.89
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Hazardous, Non-Hazardous		
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0
E-waste		
(i) Recycled	0	0
(ii) Re-used	0.02	0.01
(iii) Other recovery operations	0	0
Total	0.02	0.01
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Hazardous		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Co-processing	0.002	0.001
Total	0.002	0.001

Non-Hazardous		
(i) Incineration	1.29	0
(ii) Landfilling	5.75	0
(iii) Co-processing	0	0.88
Total	7.04	0.88

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes:

The Company has adopted approach of minimum waste generation in manufacturing, we have standard SOP in place to reduce manufacturing rejections. For all hazardous waste the Company has adopted method of incineration which is being carried out through licensed agency. Further, we have adopted eco-friendly procedures for disposal of hazardous 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.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Our manufacturing facility is situated at Surat Special Economic Zone (SurSEZ), wherein we are manufacturing general tablets and capsules. Further, SurSEZ itself is pollution free zone and no environment approvals/clearances are required.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Considering nature of the present business operations it is not technically viable to do such impact assessments, hence during the reporting period no environmental impact assessments has been done.

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

As on the date of this report, the Company is not require to obtain any kind of approval. Hence, no complaint were received during the year.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Giga-Joules (GJ) or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	0	0
From non-renewable sources		
Total electricity consumption (D)	443.26 GJ	480.68 GJ
Total fuel consumption (E)	20 GJ	25.5 GJ
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	463.26 GJ	506.18 GJ

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	Municipality drain	Municipality drain
- No treatment	0	0
- With treatment – please specify level of treatment	Reverse Osmosis (RO) process, post which used in washrooms and then discharged in SEZ drain 745 KL	Reverse Osmosis (RO) process, post which used in washrooms and then discharged in SEZ drain 814 KL
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	745	814

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

(i) **Name of the area:** Surat Special Economic Zone, Sachin, Surat, Gujarat

(ii) **Nature of operations:** Manufacturing

(iii) **Water withdrawal, consumption and discharge in the following format:**

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	1863	2035
(iv) Seawater/desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	1863	2035
Total volume of water consumption (in kilolitres)	1863	2035
Water intensity per rupee of turnover (Water consumed/turnover in Lakhs Rupees)	0.13	0.15
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) Into Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0

Parameter	FY 2022-23	FY 2021-22
(iii) Into Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties	Municipality drain	Municipality drain
- No treatment	0	0
- With treatment – please specify level of treatment	Reverse Osmosis (RO) process, post which used in washrooms and then discharged in SEZ drain 745 KL	Reverse Osmosis (RO) process, post which used in washrooms and then discharged in SEZ drain 814 KL
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	745	814

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent		
Total Scope 3 emissions per rupee of turnover		Not Applicable*	
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

* As the manufacturing plant of the Company situated at Surat Special Economic Zone, which is declared as pollution free zone and no approval of environment control board is required; the details of this section is not applicable to the Company.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Our manufacturing facility is situated at Surat Special Economic Zone (SurSEZ), wherein we are manufacturing general tablets and capsules. Further, SurSEZ itself is pollution free zone and no environment approvals/clearances are required. Hence, details pertaining to this section is not applicable.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
No initiatives taken by the Company			

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

No

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Not Applicable

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

In the reporting period, the Company did not evaluate any of its value chain partners on the basis of environmental impact.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations: 5

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to:

Sr. No	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1	The Southern Gujarat Chamber of Commerce and Industry	State
2	Indian Drug Manufacturers Association	National
3	SurSez Association	State
4	Export Promotion Council	National
5	Pharmaceutical Export Promotion Council	National

2. Provide details of corrective action taken or underway on any issues related to anti competitive conduct by the entity, based on adverse orders from regulatory authorities

Name of Authority	Brief of the case	Corrective action taken
	No such case to report	

Leadership Indicators

1. Details of public policy positions advocated by the entity

Being a responsible corporate, we firmly believe in maintaining good and healthy relations with trade unions, governments, regulatory bodies, investors and all concerned stakeholders by which we can achieve economic, social and environmental goals.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA notification no.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain	Relevant Web Link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

Sr. No.	Name of project for which R&R is ongoing	State	District	No of Project Affected Families	% of PAF covered by RAR	Amount Paid to PAFs in the FY (in ₹)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community

All grievances of the community are being addressed and redressed by the multiple departments of the Company depending upon the seriousness of the issue. We always strive to uplift the local community. We have multiple channel through which the local community can raise their concerns with the Company and the same are being resolved and redressed by the appropriate department depending upon the seriousness of the grievances.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/Small producers (%)	8.53	7.89
Sourced directly from within the district and neighboring districts (%)	--	--

Leadership Indicators**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

NA

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational District	Amount Spent (in ₹)
1	Gujarat	Patan	15,08,000
2	Gujarat	Ahmedabad	51,000
Total (FY 2022-23)			15,59,000

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)

The Company has always in endeavour for the upliftment of marginalised/vulnerable group. However, the Company always choose local suppliers for their capacity enhancement. 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 100% of raw materials and finished goods from the domestic suppliers/manufacturers.

b. From which marginalised/vulnerable groups do you procure?

The Company is procuring goods from the local suppliers and community.

c. What percentage of total procurement (by value) does it constitute?

As we are procuring goods from the local suppliers, we are not able to distinguish the same based on the community share.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

As such there were no benefits derived during the current financial year.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved

During the year, no such event reported.

6. Details of beneficiaries of CSR Projects

Sr. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1	Animal Welfare	NIL (The CSR project was implemented for the betterment of Animals)	100
2	Promoting Education	50	100
Total		50	100

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Being a pharmaceutical Company we are providing IVR number, E-mail ID and communication address on the package as per the applicable regulations. We have dedicated product care team who are handling and resolving the complaints of the consumers.

On receipt of the consumer's complaints the same is being forwarded to the relevant department, afterwards the relevant department looks into the matter and if the complaint is with respect to the product quality then the same is being sent to the quality assurance department. After completion of all these procedure the consumer relation officer will revert to the consumer with proper course of action.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information

Type	As a percentage to total turnover
Environment and Social parameters relevant to product	--
Safe and responsible usage	100%
Recycling and/or safe disposal	--

3. Number of consumer complaints in respect of the following:

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NIL	NIL	NIL	NIL	NIL	NIL
Advertising	NIL	NIL	NIL	NIL	NIL	NIL
Cyber-security	NIL	NIL	NIL	NIL	NIL	NIL
Delivery of essential services	NIL	NIL	NIL	NIL	NIL	NIL
Restrictive Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Unfair Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Other (Packaging defects, Transportation complaints)	189	NIL	The complaint includes missing dosage, damaged goods or package.	55	NIL	The complaint includes missing dosage, damaged goods or package.

4. Details of instances of product recalls on account of safety issues

	Number	Reason for Recall
Voluntary recalls	Nil	NA
Forced recalls	11	Out of Specification/Misbranded

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

No

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services

N.A.

Leadership Indicators**1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available) Information about the products of the Company is available on the official websites of the Company viz.**www.zotahealthcare.com , www.davaindia.com**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services**

The Company is following necessary regulatory requirements by printing/disclosing about safe and responsible usage of products. The information label attached to each product informs the consumers about pharmacokinetics, instructions for safe use, sourcing of ingredients, composition, mechanism of action, clinical pharmacology, product interactions and side effects, and guidance on appropriate storage conditions, among others.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services

In general, on account of guidelines issued by the National Pharmaceutical Pricing Authority from time to time, the essential products might get discontinued, in such event we are informing about the same to the consumer verbally, on call and via an email. We are also issuing necessary recall letter's to our distributors, franchises, retail partners and stockiest so that they can convey the same to the ultimate consumers.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)?

No

If yes, provide details in brief.

N.A.

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

No

5. Provide the following information relating to data breaches

a. Number of instances of data breaches along-with impact: 0

b. Percentage of data breaches involving personally identifiable information of customers: 0

For and on behalf of the Board
ZOTA HEALTH CARE LIMITED

Date: 4 September, 2023
Place: Surat

Sd/-
Moxesh K. Zota
(Managing Director)
(Din: 07625219)

Sd/-
Himanshu M. Zota
(Whole-Time Director)
(Din: 01097722)

Annexure - 13

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 31 March, 2023 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.

Sr. 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 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.

Signature: Sd/-

Name of PCS: Ranjit Binod Kejriwal

FCS No.: 6116

C P No.: 5985

UDIN: F006116E000936914

PR: 12004GJ424500

Date: 4 September, 2023

Place: Surat

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 31 March, 2023, 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 31 March, 2023, 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.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and 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 of the Company is also 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 31 March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023 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.
 - (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1 April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March, 2023.
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

Sd/-
CA. Shivangi Parekh

Proprietor
M. No.: 118936

UDIN: 23118936BGWQCO3386

Date: 30 May, 2023
Place: Surat

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 with reference to Standalone Financial Statements of **ZOTA HEALTH CARE LIMITED** (“the Company”) as of 31 March, 2023 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 with reference to Standalone Financial Statements based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls with reference to Standalone Financial Statements (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 Standalone 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 system with reference to Standalone Financial Statements and their operating effectiveness. My audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone 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 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 WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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 WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone 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 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 31 March 2023, 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

Date: 30 May, 2023
Place: Surat

Sd/-
CA. Shivangi Parekh
Proprietor
M. No.: 118936
UDIN: 23118936BGWQCO3386

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:

Particulars	Amount (₹ in Lakhs)
Aggregate amount during the year	949.96
Balance outstanding as at balance sheet date	1,256.28

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 31 March, 2023 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) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence the requirements of section 42 and section 62 of the Companies Act, 2013 is not arising.
- (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) According to the information and explanations given to me, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (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.

Date: 30 May, 2023
Place: Surat

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

Sd/-
CA. Shivangi Parekh
Proprietor
M. No.: 118936
UDIN: 23118936BGWQCO3386

Standalone Balance Sheet

As at 31 March, 2023

(₹ in Lakhs)

Particulars	Note No.	As at 31 March, 2023	As at 31 March, 2022
ASSETS			
1 Non-Current Assets			
Property, plant and equipment	M-(a)01	715.19	708.63
Intangible Assets	M-(a)02	429.40	546.88
Capital work-in-progress	M-(a)03	309.70	-
Intangible assets under development	M-(a)02	-	-
Financial Assets			
(i) Investments	C-03	953.87	3484.17
(iii) Loans	C-04	1267.30	260.98
Other Non-current assets		-	-
Deferred tax assets (Net)		8.45	6.70
Total Non-Current assets		3683.91	5007.36
2 Current Assets			
Inventories	C-05	3583.46	2797.86
Financial Assets			
(i) Trade Receivables	C-06	4356.46	3831.54
(ii) Cash and Cash Equivalents	C-07 (a)	0.74	0.96
(iii) Bank balance other than cash and cash equivalents	C-07 (b)	86.89	219.03
(iv) Loans	C-08	552.92	664.75
Other Current Assets	C-09	199.34	6.42
Total Current assets		8779.80	7520.57
Total Assets		12463.71	12527.93
EQUITY AND LIABILITIES			
1 Equity			
(i) Equity Share capital	C-10	2516.03	2516.03
(ii) Other Equity	C-11	6930.28	6621.42
Total Equity		9446.31	9137.45
2 Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings		-	-
Provisions	C-12	93.83	102.86
Total non-current liabilities		93.83	102.86
Current liabilities			
Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises		46.03	64.62
- Total outstanding dues of Creditors other than micro enterprises and small enterprises		2436.23	1766.89
Other Current liabilities	C-13	94.51	1000.18
Provisions	C-14	346.80	455.94
Total current liabilities		2923.57	3287.63
Total Liabilities		3017.40	3390.48
Total Equity and Liabilities		12463.71	12527.93

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

For **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 Mehta
Proprietor
M. No.: 118936
Firm No.: 131449W

Sd/-
Ashvin Variya
(Company Secretary)

Sd/-
Viral Mandviwala
(Chief Financial Officer)

Date: 30 May, 2023
Place: Surat

Sd/-
Sujit Paul
(Chief Executive Officer)

Standalone Statement of Profit & Loss

For the year ended 31 March, 2023

(₹ in Lakhs except per equity share data)

Particulars	Note No.	Year ended on 31 March, 2023	Year ended on 31 March, 2022
I. Revenue from Operations	C-15	13836.60	13153.33
II. Other Income	C-16	255.87	164.56
III. Total Income		14092.47	13317.89
IV. Expenses:			
Cost of Materials Consumed:	C-17	1741.40	1996.94
Purchases of Stock-in-Trade		8183.66	6608.42
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	C-18	(1099.55)	148.45
Employee Benefit Expenses	C-19	1145.07	986.77
Finance Costs	C-20	6.33	7.32
Depreciation/Amortisation and Depletion Expense	M-(a)01 & M-(a)02	241.99	273.05
Other Expenses	C-21	3065.07	1877.80
V. Total Expenses		13283.98	11898.75
VI. Profit/(loss) before exceptional items and tax (III-V)		808.50	1419.14
Exceptional items		53.79	-
VII. Profit/(loss) before tax		862.29	1419.14
VIII. Tax Expense:			
(1) Current tax		214.67	369.03
(1.1) I.T. & DD Tax Provision Created Short/excess		(9.99)	(0.18)
(2) Deferred Tax		1.75	7.71
IX. Profit/(Loss) for the period from Continuing Operations (VII-VIII)		659.35	1058.01
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		659.35	1058.01
XIV. Other Comprehensive Income			
A (i) Items that will not be reclassified to Statement of profit and loss		35.97	18.48
(ii) Income Tax relating to items that will not be reclassified to Statement of profit and loss		(9.05)	(4.65)
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		26.92	13.83
Total comprehensive income for the period (XIII + XIV)		686.27	1071.84
Earnings per equity share of face value of ₹ 10 each			
(1) Basic (in ₹)		2.62	4.25
(2) Diluted (in ₹)		2.62	4.25

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/-
Ashvin Variya
(Company Secretary)

Date: 30 May, 2023
Place: Surat

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

Sd/-
Viral Mandviwala
(Chief Financial Officer)

Sd/-
Sujit Paul
(Chief Executive Officer)

For **Shivangi Parekh & Co.**
Chartered Accountants

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

Standalone Cash Flow Statement

For the Year ended 31 March, 2023

(₹ in Lakhs)

Particulars	Year ended on 31 March, 2023	Year ended on 31 March, 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax as per Statement of Profit and Loss	862.29	1419.14
Adjusted for:		
Exceptional items	(53.79)	-
Depreciation/Amortisation and Depletion Expense	241.99	273.05
Finance Costs	1.37	1.32
Interest Income	(138.63)	(128.71)
Operating Profit before Working Capital Changes and other adjustments:	913.23	1564.80
Adjusted for:		
Inventories	(785.59)	14.93
Trade Receivables	(524.92)	(947.21)
Trade Payables	650.76	272.70
Other Current Liabilities and Provisions	(978.84)	1213.44
Provisions - Non-Current	(9.03)	8.41
Current Financial Assets	111.84	(491.37)
Other Current Assets	(192.92)	104.04
Changes in Working Capital	(1728.71)	174.95
Cash Generated from Operations	(815.48)	1739.76
Direct Taxes Paid	(213.74)	(373.50)
Net Cash Flow from/(used in) Operating Activities	(1029.22)	1366.26
B CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment, capital work-in-progress and intangible assets	(500.77)	(125.72)
Proceeds from disposal of Property, Plant and Equipment	113.79	-
Decrease in Long Term Loans & Advances	(1006.32)	(224.09)
Interest Received	138.63	128.71
Non-current Investments	2530.30	(2484.77)
Net Cash Flow from/(used in) Investing Activities	1275.63	(2705.86)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Equity Share Capital	-	60.00
Increase in Securities Premium Reserve	-	1620.00
Finance Costs paid	(1.37)	(1.32)
Dividend Paid	(377.40)	(251.60)
Net Cash Flow from/(used in) Financing Activities	(378.78)	1427.08
Net Increase/(Decrease) in Cash & Cash Equivalents	(132.36)	87.47
Opening Balance of Cash and Cash Equivalents	220.00	132.52
Closing Balance of Cash and Cash Equivalents	87.63	220.00

For and on behalf of the Board

For **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 Mehta
Proprietor
M. No.: 118936
Firm No.: 131449W

Sd\
Ashvin Variya
(Company Secretary)

Sd\
Viral Mandviwala
(Chief Financial Officer)

Date: 30 May, 2023
Place: Surat

Sd\
Sujit Paul
(Chief Executive Officer)

Standalone Statement of changes in equity

For the year ended 31 March, 2023

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 March, 2023	2516.03	-	2516.03
For the year ended 31 March, 2022	2456.03	60.00	2516.03

II. OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserves and surplus		Total
	Securities premium	Retained earnings	
Balance as at 31 March, 2022	4575.30	2046.11	6621.42
Profit for the year	-	659.35	659.35
Other comprehensive income	-	26.92	26.92
Total comprehensive income for the year	-	686.27	686.27
Dividends		(377.40)	(377.40)
Balance as at 31 March, 2023	4575.30	2354.98	6930.28
Balance as at 31 March, 2021	2955.30	1225.88	4181.18
Profit for the year	-	1058.01	1058.01
Other comprehensive income	-	13.83	13.83
Total comprehensive income for the year	-	1071.84	1071.84
Issue of equity shares	1620.00	-	1620.00
Dividends	-	(251.60)	(251.60)
As at 31 March, 2022	4575.30	2046.11	6621.42

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

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: 30 May, 2023
Place: Surat

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

Sd/-
Viral Mandviwala
 (Chief Financial Officer)

Sd/-
Sujit Paul
 (Chief Executive Officer)

For **Shivangi Parekh & Co.**
 Chartered Accountants

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

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 30 May, 2023.

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 Lakhs (₹ 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.

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:

- the entity's business model for managing the financial assets; and
- 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 events, 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.

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".

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/-
Ashvin Variya
(Company Secretary)

Date: 30 May, 2023
Place: Surat

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

Sd/-
Viral Mandviwala
(Chief Financial Officer)

Sd/-
Sujit Paul
(Chief Executive Officer)

For **Shivangi Parekh & Co.**
Chartered Accountants

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

2. RECENT ACCOUNTING PRONOUNCEMENTS

On 31 March, 2023, the Ministry of Corporate Affairs (MCA), notified Companies (Indian Accounting Standards) Amendment Rules, 2023 effective from 1 April, 2023. Following are the key amended provisions which may have an impact on the financial statements of the Company:

Disclosure of accounting policies (amendments to Ind AS 1 Presentation of Financial Statements):

The amendments intend to assist in deciding which accounting policies to disclose in the financial statements. The amendments to Ind AS 1 require entities to disclose their material accounting policies rather than their significant accounting policies. The amendments provide guidance on how to apply the concept of materiality to accounting policy disclosures. The Company does not expect this amendment to have any significant impact in its financial statements.

Definition of accounting estimate (amendments to Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors):

The amendments distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Deferred tax related to assets and liabilities arising from a single transaction (amendments to Ind AS 12 – Income taxes):

The amendments specify how to account for deferred tax on transactions such as leases. The amendments clarify that lease transactions give rise to equal and offsetting temporary differences and financial statements should reflect the future tax impacts of these transactions through recognizing deferred tax. The Company is evaluating the impact of this amendment, if any, in its financial statements. Other amendments included in the notification do not have any significant impact on the 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 associated 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 standalone financial statements as at and for the year ended 31 March, 2023
Non-Current Assets as on 31 March, 2023
M(a)-01 & M(a)03

PROPERTY, PLANT AND EQUIPMENT

Particulars	Land	Buildings	Plant & Equipment	Office Equipments	Electric Accessories	Furniture & Fixtures	Computers	Motor vehicles	Total	Capital work-in-progress
(₹ in Lakhs)										
For Year Ended 31 March, 2022										
Opening Gross Carrying Amount	156.59	449.67	598.30	121.83	38.35	194.78	95.38	-	1654.90	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 31 March, 2022	156.59	458.03	600.90	130.38	38.35	199.75	112.45	-	1696.44	-
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 31 March, 2022	156.59	296.42	127.48	44.84	4.84	63.04	15.41	-	708.63	-
For Year Ended 31 March, 2023										
Opening Gross Carrying Amount	156.59	458.03	600.90	130.38	38.35	199.75	112.45	-	1696.44	-
Additions	-	0.78	29.39	26.57	-	40.10	37.21	23.31	157.35	309.70
Disposals	60.00	-	-	-	-	-	-	-	60.00	-
Capitalised/Transferred during the year	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount as on 31 March, 2023	96.59	458.80	630.30	156.94	38.35	239.85	149.66	23.31	1793.80	309.70
Accumulated Depreciation										
Opening Accumulated Depreciation	-	161.60	473.42	85.53	33.50	136.71	97.04	-	987.81	-
Depreciation Charge during the year	-	14.47	25.29	11.46	0.92	17.62	20.20	0.84	90.80	-
Disposals	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	176.07	498.71	96.99	34.42	154.33	117.25	0.84	1078.61	-
Net Carrying Amount As On 31 March, 2023	96.59	282.73	131.58	59.95	3.92	85.52	32.42	22.47	715.19	309.70

Notes forming part of standalone financial statements as at and for the year ended 31 March, 2023
Non-Current Assets as on 31 March, 2023
M(a)-02

INTANGIBLE ASSETS

Particulars	Brands/ Trademarks	Copyrights and Patents	Software	Others	Total	Intangible assets under development
For Year Ended 31 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 March, 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 March, 2023	392.60	16.22	23.24	114.82	546.88	-
For Year Ended 31 March, 2023						
Opening Gross Carrying Amount	993.50	64.14	44.77	314.87	1417.28	-
Additions	33.71	-	-	-	33.71	-
Disposals	-	-	-	-	-	-
Capitalised/Transferred during the year	-	-	-	-	-	-
Closing Gross Carrying Amount as on 31 March, 2023	1027.22	64.14	44.77	314.87	1450.99	-
Accumulated Depreciation						
Opening Accumulated Depreciation	600.91	47.91	21.53	200.05	870.40	-
Depreciation Charge during the year	110.35	2.69	8.43	29.73	151.19	-
Disposals	-	-	-	-	-	-
Closing Accumulated Depreciation	711.26	50.60	29.96	229.78	1021.59	-
Net Carrying Amount As On 31 March, 2023	315.96	13.53	14.81	85.10	429.40	-

Notes forming part of Standalone Financial Statements

As at and for the year ended 31 March, 2023

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 31-03-2023	309.70				309.70
As on 31-03-2022	-	-	-	-	-

C-03 NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
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 [2000 units of LKR 100 each]	0.50	0.52
Zota Healthcare Nig. Ltd [1000000 units of Naira 1 each]	1.78	1.83
Investment in DavaIndia Health Mart Ltd	200.00	200.00
Other Non-Current Investments		
Axis Bank Fixed Deposit	-	516.66
ICICI BANK (FD)	738.42	1660.00
Yes Bank Fixed Deposit	13.18	1105.17
Total	953.87	3484.17

* denotes figures less than a Lakhs

C-04 LOANS - NON-CURRENT

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
(Unsecured and Considered Good)		
Security Deposits	11.02	9.48
Others		
DavaIndia Health Mart Limited	1256.28	251.51
Total	1267.30	260.98

C-05 INVENTORIES

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Raw Materials	121.74	281.92
Work-in-Progress	37.57	191.35
Finished Goods	100.27	56.33
Stock-in-Trade (in respect of goods acquired for trading)	3282.85	2225.17
Others		
Promotional, Packing and Stationery Material	41.03	43.10
Total	3583.46	2797.86

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 March, 2023	As at 31 March, 2022
(Unsecured and Considered Good)		
- Outstanding for a period exceeding six months		
Trade Receivables	4356.46	3831.54
Total	4356.46	3831.54

The trade receivables ageing schedule for the years ended as on 31 March, 2023 and 31 March, 2022 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 31-03-2023	3,039.23	632.77	357.52	326.95		4356.46
As on 31-03-2022	2,634.07	520.62	676.84	-	-	3831.54
Disputed trade receivables - which have significant increase in credit risk						
As on 31-03-2023	-	-	-	-	-	-
As on 31-03-2022	-	-	-	-	-	-

C-07 (A) CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Balance with Banks		
Cash on Hand	0.62	0.57
Cash on Hand-SEZ	0.12	0.40
Total	0.74	0.96

C-07 (B) OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Balance with Banks	86.89	219.03
Total	86.89	219.03

C-08 LOANS

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
(Unsecured and Considered Good)		
Others	552.92	664.75
Total	552.92	664.75

C-09 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Prepaid Expenses	96.61	4.04
Balances with Govt. Authorities	102.73	2.37
Total	199.34	6.42

C-10 SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Authorised Share Capital		
30000000 Equity Shares of ₹ 10/- each (Previous Year 30000000 Equity Shares of ₹ 10/- each)	3000.00	3000.00
Issued, Subscribed and Paid up		
25160327 Equity Shares of ₹ 10/- each (Previous Year 25160327 Equity Shares of ₹ 10/- each)	2516.03	2516.03
Total	2516.03	2516.03

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

Authorised Shares	No. of Shares 31 March, 2023	No. of Shares 31 March, 2022
Equity Shares at the beginning of the year	3,00,00,000	2,50,00,000
Addition during the year	-	50,00,000
Equity Shares at the end of the year	3,00,00,000	3,00,00,000
Issued, Subscribed and fully paid		
Equity Shares at the beginning of the year	2,51,60,327	2,45,60,327
Addition during the year	-	6,00,000
Equity Shares at the end of the year	2,51,60,327	2,51,60,327

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

Name of shareholders	As at 31 March, 2023		As at 31 March, 2022	
	No. of Share	%	No. of Share	%
Manukant C. Zota	2182070	8.67	2182070	8.67
Himanshu M. Zota	3232780	12.85	3277280	13.03
Ketan C. Zota	3051363	12.13	3051363	12.13
Kamlesh R. Zota	1991103	7.91	1991103	7.91
Manisha K. Zota	1432966	5.7	1432966	5.70

C. Disclosure of Shareholding of Promoters and Promoters group

Disclosure of shareholding of promoters and promoters group as at 31 March, 2023 is as follows:

Promoter name	Shares held by promoters				% Change during the year
	As at 31 March, 2023		As at 31 March, 2022		
	No. of Share	%	No. of Share	%	
Anilaben Ketankumar Zota	7,68,250	3.05	7,68,250	3.05	-
Anjnaben Shrenikkumar Gandhi	403	0	403	-	-
Arunaben Ramesh Kumar Shah	700	0	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	0	0	-	-	-
Chandrikaben Subodhchandra Shah	302	0	302	-	-
Dhara Ketan Zota	1,78,147	0.71	1,78,147	0.71	-
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	0	0	316	-	(100.00)
Heli Ritesh Shah	33,840	0.13	33,840	0.13	-
Himansubhai Muktilal Zota	32,32,780	12.85	32,77,280	13.03	(1.36)
Himansubhai Muktilal Zota Huf	8,000	0.03	8,000	0.03	-
Induben Muktilal Zota	2,500	0.01	-	-	100.00
Kamlesh Rajnikant Zota	19,91,103	7.91	19,91,103	7.91	-
Ketankumar Chandulal Zota	30,51,363	12.13	30,51,363	12.13	-
Kinjal Nikesh Mehta	50,904	0.2	27,904	0.11	82.43
Krinal V Ankhad	31,735	0.13	10,235	0.04	210.06
Kumarpal Rajnikant Mehta	1,511	0.01	1,511	0.01	-
Manisha Tusharkumar Mehta	11,793	0.05	11,793	0.05	-
Manishaben Kamleshkumar Zota	14,32,966	5.7	14,32,966	5.70	-
Manukant Chandulal Zota	21,82,070	8.67	21,82,070	8.67	-
Manukant Chandulal Zota Huf	2,06,767	0.82	2,06,767	0.82	-
Mehta Suresh Halchand	2,626	0.01	2,626	0.01	-
Moxesh Ketanbhai Zota	4,94,150	1.96	4,94,150	1.96	-
Niralkumar Muktilal Zota	9,100	0.04	8,300	0.03	9.64
Nirmalaben A Shah	1,100	0	1,100	-	-
Niruben Vinodchandra Mehta	6,072	0.02	6,072	0.02	-
Nitaben Rajeshbhai Mehta	5,679	0.02	5,679	0.02	-
Praful Ratilal Vora	12,630	0.05	12,930	0.05	(2.32)
Pushpaben Seventilal Doshi	0	0	-	-	-
Rajnikant Shantilal Mehta	0	0	-	-	-
Ramilaben Rajnikant Mehta	350	0	50	-	600.00
Rasilaben Manukantbhai Zota	10,00,500	3.98	10,00,500	3.98	-
Rasilaben V Siriya	0	0	-	-	-
Ratilal Zumchand Vora	0	0	-	-	-

Promoter name	Shares held by promoters				% Change during the year
	As at 31 March, 2023		As at 31 March, 2022		
	No. of Share	%	No. of Share	%	
Shripal R Mehta	2,419	0.01	2,419	0.01	-
Varshaben Himanshubhai Zota	8,99,146	3.57	8,99,146	3.57	-
Viren Manukant Zota	5,09,040	2.02	5,09,040	2.02	-
Viren Manukant Zota (Huf)	9,800	0.04	9,800	0.04	-
Zota Ketankumar Chandulal Huf	9,81,756	3.9	9,81,756	3.90	-
Manjulaben Pravinbhai Shah	650	0	-	-	100.00

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

Promoter name	Shares held by promoters				% Change during the year
	As at 31 March, 2022		As at 31 March, 2021		
	No. of Share	%	No. of Share	%	
Anilaben Ketankumar Zota	7,68,250	3.05	7,68,250	3.13	-
Anjnaben Shrenikkumar Gandhi	403	0	403	-	-
Arunaben Ramesh Kumar Shah	700	0	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	-	0	907	-	(100.00)
Chandrikaben Subodhchandra Shah	302	0	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	0	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	-	0	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	0	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	-	0	3,245	0.01	(100.00)
Rajnikant Shantilal Mehta	-	0	604	-	(100.00)
Ramilaben Rajnikant Mehta	50	0	50	-	-
Rasilaben Manukantbhai Zota	10,00,500	3.98	10,14,000	4.13	(1.33)
Rasilaben V Siriya	-	0	4,099	0.02	(100.00)
Ratilal Zumchand Vora	-	0	3,435	0.01	(100.00)

Promoter name	Shares held by promoters				% Change during the year
	As at 31 March, 2022		As at 31 March, 2021		
	No. of Share	%	No. of Share	%	
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)

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 31 March, 2023

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 30 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 16 September, 2021 after taking approval of shareholders by passing a special resolution on 07 September, 2021.

C-11 OTHER EQUITY

Particulars	(₹ in Lakhs)	
	As at 31 March, 2023	As at 31 March, 2022
a. Securities Premium	4575.30	4575.30
b. Retained earnings	2354.98	2046.11
Total	6930.28	6621.42
a. Securities Premium		
As per last Balance Sheet	4575.30	2955.30
Add: Equity Shares Issued	-	1620.00
Closing balance	4575.30	4575.30
b. Retained earnings		
Opening balance	2046.11	1225.88
Profit for the year	659.35	1058.01
Other comprehensive income of the year	26.92	13.83
Final dividend	(377.40)	(251.60)
Closing balance	2354.98	2046.11

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 March, 2023	As at 31 March, 2022
Gratuity Payable	93.83	102.86
Total	93.83	102.86

C-13 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Statutory Liabilities	24.66	36.25
Other Payables	69.85	963.93
Total	94.51	1000.18

C-14 PROVISIONS - CURRENT

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Provision for Employee Benefits	121.29	77.85
Others	225.51	378.09
Total	346.80	455.94

C-15 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Sale of Products	13836.60	13153.33
Total	13836.60	13153.33

C-16 OTHER INCOME

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Interest Income	149.12	133.66
PMRPY Income	-	0.23
Export Incentive Licence Income	79.44	7.69
Other Non-Operating Income		
Foreign Exchange Profit/Loss	23.71	22.98
Miscellaneous Income	3.61	-
Total	255.87	164.56

C-17 COST OF MATERIALS CONSUMED:

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Raw Materials		
Inventory at the beginning of the year	473.27	339.76
Add: Purchase Less Return	1427.45	2130.46
	1900.72	2470.21
Less: Inventory at the end of the year	159.31	473.27
Total	1741.40	1996.94

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

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Inventories (at commencement)	2324.60	2473.04
Inventories (at close)	3424.14	2324.60
Total	(1099.55)	148.45

C-19 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Salaries, Wages and Bonus	516.44	445.77
Director's Remuneration	72.00	72.00
Sitting fees	4.75	4.83
Contribution to Provident Fund and Other Funds	77.53	58.46
Staff Welfare Expenses	474.35	405.71
Total	1145.07	986.77

C-20 FINANCE COSTS

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Bank Charges	3.75	5.91
Interest On TDS	1.08	0.09
Interest On Security Deposits	1.37	1.32
Other Interest CST/GST/Professional Tax/ESIC	0.05	-
Interest - others	0.08	-
Total	6.33	7.32

C-21 OTHER EXPENSES

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Direct Expenses		
Freight On Purchases	(66.76)	(33.82)
Lab Testing Expenses	-	0.05
Lab Chemical Expenses	1.68	1.45
Packing Materials Expenses	15.65	61.91
Transportation Expense	98.68	136.84
GST Expenses	4.41	2.40
Power and Fuel Expenses	38.88	39.85
Factory Maintenance Expenses	42.06	27.02
Water Charges	1.34	2.23
Diesel Expense for Boiler	19.29	30.67
	155.25	268.60

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Administrative and General Expenses		
Audit and Consultancy Fees	6.00	6.00
Clearing and Forwarding Charges	115.01	141.83
Computer Repairs and Maintenance Expenses	14.97	8.23
Professional Fess/Consultancy Charges	331.11	307.92
Cylinder Charges	8.14	1.84
Commission Expenses	1129.83	20.53
Diesel Expenses	1.91	3.77
Electricity Light Bill Expenses	11.67	11.49
Export Promotion Council - Membership Fees	0.04	0.10
Godown rent	44.22	65.78
Generator on Rent	0.13	1.00
Insurance Expenses	2.91	3.06
Legal Expense	2.23	9.31
Lodging and Boarding Expense	19.71	8.56
Membership Fees	-	0.15
Municipal Tax	7.12	8.20
Office Equipment Maintenance	1.65	2.57
Office/Factory Miscellaneous Expense	37.90	40.49
PF Fund Administration Charges	2.30	1.90
Post And Courier Charges	52.07	170.76
Printing and Stationery Expense	3.80	4.54
Product Approval Charges	1.34	(2.04)
Professional Tax	0.02	0.02
Security service charges	2.27	1.90
Service Charges	1.99	3.17
Shop Maintenance Expense	0.22	0.22
Software Subscription Exp	3.15	11.39
Telephone and Mobile Bill Expense	9.03	6.44
Trademark Expense	12.34	7.29
Travelling Expense	55.83	12.39
Website Renewal Charges	0.95	2.24
Expenditure towards Corporate Social Responsibility (CSR) activities	15.75	6.93
GST Penelty	0.84	0.01
Vatav Kasar	24.55	2.10
	1920.99	870.11
Selling and Distribution Expenses		
Advertisement Expense	708.08	425.80
Cash and Trade Discount	57.04	57.63
Commission on Sales	157.49	143.63
Freight on Sales	3.47	40.40
Promotional Expenses	61.90	70.44
Sales Incentive	0.84	1.19
	988.84	739.09
Total	3065.07	1877.80

* denotes figures less than a Lakhs

C-22 OTHER DISCLOSURES**1. Dividend**

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Equity shares: Final dividend for the year ended 31 March, 2023 - ₹ 1 (31 March, 2022 - ₹ 1.5) per fully paid up Equity Share	251.60	377.40

2. Earnings Per Share

Particulars	As at 31 March, 2023	As at 31 March, 2022
Profit for the year (Rupees in Lakhs)	659.35	1058.01
Weighted Average No. of Equity Shares	2,51,60,327	2,48,84,163
Nominal value per share (Rupees)	10.00	10.00
Basic and Diluted Earnings per equity share of face value of ₹ 10 each	2.62	4.25

During the reporting period; on 16 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 Transactions**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 Rajanikant Zota	Executive Whole Time Director
Manukant Chandulal Zota	Executive Whole Time Director
Moxesh Ketanbhai Zota	Executive Managing Director
Ashvin Variya	Company Secretary
Viral Mandviwala	CFO
Sujit Paul	CEO

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 March, 2023	Managerial Remuneration *	Sitting Fees	Salary	Dividend
Himanshu Muktilal Zota	32.34			49.16
Kamlesh Rajanikant Zota	31.99			29.87
Moxesh Ketanbhai Zota	31.99			7.41
Manukant Chandulal Zota	32.04			32.73
Ketan Chandulal Zota		0.4		45.77
Varshababen Gaurang Mehta		0.7		0.05
Vitrag Sureshkumar Modi		0.55		0.01
Bhumi Maulik Doshi		0.55		0.02
Dhiren Prafulbhai Shah		0.4		
Jayshreeben Nileshkumar Mehta		0.45		0.03
Viren M. Zota^			21.65	
Niral M. Zota^			21.65	
Ashvin Variya			12.76	
Viral Mandviwala			7.54	
Sujit Paul~			65.35	
Heli R. Shah			1.41	

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

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

~ Salary includes commission of ₹ 40.36 Lakhs.

Davaindia Health Mart Limited

	(₹ in Lakhs)
Unsecured Loan (Value of transaction during the reporting period)	1010.87
Revenue from Sale of Goods	1544.37

				(₹ in Lakhs)
For the year ended 31 March, 2022	Managerial Remuneration *	Sitting Fees	Salary	Dividend
Himanshu Muktilal Zota	31.62			32.77
Kamlesh Rajanikant 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 Lakhs 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

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	As at 31 March, 2023	As at 31 March, 2022
Deferred Tax Liabilities		
Property, plant and equipments, Intangible Assets	(15.35)	(5.63)
Sub Total (a)	(15.35)	(5.63)
Deferred Tax Assets		
Items allowable for tax purpose on payments/adjustment	4.58	(5.28)
Sub Total (b)	4.58	(5.28)
Total (a+b)	(10.77)	(10.91)
Recognised in Statement of Profit & Loss for the year	1.75	7.71

5. Fair value measurements**Financial instruments by category**

(₹ in Lakhs)

Financial instruments by category	As at 31 March, 2023			As at 31 March, 2022		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments	-	-	953.87	-	-	3484.17
Trade Receivables	-	-	4356.46	-	-	3831.54
Cash and Cash Equivalents	-	-	0.74	-	-	0.96
Bank balance other than above	-	-	86.89	-	-	219.03
Other Financial Assets	-	-	552.92	-	-	664.75
Total financial assets	-	-	5950.88	-	-	8200.46
Financial liabilities						
Borrowings	-	-	-	-	-	-
Trade Payable	-	-	2482.26	-	-	1831.50
Other Financial Liabilities	-	-	-	-	-	-
Total financial liabilities	-	-	2482.26	-	-	1831.50

(₹ in Lakhs)

Fair value of financial assets and financial liabilities measured at amortised cost.	As at 31 March, 2023		As at 31 March, 2022	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets at amortised cost				
Fixed deposits	751.60	751.60	3281.83	3281.83
Financial assets at FVTPL				
Investments in equity instruments (unquoted) [#]	*	*	*	*
Zota Healthcare Lanka (Pvt) Ltd.	0.50	0.50	0.52	0.52

(₹ in Lakhs)

Fair value of financial assets and financial liabilities measured at amortised cost.	As at 31 March, 2023		As at 31 March, 2022	
	Carrying value	Fair value	Carrying value	Fair value
Zota Healthcare Nig. Ltd.^	1.78	1.78	1.83	1.83
Investment in DavaIndia Health Mart Ltd.	200.00	200.00	200.00	200.00

*denotes figures less than a Lakhs

#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
	2022-23	2021-22
Discount Rate (per annum)	7.50%	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	
Employees attrition rate	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	Gratuity	Gratuity
	2022-23	2021-22
Liability at the beginning of the period	102.86	98.95
Interest Cost	7.26	6.73
Current Service Cost	25.17	19.59
Employees Contribution	-	-
Interest Guarantee	-	-

(₹ in Lakhs)

Particulars	Gratuity	Gratuity
	2022-23	2021-22
Benefits Paid	-	(3.93)
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	(35.97)	(18.48)
Liability at the end of the year	99.31	102.86

ii) Amount Recognised in the Balance Sheet

(₹ in Lakhs)

Particulars	Gratuity	Gratuity
	2022-23	2021-22
Present Value of Benefit Obligation on 31-3-2022	99.31	102.86
Fair Value of Plan Assets on 31-3-2022	-	-
Net Liability/(Asset) recognised in Balance Sheet	99.31	102.86

iii) Expenses Recognised in the Income Statement

(₹ in Lakhs)

Particulars	Gratuity	Gratuity
	2022-23	2021-22
Current Service Cost	25.17	19.59
Interest Cost on benefit obligation (net)	7.26	6.73
Past Service Cost	-	-
Expected Contribution	-	-
Gain/Losses on Curtailment and Settlement	-	-
Net Effect of Change in Foreign Exchange Rates	-	-
Expenses Recognised	32.43	26.32

iv) Expenses Recognised in Other Comprehensive Income (OCI) for current Period

(₹ in Lakhs)

Particulars	Gratuity	Gratuity
	2022-23	2021-22
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in demographic adjustments	-	-
Actuarial changes arising from changes in experience adjustments	(35.97)	(18.48)
Net (Income)/Expense for period	(35.97)	(18.48)

v) Maturity profile of defined benefit obligations

(₹ in Lakhs)

Projected Benefits Payable in Future Years From the Date of Reporting	2022-23	2021-22
1 st Following Year	5.49	5.03
2 nd Following Year	3.66	2.88
3 rd Following Year	9.58	3.17

(₹ in Lakhs)

Projected Benefits Payable in Future Years From the Date of Reporting	2022-23	2021-22
4 th Following Year	6.39	8.88
5 th Following Year	2.13	5.25
6 to 10 years	34.89	36.22

vi) Sensitivity Analysis Gratuity Plan

(₹ in Lakhs)

Particulars	Gratuity	Gratuity
	2022-23	2021-22
Projected Benefit Obligation on Current Assumptions	99.31	102.86
Delta Effect of +1% Change in Rate of Discounting	87.86	90.22
Delta Effect of -1% Change in Rate of Discounting	113.22	118.32
Delta Effect of +1% Change in Rate of Salary Increase	112.87	117.82
Delta Effect of -1% Change in Rate of Salary Increase	87.91	90.35
Delta Effect of +1% Change in Rate of Employee Turnover	98.61	101.73
Delta Effect of -1% Change in Rate of Employee Turnover	100.07	104.08

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 31 March, 2023 and for the year ended 31 March, 2022 are:

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Current tax	214.67	369.03
Deferred tax	(1.75)	(7.71)
Total income tax expense recognised in statement of profit and loss	212.92	361.32

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Profit before tax	808.50	1419.14
Applicable Tax Rate	25.168%	25.168%
Computed Tax Expense	203.48	357.17
Tax effect of :		
Expenses not deductible for tax purposes	78.06	81.23
Expenses allowed for tax purposes	(66.87)	(69.37)
Deductions allowed	-	-
(Profit) on sale of Property, Plant and Equipment	-	-
Others	-	-
Income Tax Expense	214.67	369.03

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	As at 31 March, 2023	As at 31 March, 2022
Principal amount remaining unpaid	46.03	64.62
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	As at 31 March, 2023	As at 31 March, 2022
As Auditors	6.00	6.00
In other capacities	-	-
Total	6.00	6.00

14. Managerial remuneration to directors charged to profit and loss account are as under:

Particulars	(₹ in Lakhs)	
	As at 31 March, 2023	As at 31 March, 2022
Director's Remuneration (includes commission & sitting fees)	131.41	129.38
Total	131.41	129.38

15. Contingent Liabilities

Particulars	(₹ in Lakhs)	
	As at 31 March, 2023	As at 31 March, 2022
Performance bank guarantee	-	-
Total	-	-

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 01 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.

Particulars	0-180 Days	180 to 365 Days	More Than 365 Days	Total (₹ in Lakhs)
Trade Receivables				
31 March, 2023	3,039.23	632.77	684.47	4,356.46
31 March, 2022	2,634.07	520.62	676.84	3,831.54

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 ₹ 751.60 Lakhs unutilised working capital lines as on 31 March, 2023, ₹ 3281.83 Lakhs as on 31 March, 2022.

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 March, 2023
Trade Payables	2387.10	49.13	--	2482.26

(₹ in Lakhs)				
Particulars	Less Than 1 Year	1-3 Years	More Than 3 Years	As on 31 March, 2022
Trade Payables	1778.54	52.96	--	1831.50

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 31 March, 2023 and 31 March, 2022 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 31-03-2023	46.03				46.03
As on 31-03-2022	64.62	-	-	-	64.62
Others					
As on 31-03-2023	2,387.10	1.56	47.57		2,436.23
As on 31-03-2022	1,713.92	52.96	-	-	1,766.89
Total trade payables					
As on 31-03-2023	2,433.14	1.56	47.57	-	2,482.26
As on 31-03-2022	1,778.54	52.96	-	-	1,831.50

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 2022-23 is ₹ 11.84 Lakhs (FY 2021-22 is ₹ 6.93 Lakhs).

(₹ in Lakhs)

Particulars	2022-23	2021-22
(i) Amount required to be spent by the Company during the year	11.84	6.93
(ii) Amount of expenditure incurred	15.59	6.52
(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
(vi) Nature of CSR activities	Animal Welfare and Promoting Educational Activities	Animal Welfare
(vii) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

22. Ratio Analysis and its elements

Sr. No.	Ratio	Particulars		Ratio as on	Ratio as on
		Numerator	Denominator	31 March, 2023	31 March, 2022
(a)	Current Ratio ¹	Current Assets = 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	3.00	2.29
(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	0.07	0.12
(e)	Inventory Turnover Ratio	Sales	(Opening Inventory + Closing Inventory)/2	4.34	4.69
(f)	Trade Receivables Turnover Ratio	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivables)/2	3.38	3.92
(g)	Trade Payables Turnover Ratio	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	4.46	5.16
(h)	Net Capital Turnover Ratio	Net Sales	Current assets – Current liabilities	2.36	3.11
(i)	Net Profit Ratio ³	Net Profit	Net Sales	0.05	0.08
(j)	Return on Capital Employed ⁴	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	0.09	0.15
(k)	Return on Investment ⁵	Net Profit	Net Investment= Net Equity	0.07	0.12

Explanation for Change in the Ratio by more than 25% as compared to previous year:

1. Increase in trade receivable.
2. As compare to the preceeding financial year, the profitability has been reduced on account of high operational expenses.
3. As compare to the preceeding financial year, the profitability has been reduced on account of high operational expenses.
4. Decrease in EBIT (profitability) as compared to profit during the preceeding financial year.
5. As compare to the preceeding financial year, the profitability has been reduced on account of high operational expenses.

23. CIF Value of Imports

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Raw Materials	-	68.35
Components and Spare Parts	-	-
Capital Goods	-	-

24. Expenditure in Foreign Currency

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
a. Royalty	-	-
b. Technical Know how	-	-
c. Professional and Consultation Fees	33.71	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	2022-23	2021-22
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	1,427.45	2,062.11
Percentage to Total Consumption	100.00	96.79

26. Earning in foreign currency during the year

(₹ in Lakhs)

Particulars	2022-23	2021-22
Export of goods calculated on F.O.B. basis;	1,962.07	2,093.83

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. Pursuant to “Zota Health Care - Employee Stock Option - 2022” (“ZHL ESOP 2022”), stock options under ZHL ESOP 2022 are yet to be granted.

29. These Financial Statements were authorised for issue in accordance with the resolution of the Board of Directors in its meeting held on 30 May, 2023.

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: 30 May, 2023
Place: Surat

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

Sd/-
Viral Mandviwala
(Chief Financial Officer)

Sd/-
Sujit Paul
(Chief Executive Officer)

For **Shivangi Parekh & Co.**
Chartered Accountants

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

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 "Holding Company"), and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March, 2023, 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 and based on the consideration of report of the other auditors on separate financial statements of the subsidiary companies as was audited by the other auditors, 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 31 March, 2023, of consolidated loss, 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 Act. My responsibilities under those SAs 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 and its joint venture in accordance with the ethical requirements that are relevant to my audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained by me along with the consideration of report of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for my 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.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are 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 state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows 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. The respective Management and 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 each Company and for preventing and detecting frauds and other irregularities; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board

of Directors either intends to liquidate the Company 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, I am also responsible for expressing my 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 the 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 of the Holding Company 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.

OTHER MATTERS

- a. The Statement includes the audited Financial Statements of 2 subsidiaries, whose financial statements reflect total assets of ₹ 6515.92 Lakhs as at 31 March, 2023 and total revenues of ₹ 1461.60 Lakhs, total net loss of ₹ 1129.11 Lakhs and total comprehensive loss of ₹ 1128.38 Lakhs and cash inflows (net) ₹ 13.90 Lakhs for the year ended 31 March, 2023, as considered in the consolidated financial results, which have been audited by their respective independent auditors, whose reports have been furnished to us by the Management and my opinion on the Consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and my report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

My opinion on the Consolidated financial statements, and my report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to my reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

1. As required by Section 143(3) of the Act, based on my 1As required by Section 143(3) of the Act, based on my audit and on the consideration of report of the other auditors on separate financial statements of the subsidiary companies, as was audited by other auditors, as noted in paragraph (a) of the "Other Matters" paragraph 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 (including other comprehensive income), 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 31 March, 2023 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 31 March, 2023 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. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In my opinion and to the best of my information and according to the explanations given to me, the remuneration paid by the Holding 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 Holding 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.
- (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which

has a feature of recording audit trail (edit log) facility is applicable to the Holding Company or subsidiary Company incorporated in India with effect from 1 April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March, 2023.

- 2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/"the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to me, and based on the CARO reports issued by me and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

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

Sd/-
CA. Shivangi Parekh
Proprietor
M. No.: 118936
UDIN: 23118936BGWQCO3386

Date: 30 May, 2023
Place: Surat

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 31 March, 2023, 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 AND BOARD OF DIRECTORS’ RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The respective Company’s Management and the 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 with reference to Consolidated financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Consolidated financial statements 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 with reference to Consolidated financial statements (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 with reference to Consolidated financial statements and such internal financial controls with reference to Consolidated financial statements were operating effectively as at 31 March, 2023 based on the internal control with reference to Consolidated financial statements 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.

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

Sd/-
CA. Shivangi Parekh
Proprietor

M. No.: 118936
UDIN: 23118936BGWQCO3386

Date: 30 May, 2023

Place: Surat

Consolidated Balance Sheet

As at 31 March, 2023

(₹ in Lakhs)

Particulars	Note No.	As at 31 March, 2023	As at 31 March, 2022
ASSETS			
1 Non-Current Assets			
Property, plant and equipment	M(b)-01	1472.07	893.84
Right-of-use assets	M(b)-04	4306.82	1469.56
Intangible Assets	M(b)-02	429.40	546.88
Capital work-in-progress	M(b)-03	309.70	-
Intangible assets under development			-
Financial Assets			
(i) Investments	H-03	753.38	3283.65
(ii) Loans	H-04	11.02	9.48
Other Non-current assets		-	-
Deferred tax assets (Net)		111.97	15.46
Total Non-Current assets		7394.36	6218.87
2 Current Assets			
Inventories	H-05	4178.81	2894.68
Financial Assets			
(i) Trade Receivables	H-06	2782.89	3636.63
(ii) Cash and Cash Equivalents	H-07 (a)	9.19	3.82
(iii) Bank balance other than cash and cash equivalents	H-07 (b)	102.31	226.09
(iv) Loans	H-08	730.32	783.63
Other Current Assets	H-09	613.33	145.61
Total Current assets		8416.85	7690.47
Total Assets		15811.20	13909.35
EQUITY AND LIABILITIES			
1 Equity			
(i) Equity Share capital	H-10	2516.03	2516.03
(ii) Other Equity	H-11	5519.64	6446.65
Total Equity		8035.67	8962.69
2 Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings		-	-
(ii) Lease liabilities	H-12	3626.31	1246.32
Provisions	H-13	97.64	104.25
Deferred tax liabilities (Net)			
Total non-current liabilities		3723.95	1350.58
Current liabilities			
Financial Liabilities			
(i) Borrowings		-	-
(ii) Lease liabilities	H-12	885.87	243.73
(ii) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises		46.03	64.62
- Total outstanding dues of Creditors other than micro enterprises and small enterprises		2599.96	1805.08
Other Current liabilities	H-14	146.16	1019.51
Provisions	H-15	373.56	463.14
Total current liabilities		4051.58	3596.08
Total Liabilities		7775.53	4946.66
Total Equity and Liabilities		15811.20	13909.35

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

For **Shivangi Parekh & Co.**
Chartered AccountantsSd/-
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 Mehta
Proprietor
M. No.: 118936
Firm No.: 131449WSd/-
Ashvin Variya
(Company Secretary)Sd/-
Viral Mandviwala
(Chief Financial Officer)**Date:** 30 May, 2023
Place: SuratSd/-
Sujit Paul
(Chief Executive Officer)

Consolidated Statement of Profit & Loss

For the year ended 31 March, 2023

(₹ in Lakhs except per equity share data)

Particulars	Note No.	For the year ended on 31 March, 2023	For the year ended on 31 March, 2022
I. Revenue from Operations	H-16	13995.69	13119.31
II. Other Income	H-17	195.61	163.04
III. Total Income (I+II)		14191.30	13282.35
IV. Expenses:			
Cost of Materials Consumed	H-18	1741.40	1996.94
Purchases of Stock-in-Trade		8183.66	6608.42
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	H-19	(1598.09)	56.39
Employee Benefit Expenses	H-20	1291.36	1024.42
Finance Costs	H-21	256.35	32.07
Depreciation/Amortisation and Depletion Expense	M(b)-01, M(b)02 & M(b)04	1195.71	367.13
Other Expenses	H-22	3643.79	1953.48
V. Total Expenses		14714.19	12038.87
VI. Profit/(loss) before exceptional items and tax (III-V)		(522.89)	1243.48
Exceptional items		53.79	-
VII. Profit/(loss) before tax		(469.10)	1243.48
VIII. Tax Expense:			
(1) Current tax		214.67	369.03
(1.1) I.T. Provision Created Short/excess		(9.99)	(0.18)
(2) Deferred Tax		96.51	16.13
IX Profit/(Loss) for the period from Continuing Operations (VII-VIII)		(577.28)	890.76
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		(577.28)	890.76
XIV. Other Comprehensive Income			
A (i) Items that will not be reclassified to Statement of profit and loss		37.03	18.48
(ii) Income Tax relating to items that will not be reclassified to Statement of profit and loss		(9.32)	(4.65)
B (i) Items that will be reclassified to Statement of profit and loss		(0.06)	*
(ii) Income Tax relating to items that will be reclassified to profit and loss		0.02	*
Other comprehensive income for the year, net of tax		27.67	13.83
Total comprehensive income for the year (IX + X)		(549.61)	904.59
Profit attributable to:			
Owners of the parent		(577.28)	890.76
Non-controlling interest		-	-
Other comprehensive income attributable to:			
Owners of the parent		27.67	13.83
Non-controlling interest		-	-
Total Comprehensive Income attributable to:			
Earnings per equity share of face value of ₹ 10 each			
(1) Basic (in ₹)		(2.29)	3.58
(2) Diluted (in ₹)		(2.29)	3.58

* denotes figures less than a Lakhs.

The accompanying notes form an integral part of the Consolidated Financial Statements

For and on behalf of the Board

For **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 Mehta
Proprietor
M. No.: 118936
Firm No.: 131449W

Sd/-
Ashvin Variya
(Company Secretary)

Sd/-
Viral Mandviwala
(Chief Financial Officer)

Date: 30 May, 2023
Place: Surat

Sd/-
Sujit Paul
(Chief Executive Officer)

Consolidated Cash Flow Statement

For the year ended 31 March, 2023

(₹ in Lakhs)

Particulars	For the year ended on 31 March, 2023	For the year ended on 31 March, 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax as per Statement of Profit and Loss	(469.10)	1243.48
Adjusted for:		
Exceptional items	(53.79)	-
Depreciation/Amortisation and Depletion Expense	1195.71	367.13
Finance Costs	247.37	25.69
Interest Income	(77.72)	(126.65)
Operating Profit before Working Capital Changes	842.46	1509.66
Adjusted for:		
Inventories	(1284.13)	(77.12)
Trade Receivables	(529.52)	(947.60)
Trade Payables	2159.56	497.79
Other Current Liabilities and Provisions	(810.07)	1239.60
Provisions - Non-Current	(9.03)	8.41
Current Financial Assets	111.84	(491.37)
Other Current Assets	(467.71)	(32.66)
Changes in Working Capital	(829.07)	197.05
Cash Generated from Operations	13.39	1706.70
Taxes Paid	(214.00)	(373.50)
Net Cash Flow from/(Used in) Operating Activities (A)	(200.61)	1333.20
B CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment, capital work-in-progress and intangible assets	(1249.92)	(324.80)
Proceeds from disposal of Property, Plant and Equipment	113.79	-
Decrease in Long Term Loans & Advances	(1.54)	17.38
Interest Received	77.72	126.65
Non-current Investments	2530.30	(2484.43)
Net Cash Flow (Used in) Investing Activities (B)	1470.35	(2665.20)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Equity Share Capital	-	250.00
Increase in Securities Premium Reserve	-	1620.00
Principal payment of lease liability	(591.38)	(51.36)
Interest payment of lease liability	(245.99)	(24.37)
Finance Costs	(1.37)	(1.32)
Loans	(171.99)	(114.02)
Dividend Paid	(377.40)	(251.60)
Net Cash Flow from/(Used in) Financing Activities (C)	(1388.14)	1427.33
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(118.40)	95.34
Effect of Exchange differences on cash and cash equivalents held in foreign currency	(0.01)	(0.05)
Opening Balance of Cash and Cash Equivalents	229.91	134.63
Closing Balance of Cash and Cash Equivalents	111.50	229.91

As per our report of even date

For and on behalf of the Board

For **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 Mehta
Proprietor
M. No.: 118936
Firm No.: 131449W

Sd/-
Ashvin Variya
(Company Secretary)

Sd/-
Viral Mandviwala
(Chief Financial Officer)

Date: 30 May, 2023
Place: Surat

Sd/-
Sujit Paul
(Chief Executive Officer)

Consolidated Statement of changes in equity

For the year ended 31 March, 2023

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 March, 2023	2516.03	-	2516.03
For the year ended 31 March, 2022	2456.03	60.00	2516.03

II. OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserves and surplus		Total
	Securities premium	Retained earnings	
As at 31 March, 2022	4575.30	2046.11	6621.42
Profit for the year	-	659.35	659.35
Other comprehensive income	-	26.92	26.92
Total comprehensive income for the year	-	686.27	686.27
Dividends		(377.40)	(377.40)
As at 31 March, 2023	4575.30	2354.98	6930.28
As at 31 March, 2021	2955.30	1225.88	4181.18
Profit for the year	-	1058.01	1058.01
Other comprehensive income	-	13.83	13.83
Total comprehensive income for the year	-	1071.84	1071.84
Issue of equity shares	1620.00	-	1620.00
Dividends	-	(251.60)	(251.60)
As at 31 March, 2022	4575.30	2046.11	6621.42

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

For **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 Mehta
Proprietor
M. No.: 118936
Firm No.: 131449W

Sd/-
Ashvin Variya
(Company Secretary)

Sd/-
Viral Mandviwala
(Chief Financial Officer)

Date: 30 May, 2023
Place: Surat

Sd/-
Sujit Paul
(Chief Executive Officer)

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 March, 2023	As at 31 March, 2022
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

I. The Subsidiary companies considered in the Consolidated Financial Statements are:

Sr. No.	Name of Company	Subsidiary/ Associates	Country of incorporation	Proportion (%) of equity interest	
				31 March, 2023	31 March, 2022
1	Davaindia Health Mart Limited	Subsidiary	India	100%	100%
2	Zota Healthcare Lanka Private Limited	Subsidiary	Sri Lanka	100%	100%

Sr. No.	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 profit/(loss)	Amount (₹ in Lakhs)	As a % of total comprehensive income	Amount (₹ in Lakhs)
a.	Zota Health Care Limited (Parent)	113%	9446.31	-140%	659.35	97%	26.92	-155%	686.27
b.	Subsidiary:								
1	Indian: Davaindia Health Mart Limited	-12.98%	(1085.20)	240%	(1129.04)	2.87%	0.79	255.20%	(1128.25)
2	Foreign: Zota Healthcare Lanka Private Limited	-0.01%	(0.43)	0.01%	(0.07)	-0.22%	(0.06)	0.03%	(0.13)
	Minority interest in all subsidiaries	-	-	-	-	-	-	-	-
	Total	100%	8360.68	100%	(469.76)	100%	27.65	100%	(442.11)

* denotes figures less than a Lakhs.

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 30 May, 2023.

1.2 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.

Signature to Notes 1 to 23

For and on behalf of the Board

For **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 Mehta
Proprietor
M. No.: 118936
Firm No.: 131449W

Sd\
Ashvin Variya
(Company Secretary)

Sd\
Viral Mandviwala
(Chief Financial Officer)

Date: 30 May, 2023
Place: Surat

Sd\
Sujit Paul
(Chief Executive Officer)

2. RECENT ACCOUNTING PRONOUNCEMENTS

On 31 March, 2023, the Ministry of Corporate Affairs (MCA), notified Companies (Indian Accounting Standards) Amendment Rules, 2023 effective from 1 April, 2023. Following are the key amended provisions which may have an impact on the financial statements of the Company:

Disclosure of accounting policies (amendments to Ind AS 1 - Presentation of Financial Statements):

The amendments intend to assist in deciding which accounting policies to disclose in the financial statements. The amendments to Ind AS 1 require entities to disclose their material accounting policies rather than their significant accounting policies. The amendments provide guidance on how to apply the concept of materiality to accounting policy disclosures. The Company does not expect this amendment to have any significant impact in its financial statements.

Definition of accounting estimate (amendments to Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors):

The amendments distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Deferred tax related to assets and liabilities arising from a single transaction (amendments to Ind AS 12 - Income taxes):

The amendments specify how to account for deferred tax on transactions such as leases. The amendments clarify that lease transactions give rise to equal and offsetting temporary differences and financial statements should reflect the future tax impacts of these transactions through recognizing deferred tax. The Company is evaluating the impact of this amendment, if any, in its financial statements. Other amendments included in the notification do not have any significant impact on the 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 associated 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 31 March, 2023
Non-Current Assets as on 31 March, 2023
M(b)-01 & M(b)-03

PROPERTY, PLANT AND EQUIPMENT

Particulars	Land	Buildings	Plant & Equipment	Office Equipments	Electric Accessories	Furniture & Fixtures	Computers	Motor vehicles	Total	Capital work-in-progress
(₹ in Lakhs)										
For Year Ended 31 March, 2022										
Opening Gross Carrying Amount	156.59	449.67	598.30	124.99	38.35	200.07	95.48	-	1663.45	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 March, 2022	156.59	458.03	600.90	155.89	38.35	371.92	122.39	-	1904.07	-
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	-	1010.23	-
Net Carrying Amount as on 31 March, 2022	156.59	296.42	127.48	66.45	4.84	217.65	24.40	-	893.84	-
For Year Ended 31 March, 2023										
Opening Gross Carrying Amount	156.59	458.03	600.90	155.89	38.35	371.92	122.39	-	1904.07	-
Additions	-	0.78	29.39	132.30	-	600.93	119.80	23.31	906.51	309.70
Disposals	60.00	-	-	-	-	-	-	-	60.00	-
Capitalised/Transferred during the year	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount as on 31 March, 2023	96.59	458.80	630.30	288.19	38.35	972.85	242.19	23.31	2750.58	309.70
Accumulated Depreciation										
Opening Accumulated Depreciation	-	161.60	473.42	89.44	33.50	154.27	97.99	-	1010.23	-
Depreciation Charge during the year	-	14.47	25.29	43.68	0.92	130.64	52.43	0.84	268.28	-
Disposals	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	176.07	498.71	133.12	34.42	284.92	150.42	0.84	1278.51	-
Net Carrying Amount as on 31 March, 2023	96.59	282.73	131.58	155.07	3.92	687.93	91.76	22.47	1472.07	309.70

Notes forming part of consolidated financial statements as at and for the year ended 31 March, 2023
Non-Current Assets as on 31 March, 2023
M(b)-02

INTANGIBLE ASSETS

Particulars	Brands/ Trademarks	Copyrights and Patents	Software	Others	Total	Intangible assets under development
For Year Ended 31 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 March, 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 March, 2022	392.60	16.22	23.24	114.82	546.88	-
For Year Ended 31 March, 2023						
Opening Gross Carrying Amount	993.50	64.14	44.77	314.87	1417.28	-
Additions	33.71	-	-	-	33.71	-
Disposals	-	-	-	-	-	-
Capitalised/Transferred during the year	-	-	-	-	-	-
Closing Gross Carrying Amount as on 31 March, 2023	1027.22	64.14	44.77	314.87	1450.99	-
Accumulated Depreciation						
Opening Accumulated Depreciation	600.91	47.91	21.53	200.05	870.40	-
Depreciation Charge during the year	110.35	2.69	8.43	29.73	151.19	-
Disposals	-	-	-	-	-	-
Closing Accumulated Depreciation	711.26	50.60	29.96	229.78	1021.59	-
Net Carrying Amount as on 31 March, 2023	315.96	13.53	14.81	85.10	429.40	-

Notes forming part of consolidated financial statements as at and for the year ended 31 March, 2023

Non-Current Assets as on 31 March, 2023

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 March, 2023	As at 31 March, 2022
Opening balance	1469.56	-
Additions	3613.50	1541.42
Amortization	(776.24)	(71.86)
Closing balance	4306.82	1469.56

Set out below are the carrying amounts of lease liabilities and the movements during the year:

(₹ in Lakhs)		
Particulars	As at 31 March, 2023	As at 31 March, 2022
Opening balance	1490.06	-
Additions	3613.50	1541.42
Finance cost accrued during the period	245.99	24.37
Payment of lease liabilities	(837.34)	(75.74)
Closing balance	4512.20	1490.06

The following are the amounts recognised in statement of profit and loss:

(₹ in Lakhs)		
Particulars	As at 31 March, 2023	As at 31 March, 2022
Amortization of Right to use asset	(776.24)	(71.86)
Interest on lease liabilities	245.99	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 March, 2023	As at 31 March, 2022
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 [1000000 units of Naira 1 each]	1.78	1.83
Other Non-Current Investments		
Axis Bank Fixed Deposit	-	516.66
ICICI BANK (FD)	738.42	1660.00
Yes Bank Fixed Deposit	13.18	1105.17
Total	753.38	3283.65

*denotes figures less than a Lakhs.

H-04 LOANS-NON-CURRENT

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
(Unsecured and Considered Good)		
Security Deposits	11.02	9.48
Total	11.02	9.48

H-05 INVENTORIES

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Raw Materials	121.74	281.92
Work-in-Progress	37.57	191.35
Finished Goods	100.27	56.33
Stock-in-Trade (in respect of goods acquired for trading)	3878.20	2321.98
Others		
Promotional, Packing and Stationery Material	41.03	43.10
Total	4178.81	2894.68

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 March, 2023	As at 31 March, 2022
(Unsecured and Considered Good)		
Trade Receivables	2782.89	3636.63
Total	2782.89	3636.63

The trade receivables ageing schedule for the years ended as on 31 March, 2023 and 31 March, 2022 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 31-03-2023	1,465.66	632.77	357.52	326.95	-	2,782.89
As on 31-03-2022	2,439.17	520.62	676.84	-	-	3,636.63
Disputed trade receivables - which have significant increase in credit risk						
As on 31-03-2023	-	-	-	-	-	-
As on 31-03-2022	-	-	-	-	-	-

H-07 (a) CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Cash on Hand	0.62	0.57
Cash on Hand-SEZ	0.12	0.40
Cash on Hand-DavaIndia Health Mart Limited	8.45	2.86
Total	9.19	3.82

H-07 (b) OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Balance with Banks	102.31	226.09
Total	102.31	226.09

H-08 LOANS - CURRENT

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
(Unsecured and Considered Good)		
Others	730.32	783.63
Total	730.32	783.63

H-09 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Prepaid Expenses	99.08	4.78
Balances with Govt. Authorities	337.31	51.57
Other Receivables	176.93	89.27
Total	613.33	145.61

H-10 SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Share Capital:		
Authorised Share Capital		
30000000 Equity Shares of ₹ 10/- each (Previous Year 20000000 Equity Shares of ₹ 10/- each)	3000.00	3000.00

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Issued, Subscribed and Paid up		
25160327 Equity Shares of ₹ 10/- each (Previous Year 25160327 Equity Shares of ₹ 10/- each)	2516.03	2516.03
Total	2516.03	2516.03

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

Authorised Shares	No. of Shares 31 March, 2023	No. of Shares 31 March, 2022
Equity Shares at the beginning of the year	3,00,00,000	2,50,00,000
Addition during the year	-	50,00,000
Equity Shares at the end of the year	3,00,00,000	3,00,00,000

Issued, Subscribed and fully paid	No. of Shares 31 March, 2023	No. of Shares 31 March, 2022
Equity Shares at the beginning of the year	2,51,60,327	2,45,60,327
Addition during the year	-	6,00,000
Equity Shares at the end of the year	2,51,60,327	2,51,60,327

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

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	No. of Share	%	No. of Share	%
Manukant C. Zota	2182070	8.67	2182070	8.67
Himanshu M. Zota	3232780	12.85	3277280	13.03
Ketan C. Zota	3051363	12.13	3051363	12.13
Kamlesh R. Zota	1991103	7.91	1991103	7.91
Manisha K. Zota	1432966	5.7	1432966	5.70

C. Disclosure of Shareholding of Promoters and Promoters group

Disclosure of shareholding of promoters and promoters group as at 31 March, 2023 is as follows:

Promoter name	Shares held by promoters				% Change during the year
	As at 31 March, 2023		As at 31 March, 2022		
	No. of Share	%	No. of Share	%	
Anilaben Ketankumar Zota	7,68,250	3.05	7,68,250	3.05	-
Anjnaben Shrenikkumar Gandhi	403	0	403	-	-
Arunaben Ramesh Kumar Shah	700	0	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	0	0	-	-	-
Chandrikaben Subodhchandra Shah	302	0	302	-	-
Dhara Ketan Zota	1,78,147	0.71	1,78,147	0.71	-
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	0	0	316	-	(100.00)
Heli Ritesh Shah	33,840	0.13	33,840	0.13	-
Himansubhai Muktilal Zota	32,32,780	12.85	32,77,280	13.03	(1.36)
Himansubhai Muktilal Zota Huf	8,000	0.03	8,000	0.03	-
Induben Muktilal Zota	2,500	0.01	-	-	100.00

Promoter name	Shares held by promoters				% Change during the year
	As at 31 March, 2023		As at 31 March, 2022		
	No. of Share	%	No. of Share	%	
Kamlesh Rajnikant Zota	19,91,103	7.91	19,91,103	7.91	-
Ketankumar Chandulal Zota	30,51,363	12.13	30,51,363	12.13	-
Kinjal Nikesh Mehta	50,904	0.2	27,904	0.11	82.43
Krinal V Ankhad	31,735	0.13	10,235	0.04	210.06
Kumarpal Rajnikant Mehta	1,511	0.01	1,511	0.01	-
Manisha Tusharkumar Mehta	11,793	0.05	11,793	0.05	-
Manishaben Kamleshkumar Zota	14,32,966	5.7	14,32,966	5.70	-
Manukant Chandulal Zota	21,82,070	8.67	21,82,070	8.67	-
Manukant Chandulal Zota Huf	2,06,767	0.82	2,06,767	0.82	-
Mehta Suresh Halchand	2,626	0.01	2,626	0.01	-
Moxesh Ketanbhai Zota	4,94,150	1.96	4,94,150	1.96	-
Niralkumar Muktilal Zota	9,100	0.04	8,300	0.03	9.64
Nirmalaben A Shah	1,100	0	1,100	-	-
Niruben Vinodchandra Mehta	6,072	0.02	6,072	0.02	-
Nitaben Rajeshbhai Mehta	5,679	0.02	5,679	0.02	-
Praful Ratilal Vora	12,630	0.05	12,930	0.05	(2.32)
Pushpaben Seventilal Doshi	0	0	-	-	-
Rajnikant Shantilal Mehta	0	0	-	-	-
Ramilaben Rajnikant Mehta	350	0	50	-	600.00
Rasilaben Manukantbhai Zota	10,00,500	3.98	10,00,500	3.98	-
Rasilaben V Siriya	0	0	-	-	-
Ratilal Zumchand Vora	0	0	-	-	-
Shripal R Mehta	2,419	0.01	2,419	0.01	-
Varshaben Himanshubhai Zota	8,99,146	3.57	8,99,146	3.57	-
Viren Manukant Zota	5,09,040	2.02	5,09,040	2.02	-
Viren Manukant Zota (Huf)	9,800	0.04	9,800	0.04	-
Zota Ketankumar Chandulal Huf	9,81,756	3.9	9,81,756	3.90	-
Manjulaben Pravinbhai Shah	650	0	-	-	100.00

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

Promoter name	Shares held by promoters				% Change during the year
	As at 31 March, 2022		As at 31 March, 2021		
	No. of Share	%	No. of Share	%	
Anilaben Ketankumar Zota	7,68,250	3.05	7,68,250	3.13	-
Anjnaben Shrenikkumar Gandhi	403	0	403	-	-
Arunaben Ramesh Kumar Shah	700	0	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	-	0	907	-	(100.00)
Chandrikaben Subodhchandra Shah	302	0	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	0	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	-	0	8,030	0.03	(100.00)
Kamlesh Rainikant Zota	19,91,103	7.91	19,91,103	8.11	

Promoter name	Shares held by promoters				% Change during the year
	As at 31 March, 2022		As at 31 March, 2021		
	No. of Share	%	No. of Share	%	
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	0	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	-	0	3,245	0.01	(100.00)
Rajnikant Shantilal Mehta	-	0	604	-	(100.00)
Ramilaben Rajnikant Mehta	50	0	50	-	-
Rasilaben Manukantbhai Zota	10,00,500	3.98	10,14,000	4.13	(1.33)
Rasilaben V Siriya	-	0	4,099	0.02	(100.00)
Ratilal Zumchand Vora	-	0	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)

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 31 March, 2023

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 30 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 16 September, 2021 after taking approval of shareholders by passing a special resolution on 7 September, 2021.

F. No shares were bought back in last 5 years.

H-11 OTHER EQUITY

(₹ in Lakhs)		
Particulars	As at 31 March, 2023	As at 31 March, 2022
a. Securities Premium	4575.30	4575.30
b. Retained earnings	944.34	1871.35
Total	5519.64	6446.65
a. Securities Premium		
As per last Balance Sheet	4575.30	2955.30
Add: Equity Shares Issued	-	1620.00
Closing balance	4575.30	4575.30
b. Retained earnings		
Opening balance	1871.35	1218.36
Profit for the year	(577.28)	890.76
Other comprehensive income of the year	27.67	13.83
Final dividend	(377.40)	(251.60)
Closing balance	944.34	1871.35

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.

H-12 LEASE LIABILITIES

(₹ in Lakhs)		
Particulars	As at 31 March, 2023	As at 31 March, 2022
Non-current lease obligations	3626.31	1246.32
Current lease obligations	885.87	243.73
Total	4512.18	1490.06

H-13 PROVISIONS -NON-CURRENT

(₹ in Lakhs)		
Particulars	As at 31 March, 2023	As at 31 March, 2022
Gratuity Payable	97.64	104.25
Total	97.64	104.25

H-14 OTHER CURRENT LIABILITIES

(₹ in Lakhs)		
Particulars	As at 31 March, 2023	As at 31 March, 2022
Statutory Liabilities	52.81	40.60
Other Payables	93.34	978.92
Total	146.16	1019.51

H-15 PROVISIONS - CURRENT

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Provision for Employee Benefits	147.53	83.86
Others	226.04	379.28
Total	373.56	463.14

H-16 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Sale of Products	13995.69	13119.31
Total	13995.69	13119.31

H-17 OTHER INCOME

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Interest Income	88.21	131.61
PMRPY Income	-	0.23
Export Incentive Licence Income	79.44	7.69
Other Non-Operating Income		
Foreign Exchange Profit/Loss	23.71	22.98
Other Income	4.26	0.54
Total	195.61	163.04

H-18 COST OF MATERIALS CONSUMED:

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Raw Materials		
Inventory at the beginning of the year	473.27	339.76
Add: Purchase Less Return	1427.45	2130.46
	1900.72	2470.21
Less: Inventory at the end of the year	159.31	473.27
Total	1741.40	1996.94

NOTE # C-20

H-19 CHANGES IN INVENTORIES OF STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Inventories (at commencement)	2421.41	2477.80
Inventories (at close) net of common profit	4019.50	2421.41
Total	(1598.09)	56.39

H-20 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Salaries, Wages and Bonus	591.33	467.32
Director's Remuneration	72.00	72.00
Sitting fees	4.75	4.83
Contribution to Provident Fund and Other Funds	91.36	59.88
Staff Welfare Expenses	531.91	420.39
Total	1291.36	1024.42

H-21 FINANCE COSTS

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Bank Charges	7.78	6.29
Interest On TDS	1.08	0.09
Interest On Security Deposits	1.37	1.32
Interest Expenses - on Lease liability	245.99	24.37
Other Interest CST/GST/Professional Tax/ESIC	0.05	-
Interest - others	0.08	-
Total	256.35	32.07

H-22 OTHER EXPENSES

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Direct Expenses		
Freight On Purchases	(66.76)	(33.82)
Lab Testing Expenses	-	0.05
Lab Chemical Expenses	1.68	1.45
Packing Materials Expenses	15.65	61.91
Transportation Expense	99.40	137.14
GST Expenses	4.41	2.46
Power and Fuel Expenses	38.88	39.85
Factory Maintenance Expenses	42.06	27.02
Water Charges	1.34	2.23
Diesel Expense for Boiler	19.29	30.67
	155.96	268.96
Administrative and General Expenses		
Audit and Consultancy Fees	6.25	6.15
Clearing and Forwarding Charges	115.01	141.83
Computer Repairs and Maintenance Expenses	14.97	8.23
Professional Fess/Consultancy Charges	336.05	308.18
Cylinder Charges	8.14	1.84
Carriage Inward/Outward	1.26	-
Commission Expenses	1129.83	20.53
Diesel Expenses	1.91	3.77
Electricity Light Bill Expenses	65.72	15.96

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Export Promotion Council - Membership Fees	0.04	0.10
Godown rent	44.22	65.78
Goods Damaged in Transit	-	-
Generator on Rent	0.13	1.00
Insurance Expenses	3.84	3.15
Internal Audit Fee	1.29	-
Legal Expense	30.60	18.69
Lodging and Boarding Expense	19.71	8.56
Membership Fees	-	0.15
Municipal Tax	7.33	8.20
Office Equipment Maintenance	9.12	2.91
Office/Factory Miscellaneous Expense	97.37	52.63
Online Shipping & Handling Chargs	0.06	-
POS Charges	*	-
PF Fund Administration Charges	2.30	1.90
Post And Courier Charges	53.03	170.87
Printing and Stationery Expense	10.00	4.74
Product Approval Charges	1.34	(2.04)
Professional Tax	0.56	0.02
Security service charges	2.27	1.90
Service Charges	1.99	3.17
Shop Maintenance Expense	0.22	0.22
Shop Rent Expenses	1.24	1.82
Software Subscription Exp	3.15	11.39
Telephone and Mobile Bill Expense	12.73	7.29
Trademark Expense	12.34	7.29
Travelling Expense	57.90	12.72
Website Renewal Charges	0.95	2.24
Expenditure towards Corporate Social Responsibility (CSR) activities	15.75	6.93
GST Penelty	1.26	0.02
Vatav Kasar	24.55	2.10
	2094.39	900.23
Selling and Distribution Expenses		
Advertisement Expense	713.97	428.17
Cash and Trade Discount	57.04	57.63
Commission on Sales	542.47	183.47
Freight on Sales	3.47	40.40
Promotional Expenses	75.56	72.79
Sales Incentive	0.93	1.82
	1393.44	784.28
Total	3643.79	1953.48

* denotes figures less than a Lakhs.

H-23 OTHER DISCLOSURES**1. Dividend**

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Equity shares: Final dividend for the year ended 31 March, 2023 - ₹ 1 (31 March, 2022 - ₹ 1.5) per fully paid up Equity Share	251.60	377.40

2. Earnings Per Share

Particulars	As at 31 March, 2023	As at 31 March, 2022
Profit for the year (Rupees in Lakhs)	(577.28)	890.76
Weighted Average No. of Equity Shares	2,51,60,327	2,48,84,163
Nominal value per share (Rupees)	10.00	10.00
Basic and Diluted Earnings per equity share of face value of ₹ 10 each	(2.29)	3.58

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 Transactions**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	CFO
Sujit Paul	CEO

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 March, 2023	Managerial Remuneration *	Sitting Fees	Salary	Dividend
Himanshu Muktilal Zota	32.34			49.16
Kamlesh Rajnikant Zota	31.99			29.87
Moxesh Ketanbhai Zota	31.99			7.41
Manukant Chandulal Zota	32.04			32.73
Ketan Chandulal Zota		0.4		45.77
Varshababen Gaurang Mehta		0.7		0.05
Vitrag Sureshkumar Modi		0.55		0.01
Bhumi Maulik Doshi		0.55		0.02
Dhiren Prafulbhai Shah		0.4		
Jayshreeben Nileshkumar Mehta		0.45		0.03
Viren M. Zota^			21.65	
Niral M. Zota^			21.65	
Ashvin Variya			12.76	
Viral Mandviwala			7.54	
Sujit Paul~			65.35	
Heli R. Shah			1.41	

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

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

~ Salary includes commission of ₹ 40.36 Lakhs.

Davaindia Health Mart Limited

(₹ in Lakhs)

Unsecured Loan (Value of transaction during the reporting period)	1010.87
Revenue from Sale of Goods	1544.37

(₹ in Lakhs)

For the year ended 31 March, 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 Lakhs 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

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	As at 31 March, 2023	As at 31 March, 2022
Deferred Tax Liabilities		
Property, plant and equipments, Intangible Assets	(36.82)	(3.44)
Right-of-use assets	1083.94	369.86
Sub Total (a)	1047.12	366.42
Deferred Tax Assets		
Items allowable for tax purpose on payments/adjustment	(25.79)	(6.87)
Lease Liabilities	(909.36)	(375.02)
Sub Total (b)	(935.15)	(381.89)
Total (a+b)	111.97	(15.46)
Recognised in Statement of Profit & Loss for the year	96.51	16.13

5. Fair value measurements

(₹ in Lakhs)

Financial instruments by category	As at 31 March, 2023			As at 31 March, 2022		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments	-	-	753.38	-	-	3283.65
Trade Receivables	-	-	2782.89	-	-	3636.63
Cash and Cash Equivalents	-	-	9.19	-	-	3.82
Bank balance other than above	-	-	102.31	-	-	226.09
Other Financial Assets	-	-	730.32	-	-	783.63
Total financial assets	-	-	4378.09	-	-	7933.84
Financial liabilities						
Borrowings	-	-	-	-	-	-
Trade Payable	-	-	2645.99	-	-	1869.70
Other Financial Liabilities	-	-	-	-	-	-
Total financial liabilities	-	-	2645.99	-	-	1869.70

(₹ in Lakhs)

Fair value of financial assets and financial liabilities measured at amortised cost.	As at 31 March, 2023		As at 31 March, 2022	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets at amortised cost				
Fixed deposits	751.60	751.60	3281.83	3281.83
Financial assets at FVTPL				
Investments in equity instruments (unquoted)#	*	*	*	*
Zota Healthcare Nig. Ltd.	1.78	1.78	1.83	1.83

* denotes figures less than a Lakhs

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
	2022-23	2021-22
Discount Rate (per annum)	7.50%	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	
Employees attrition rate	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	Gratuity	Gratuity
	2022-23	2021-22
Liability at the beginning of the period	104.29	98.95
Interest Cost	7.36	6.73
Current Service Cost	28.61	21.02
Employees Contribution	-	-

(₹ in Lakhs)

Particulars	Gratuity	Gratuity
	2022-23	2021-22
Interest Guarantee	-	-
Benefits Paid	-	(3.93)
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	(37.03)	(18.48)
Liability at the end of the year	103.23	104.29

ii) Amount Recognised in the Balance Sheet

(₹ in Lakhs)

Particulars	Gratuity	Gratuity
	2022-23	2021-22
Present Value of Benefit Obligation on 31-3-2022	103.23	104.29
Fair Value of Plan Assets on 31-3-2022	-	-
Net Liability/(Asset) recognised in Balance Sheet	103.23	104.29

iii) Expenses Recognised in the Income Statement

(₹ in Lakhs)

Particulars	Gratuity	Gratuity
	2022-23	2021-22
Current Service Cost	28.61	21.02
Interest Cost on benefit obligation (net)	7.36	6.73
Past Service Cost	-	-
Expected Contribution	-	-
Gain/Losses on Curtailment and Settlement	-	-
Net Effect of Change in Foreign Exchange Rates	-	-
Expenses Recognised	35.97	27.74

iv) Expenses Recognised in Other Comprehensive Income (OCI) for current Period

(₹ in Lakhs)

Particulars	Gratuity	Gratuity
	2022-23	2021-22
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in demographic adjustments	-	-
Actuarial changes arising from changes in experience adjustments	(37.03)	(18.48)
Net (Income)/Expense for period	(37.03)	(18.48)

v) Maturity profile of defined benefit obligations

(₹ in Lakhs)

Projected Benefits Payable in Future Years From the Date of Reporting	Gratuity	Gratuity
	2022-23	2021-22
1 st Following Year	5.59	5.07
2 nd Following Year	3.77	2.91
3 rd Following Year	9.68	3.20
4 th Following Year	6.48	8.91
5 th Following Year	2.22	5.27
6 to 10 years	35.18	36.31

vi) Sensitivity Analysis Gratuity Plan

(₹ in Lakhs)

Particulars	Gratuity	Gratuity
	2022-23	2021-22
Projected Benefit Obligation on Current Assumptions	103.23	104.29
Delta Effect of +1% Change in Rate of Discounting	91.12	91.39
Delta Effect of -1% Change in Rate of Discounting	117.99	120.07
Delta Effect of +1% Change in Rate of Salary Increase	117.62	119.57
Delta Effect of -1% Change in Rate of Salary Increase	91.17	91.52
Delta Effect of +1% Change in Rate of Employee Turnover	102.45	103.12
Delta Effect of -1% Change in Rate of Employee Turnover	104.07	105.55

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 31 March, 2023 and for the year ended 31 March, 2022 are:

(₹ in Lakhs)

Particulars	As at	As at
	31 March, 2023	31 March, 2022
Current tax	214.67	369.03
Deferred tax	96.51	16.13
Total income tax expense recognised in statement of profit and loss	311.18	385.16

(b) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Profit before tax	808.50	1419.14
Applicable Tax Rate	25.168%	25.168%
Computed Tax Expense	203.48	357.17
Tax effect of:		
Expenses not deductible for tax purposes	78.06	81.23
Expenses allowed for tax purposes	(66.87)	(69.37)
Deductions allowed	-	-
(Profit) on sale of Property, Plant and Equipment	-	-
Others	-	-
Income Tax Expense	214.67	369.03

Tax Provision has been made only for the Holding Company since the subsidiaries have incurred loss during the Financial year 2022-23.

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	As at 31 March, 2023	As at 31 March, 2022
Principal amount remaining unpaid	46.03	64.62
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	As at 31 March, 2023	As at 31 March, 2022
As Auditors	6.25	6.15
In other capacities	-	-
Total	6.25	6.15

14. Managerial remuneration to directors charged to profit and loss account are as under:

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Director's Remuneration (includes commission & sitting fees)	131.41	129.38
Total	131.41	129.38

15. Contingent Liabilities:

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Performance bank guarantee	-	-
Total	-	-

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.

Particulars	0-180 Days	180 to 365 Days	More Than 365 Days	Total (₹ in Lakhs)
Trade Receivables				
31 March, 2023	1,465.66	632.77	684.47	2,782.89
31 March, 2022	2,439.17	520.62	676.84	3,636.63

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 ₹ 751.60 Lakhs unutilised working capital lines as on 31 March, 2023, ₹ 3281.83 Lakhs as on 31 March, 2022.

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 March, 2023
Trade Payables	2,596.47	49.53	--	2,645.99

(₹ in Lakhs)				
Particulars	Less Than 1 Year	1-3 Years	More Than 3 Years	As on 31 March, 2022
Trade Payables	1,816.74	52.96	--	1,869.70

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 31 March, 2023 and 31 March, 2022 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 31-03-2023	46.03				46.03
As on 31-03-2022	64.62	-	-	-	64.62
Others					
As on 31-03-2023	2550.43	1.56	47.97		2599.96
As on 31-03-2022	1,752.12	52.96	-	-	1,805.08
Total trade payables					
As on 31-03-2023	2596.47	1.56			2645.99
As on 31-03-2022	1,816.74	52.96	-	-	1,869.70

The trade receivables ageing schedule for the years ended as on 31 March, 2023 and 31 March, 2022 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	
Undisputed trade receivables - considered good					
As on 31-03-2023	1,465.66	632.77	357.52	326.95	2,782.89
As on 31-03-2022	2,439.17	520.62	676.84	-	3,636.63
Disputed trade receivables - which have significant increase in credit risk					
As on 31-03-2023	-	-	-	-	-
As on 31-03-2022	-	-	-	-	-

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 2022-23 is ₹ 11.84 Lakhs (FY 2021-22 is ₹ 6.93 Lakhs).

(₹ in Lakhs)

Particulars	2022-23	2021-22
(i) Amount required to be spent by the Company during the year	11.84	6.93
(ii) Amount of expenditure incurred	15.59	6.52
(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
(vi) Nature of CSR activities	Animal Welfare and Promoting Educational Activities	Animal Welfare
(vii) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

22. CIF Value of Imports

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Raw Materials	-	68.35
Components and Spare Parts	-	-
Capital Goods	-	-

23. Expenditure in Foreign Currency

(₹ in Lakhs)

Particulars	As at 31 March, 2023	As at 31 March, 2022
a. Royalty	-	-
b. Technical Know how	-	-
c. Professional and Consultation Fees	33.71	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	2022-23	2021-22
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	1,427.45	2,062.11
Percentage to Total Consumption	100.00	96.79

25. Earning in foreign currency during the year

	(₹ in Lakhs)	
Particulars	2022-23	2021-22
Export of goods calculated on F.O.B. basis;	1,962.07	2,093.83

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. Pursuant to "Zota Health Care - Employee Stock Option - 2022" ("ZHL ESOP 2022"), stock options under ZHL ESOP 2022 are yet to be granted.

28. These Financial Statements were authorised for issue in accordance with the resolution of the Board of Directors in its meeting held on 30 May, 2023.

For and on behalf of the Board

For **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 Mehta
Proprietor
M. No.: 118936
Firm No.: 131449W

Sd/-
Ashvin Variya
(Company Secretary)

Sd/-
Viral Mandviwala
(Chief Financial Officer)

Date: 30 May, 2023
Place: Surat

Sd/-
Sujit Paul
(Chief Executive Officer)



ZOTA HOUSE

2/896, HIRA MODI STREET,
SAGRAMPURA, SURAT- 395 002

PHONE: 0261-2331601

WWW.ZOTAHEALTHCARE.COM |
INFO@ZOTAHEALTHCARE.COM

CIN: L24231GJ2000PLC038352