

August 28, 2019

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 2018-19 and Notice convening 19th Annual General Meeting (AGM)

Ref.: Regulation 34 & 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the captioned subject and further to our letter dated August 21, 2019 regarding AGM; we, Zota Health Care Limited (the "Company") are forwarding herewith enclosed the Annual Report 2018-19 includes notice convening 19th Annual General Meeting of the members scheduled to be held on Saturday, September 21, 2019 at The Southern Gujarat Chamber of Commerce & Industry, 1st floor, 'Samruddhi Hall', Makkai Pool, Nanpura, Surat – 395001, Gujarat at 11:00 A.M.

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 - 395 002 | Ph: +91 261 2331601
Email: info@zotahealthcare.com
Web : www.zotahealthcare.com

Plant :

Plot no. 169, Surat Special Economic Zone,
Nr. Sachin Railway Station, Sachin,
Surat - 394 230 (Guj.) India
Ph: +91 261 2397122



ZOTA HEALTHCARE LIMITED

Annual Report 2018-19





Corporate Overview

Our Journey	01
Corporate Philosophy	03
Note from the Management	05
Financial Highlights	07
All about Generic Drugs	09
Management Discussion and Analysis	11

Statutory Reports

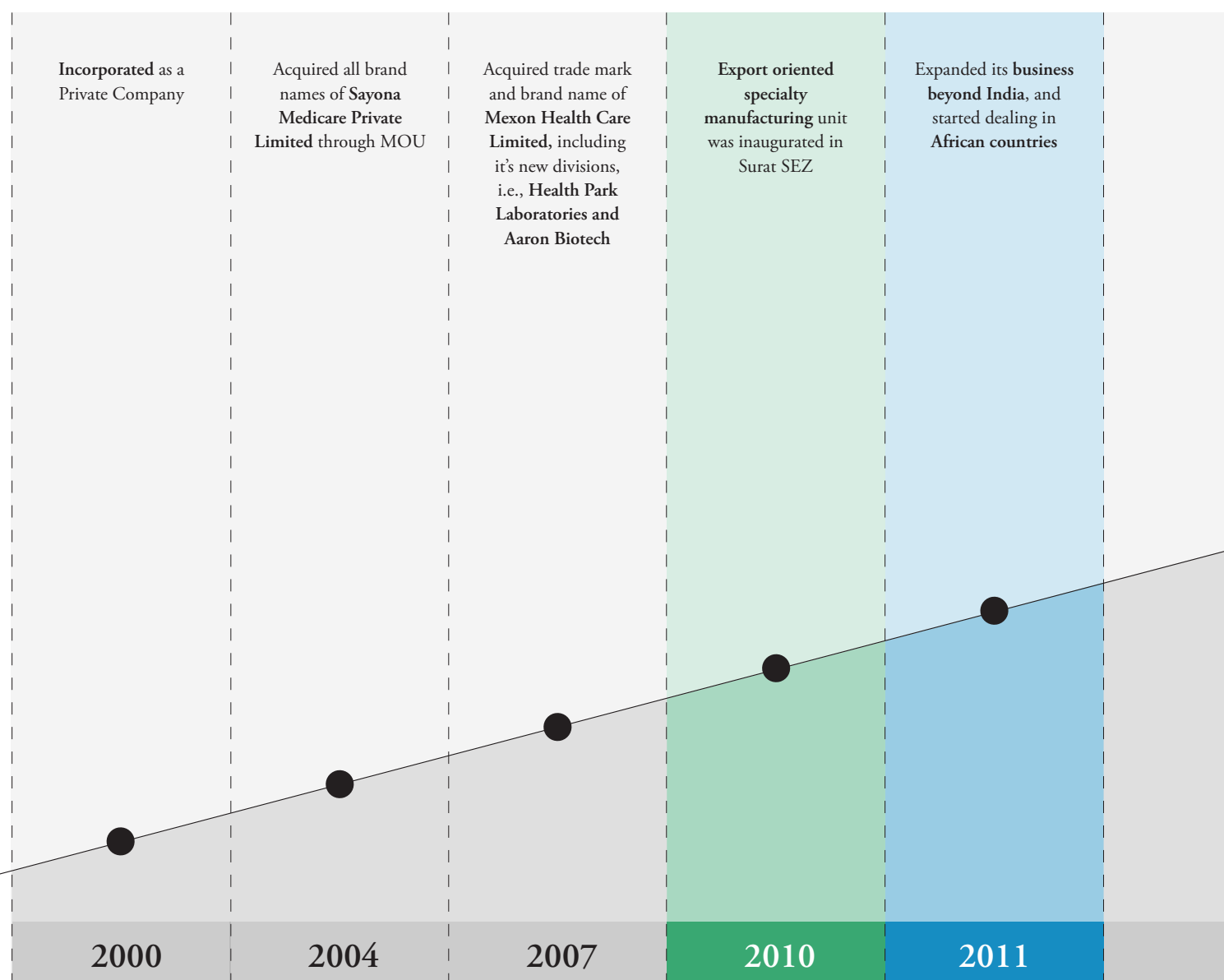
Corporate Information	27
Notice	28
Notes	30
Director's Report	39
Corporate Governance Report	59

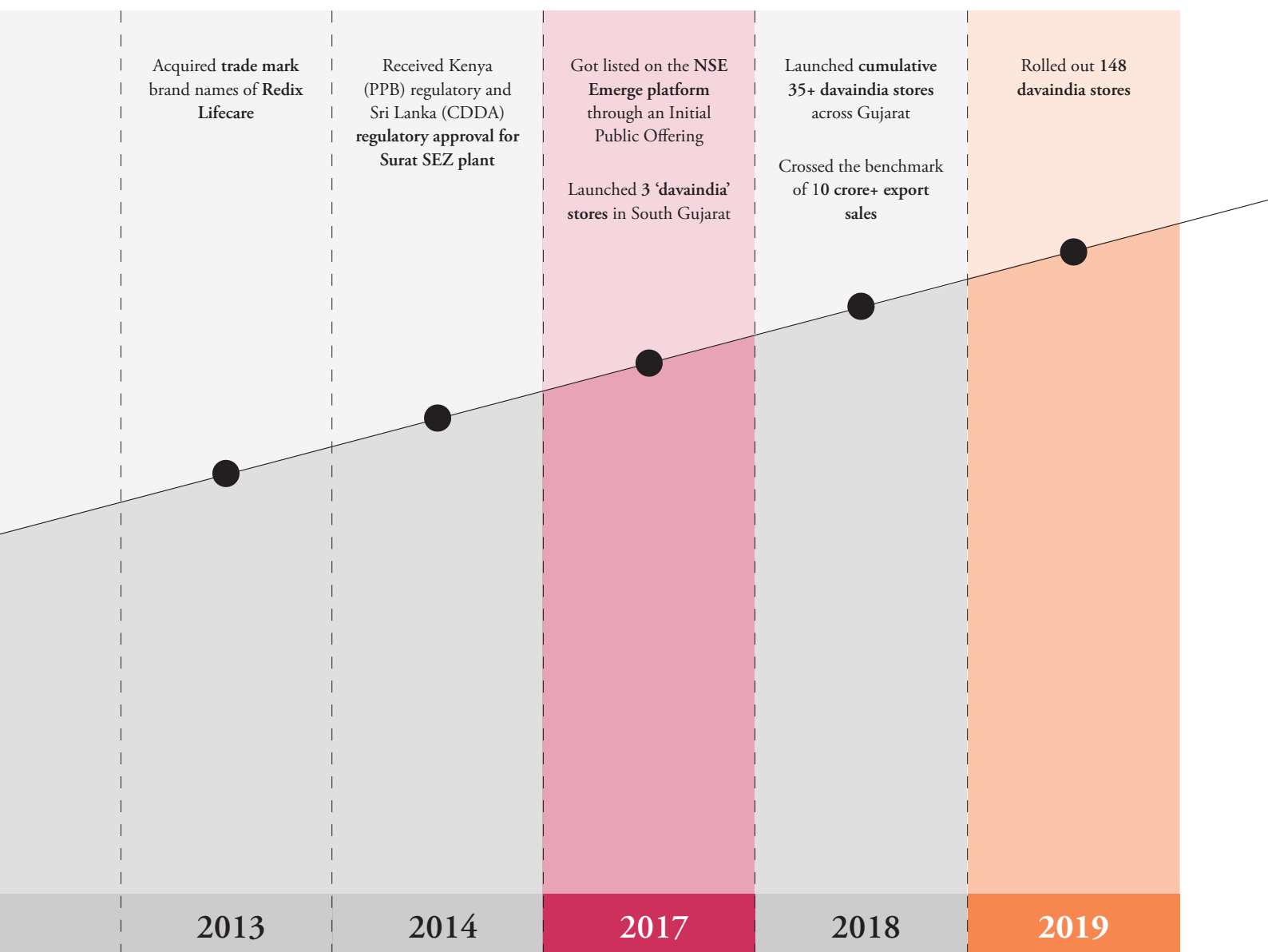
Financial Statements

Standalone Financial Statements	81
Consolidated Financial Statements	111



OUR JOURNEY







CORPORATE PHILOSOPHY

Our Vision

Our vision is to become a global Health Care organization driven by people, research and technology, and to be recognized as domestic and internationally integrated Health Care and pharmaceutical company through innovation, quality and competence.

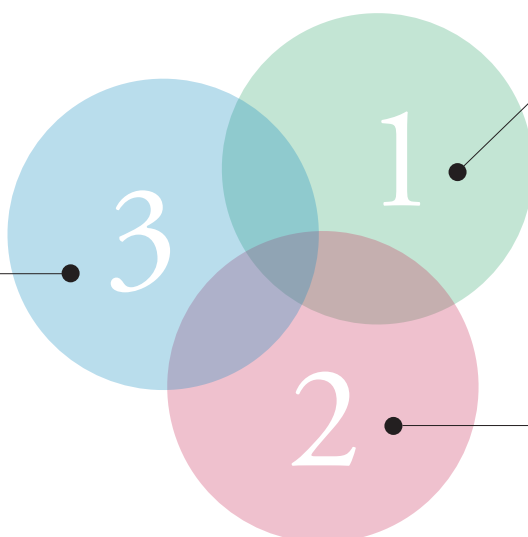
Our Mission

Our mission is to become globally acclaimed pharmaceutical company through development and introduction of wide portfolio of Pharmaceutical Foundations along with Nutraceutical as well as Ayurvedic products in key global pharmaceutical markets.

Our Values

Quality and Safety

Being a Health Care company, quality is the central focus in all our manufacturing processes. Conducive to achieving quality, we also provide a safe working environment and maintain adequate policies to achieve the level of quality we desire.



Innovate and Excel

Our strength lies in our workforce. We encourage our employees to always strive for innovation and excel beyond the norm. At Zota, every working opportunity comes with passion, dedication and the zeal to excel.

Integrity and Transparency

At Zota, we are fully committed to adhering to principles of transparency while conducting business and upholding every transaction with the highest level of integrity so as to garner trust from our stakeholders.

“ Our strongest desire is touching people’s lives with affordable medicines. Working towards affordable healthcare is deeply ingrained in our corporate philosophy. With our latest endeavour - davaindia, we can proudly say that we have come closer to achieving our goals. In less than 2 years, we have launched 148 davaindia stores and served more than 7.9 lakh customer.”

NOTE FROM THE MANAGEMENT



Mr. Ketan Zota | Chairman



Mr. Moxesh Zota | Managing Director

Dear Shareholders,

It gives us great pleasure to share with you our business performance and milestones achieved for the financial year 2018-19. **This financial year has been of significant importance to the company, we did not witness an increase in our profitability in the current year, but we are a lot closer to achieving our long-term goals by the end of FY19.** All 3 businesses witnessed a superior performance. To start with, domestic marketing segment continued to remain the core business contributor for FY19 as well, while the revenue contribution for this business has come down to 72% in FY19 as compared to 85% in FY18, this has been primarily due to a superior growth in our other businesses.

At the same time, our export business witnessed a staggering 51% increase in revenue from operations, the contribution of exports in our consolidated revenues are at an all-time high of 21%. This performance was a result of back-loaded receipt in dossier approvals in foreign markets along with an increased focus towards direct exports, instead of merchant exports. The past two years' performance of export businesses, strengthens our belief that export will be a significant growth contributor in our journey for the coming years. Our retail pharmacy operations - davaindia, achieved newer heights as well. We rolled-out 101 stores in a single year to reach the milestone of 148 stores in July 2019. Our average store roll-out for the last few months remains higher than 10 per month, we plan to increase this further. This year, for the first time, we witnessed a 7% contribution in revenue from operations from the retail pharmacy business. Not only are we witnessing good feedback from new franchisee partners, but also the matured stores. Our top 10 stores with an average age of 12+ months have recorded an average sales of 3.26 Lakhs per month. We have also expanded our geographical footprint to 7 states and more than 42 districts, apart from tier-2 and tier-3 cities which were targeted in the initial phases of store roll-out, we have planned to launch davaindia in metro-markets like Mumbai. For Mumbai, davaindia has targeted a shop-in-shop model with the retailers, along with the complete exterior branding of a davaindia store. Targeting metropolitan cities like Mumbai marks a huge development in the journey of davaindia. **Even with 148 stores in operations and another 80 in the pipeline, we still believe we have only started scratching the surface of this enormous opportunity.**

On the corporate front, the company migrated to NSE mainboard from NSE Emerge on the 19th of August 2019. The board of directors had also recommended a bonus issue in the ratio of 4:10, which was approved by the shareholders. Apart from that, the Board of Directors has recommended a final dividend of Rs. 1 per share for the financial year 2018-19.

To conclude my thoughts, our company continues to be an aggregation of three complementing business models. While our conventional domestic marketing business remains the core business for the company, the second-generation business models as retail pharmacy chain - davaindia and export business will take our company to newer heights.

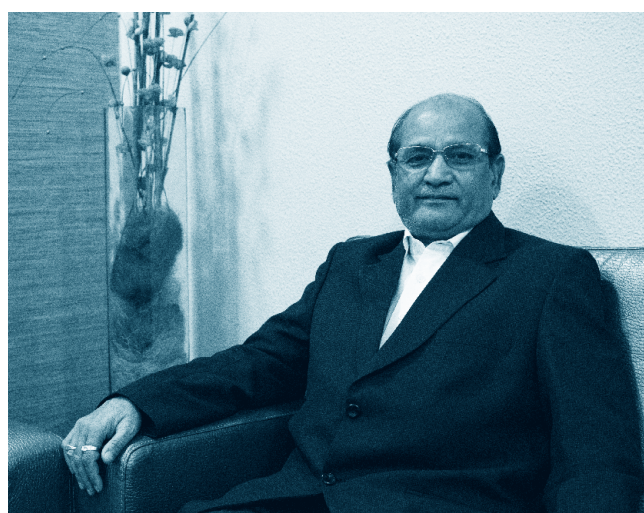
Warm regards.



Mr. Himanshu Zota | Whole-time Director



Mr. Kamlesh Zota | Whole-time Director



Mr. Manukant Zota | Whole-time Director



FINANCIAL HIGHLIGHTS

11.3%

5 year revenue CAGR

3.6%

5 year operating profit CAGR

12.2%

5 year PAT profit CAGR

Debt-Free

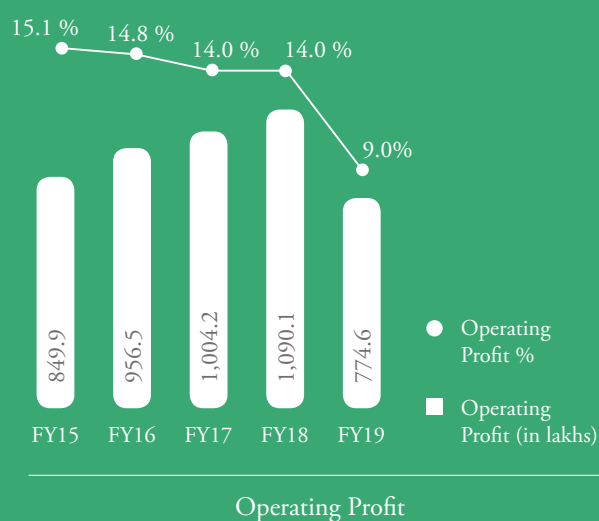
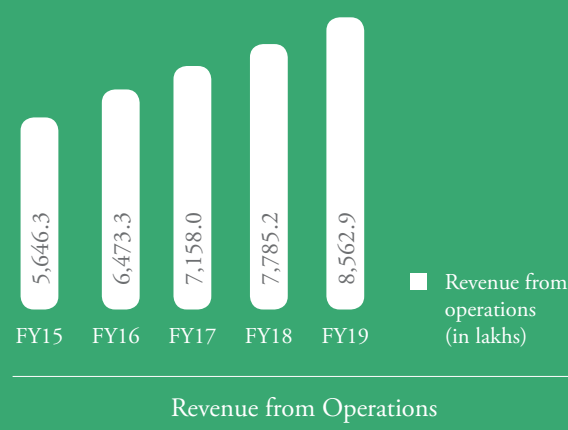
Balance Sheet

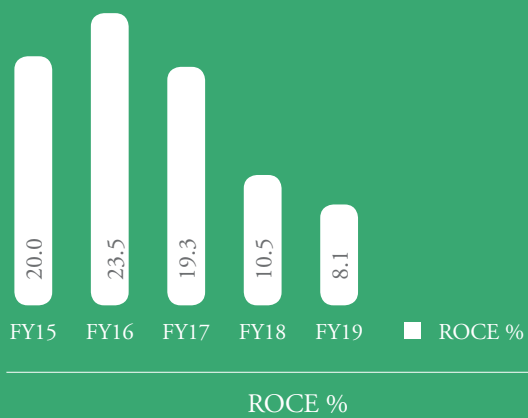
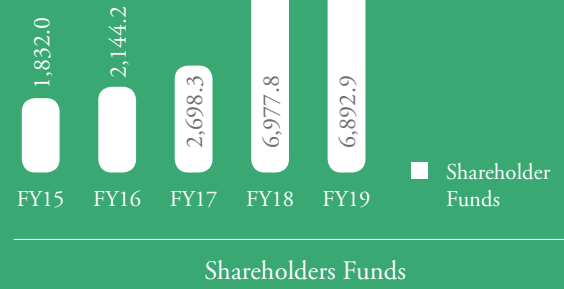
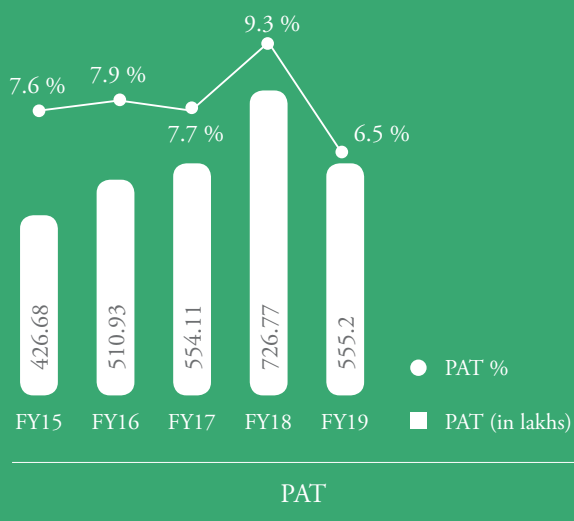
Dividend Payout:

44% FY19

72% FY18

52% FY17







ALL ABOUT GENERIC DRUGS

What is Generic Drug?

A generic drug is a medication created to be the same as an existing approved brand-name drug in dosage form, safety, strength, route of administration, quality, and performance characteristics.

A generic medicine works in the same way and provides the same clinical benefit as its brand-name version. This standard applies to all FDA-approved generic medicines. A generic medicine is the same as a brand-name medicine in dosage, safety, effectiveness, strength, stability, and quality, as well as in the way it is taken and should be used.

Why do generic medicines cost less than brand-name medicines?

Generic medicines tend to cost less than their brand-name counterparts because they do not have to repeat animal and clinical (human) studies that were required of the brand-name medicines to demonstrate safety and effectiveness. In addition, multiple applications for generic drugs are often approved to market a single product; this creates competition in the marketplace, typically resulting in lower prices. The reduction in upfront research costs means that, although generic medicines have the same therapeutic effect as their branded counterparts, they are typically sold at substantially lower costs.

When multiple generic companies market a single approved product, market competition typically results in prices about 85% less than the brand-name.

How do generics benefit the healthcare system of a country?

Generic drugs, being economical counterparts of branded drugs, play a major role in reducing overall healthcare costs. Owing to this, the governments of various countries are regulating and introducing policies for boosting their sales. An increase in the prevalence of chronic diseases such as cardiovascular diseases, diabetes, Alzheimer's disease, and Parkinson's disease, in both the developing and developed regions, is creating a positive outlook for the generic drug manufacturers. In the USA, generics account for more than 80% of overall pharmaceutical volumes. In Western Europe, generics account for a significant portion of volumes as well. In Japan, the government has been encouraging higher generics penetration to bring down healthcare costs. All emerging markets rely on branded generics and/or pure generics to service their healthcare needs, given the lower purchasing power of their population.

Hence, generics will continue to be an integral part of the solution to control global healthcare costs and has an important role to play in overall healthcare management.

(Source - US FDA)

How are generic medicines different from brand-name medicines?



Size



Shape



Colour



Dosage
Form

May differ in



Active
Ingredient



Effectiveness



Quality



Safety



Strength



Benefits

Are the same in



MANAGEMENT DISCUSSION AND ANALYSIS

Global Pharmaceutical Industry (1.1)

Global spending on medicines crossed US\$ 1.2 Trillion in 2018; and is projected to grow at a compound annual growth rate (CAGR) of 3-6% in the next five years, reaching over US\$ 1.5 Trillion by 2023. The USA and pharmerging markets would be the one's leading growth in the global pharmaceutical markets. New product launches, especially specialty products, will be the key growth catalyst in developed markets. While pharmerging market expansion will be driven by multiple factors

such as - improving per capita income, increasing volumes of branded generics, increasing healthcare awareness, ageing population and rising incidence of chronic ailments. The product mix in the developed world will continue to shift towards specialty and orphan products. Emerging technologies are enabling healthcare providers to innovate and engage better with key stakeholders.

Global pharmaceutical spending and growth

Regions	2018 (US\$ Billion)	2014-2018 CAGR(%)	2023 (US\$ Billion)	2019-2023 CAGR(%)
Developing markets	800	5.7	990-1,020	3-6
Pharmerging markets	286	9.3	355-385	5-8
Rest of the world	119	3.2	130-160	2-5
Global pharmaceutical market	1,205	6.3	1,505-1,535	3-6

(Source - IQVIA Institute)

Indian Pharmaceutical Industry (1.2)

India holds a key position in the global pharmaceutical industry. **India remains critical in manufacturing high-quality and low-cost medicines for domestic as well as international markets.** The country is the world's largest supplier of generics, accounting for 20% of global exports (volumes). It supplies over 50% of global demand for various vaccines and 40% of the demand for generic products in the US. Currently, Indian drugs are exported to more than 200 countries in the world. The domestic pharmaceutical market contributes to ~3.1-3.6% of the global industry in value and ~10% in volume terms. Indian pharmaceutical industry has received foreign direct investment (FDI) worth ~US\$

16 Billion on a cumulative basis, between April 2000 and June 2018. India's pharmaceutical spending is predicted to grow at 8-11% CAGR in the 2019-23 period to reach a size of US\$ 28-32 Billion. A part of this growth will depend on the ability of companies to align their product portfolio towards therapies for chronic diseases that are on the rise. India has among the lowest spends on healthcare, at about 4.5% of the GDP against the global average of 9%. This gap has prompted the Government of India to actively focus on policies that provide impetus to the healthcare sector.

Outlook

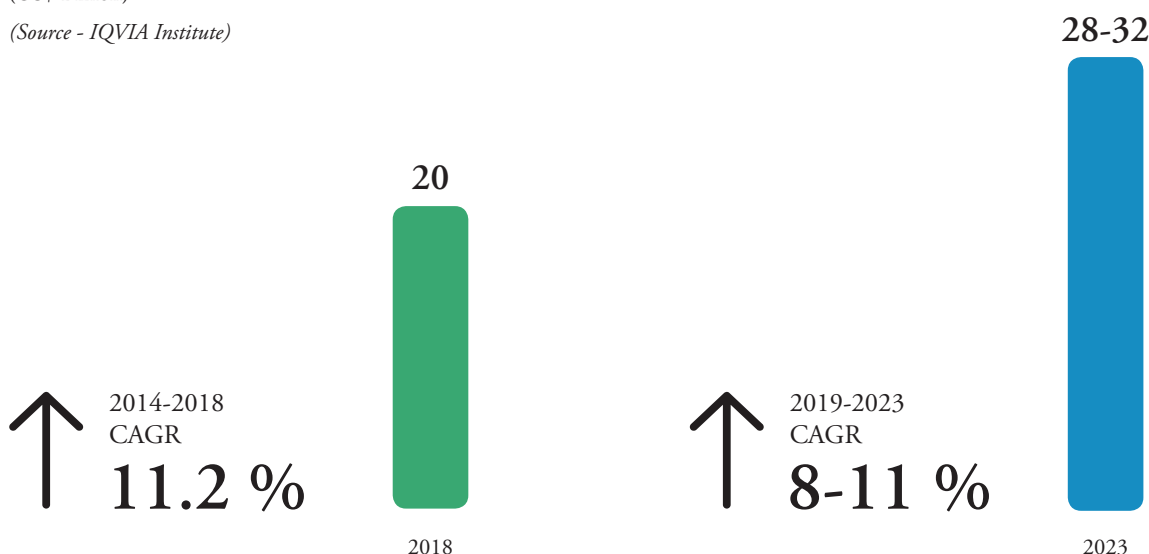
Indian medicine spending is projected to grow 9-12 percent over the next five years, leading India to become one of the top 10 countries in terms of medicine spending. Moving ahead, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic therapies for diseases such as cardiovascular, anti-diabetes, anti-depressants and anti-cancers that are on the rise. **The Indian government has taken many steps to reduce costs and**

bring down healthcare expenses. Speedy introduction of generic drugs into the market has remained in focus and is expected to benefit the Indian pharmaceutical companies. Besides, the thrust on rural health programs, lifesaving drugs, and preventive vaccines also augurs well for the pharmaceutical companies.

India's pharmaceutical spending and growth

(US\$ Billion)

(Source - IQVIA Institute)



Zota's latest endeavor is a major step in line with its philosophy of providing affordable healthcare to the masses.

davaindia - is a generic pharmacy chain that provides generic alternatives to the costlier branded medicines available in the market.

Company Overview (2.1)

Incorporated in 2000, Zota Health Care Limited is a multidimensional pharmaceutical company engaged in the manufacturing and marketing of various generic drugs, OTC pharmaceutical products, ayurvedic products, and nutraceutical products. The company has a global footprint in more than 22 countries apart from its pan-India presence with 1050+ domestic distributors. The company's product portfolio comprises of 3000+ products and 250+ FDFs. The company operates out of its headquarters and registered office in Surat, Gujarat. The

company also has a formulations manufacturing facility located in Sachin SEZ which is close to Surat. This facility caters to the export business of the company. Zota's latest endeavor is a major step in line with its philosophy of providing affordable healthcare to the masses. **davaindia** - is a generic pharmacy chain that provides generic alternatives to the costlier branded medicines available in the market. In less than 2 years, Zota has launched 148 **davaindia** stores throughout the country and served 7.9 Lakh customers.

Business Model (2.2)

Marketing	Exports	Retail
-----------	---------	--------

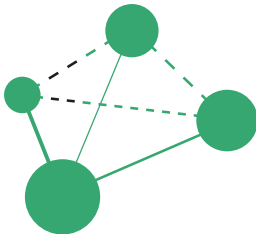
Marketing (a)

72 % Revenue Share

Revenue in FY19

6,312 Lakhs

Revenue 5-yr CAGR	Product Portfolio
8.6 %	3,000+

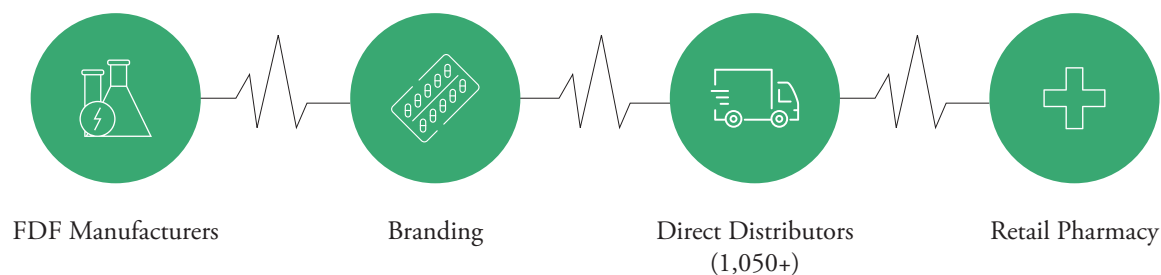


Distribution Channel
1,050 + distributors

Marketing of generic drugs, OTC products, and other pharmaceutical products remains our core business segment. In the past, this segment has single-handedly driven the growth of the company.

We procure finished dosage forms (FDFs) from domestic formulations manufactures and then market them under our portfolio of brands. Our suppliers are some of the largest incumbents in the industry, we maintain multiple sources of supply to avoid any concentration risks. Our top 5 suppliers contribute not more than one-third of our total supplies in FY19. We have a product portfolio of more than 3000 products in various categories such as generics, OTC products, allopathic, ayurvedic, etc. These products are directly supplied to our distributors across the country, who in turn supply them to retail pharmacies in their respective districts. Currently, we have 1050+ distributors present across India. We maintain exclusive distributors in each district to avoid the possibility of any conflict and unhealthy competition among distributors. Our distributors engage in ethical marketing or other sales, distribution, and promotion activities on their part, instead of the company directly engaging in such activities. We have eliminated multiple intermediaries in our distribution chain like - stockists, super-stockists, carrying and forwarding agents, wholesalers, instead we directly supply to our distributors and incentivize them better. This motivates them to engage in the sale and distribution of our products.

Our Value Chain




Performance Discussion and Outlook

Revenue from this segment witnessed a de-growth of 6.4% in FY19 on a y-o-y basis, down from 6,746 Lakhs to 6,312 Lakhs. Revenue contribution from this segment has come down to 72% in FY19 down from 85% in FY18, which was primarily due to superior growth in export operations along with additional revenue contribution from the retail pharmacy chain.

Future performance of this segment will depend on creating a better brand recall for our products, better distribution network, and enhanced product portfolio. We expect to maintain 8-10% annualized growth in this segment.

8-10%
expected annualized
growth

Exports (b)

21 % Revenue Share		Revenue 5-yr CAGR 33.2 %
Revenue in FY19 1,808 Lakhs	~22% Capacity Utilisation	203/273 International Product Approvals vs. Filed
 22 Countries International Presence	250+ Product Portfolio	

We undertake our manufacturing operations at our manufacturing facility located in Sachin SEZ, Surat. Under the rules pertaining to this SEZ, we have to export all the output that comes out of this unit. Presently we have approvals in more than 22 countries, mainly in the semi-regulated and regulated markets in the African, Asian, CIS and Latin-American region. We manufacture about 250 formulations in this unit and also engage in contract manufacturing for other exporters.

We have applied for 273 dossiers in 19 countries, out of which we have received 203 product approvals. Factors such as the back-loaded receipt of product approvals, increased direct exports rather than merchant exports, and exclusive distributors in foreign markets have led to phenomenal progress in operations of this segment in the last two years. In the financial year 2018-19, we have also set up a wholly-owned subsidiary in Sri Lanka to grow operations in the sub-continent.

Performance Discussion and Outlook

Revenue from this segment witnessed a massive growth of 51.2% in FY19 on a y-o-y basis, up from 1195 Lakhs to 1807 Lakhs. Revenue contribution from this segment has come up to an all-time high of 21.1% in FY19 as compared to 15.0% in FY18. Going ahead, the export segment is expected to be a major contributor in incremental business for the company. The performance of this segment will be depended upon deeper penetration in existing markets, along with a higher number of product approvals in existing as well as untapped markets. Currently, the company has 70 products under registration, in 10 countries, out of which 5 countries would be newly-tapped markets.

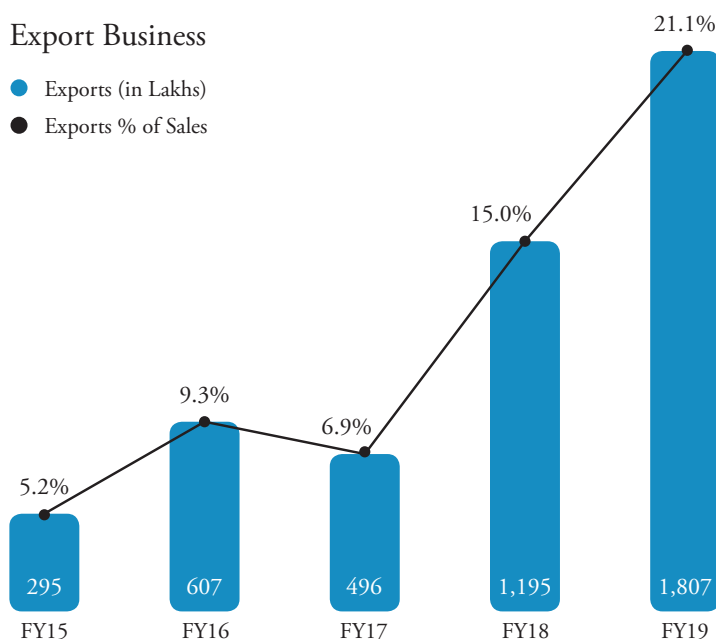
Exports will prove to be one of the most promising segments for the company.

Major export markets are Nigeria, Kenya, Myanmar and Cambodia.

Factors such as the back-loaded receipt of product approvals, increased direct exports rather than merchant exports, and exclusive distributors in foreign markets have led to phenomenal progress in operations of this segment in the last two years.

Export Business

- Exports (in Lakhs)
- Exports % of Sales





DAVAINDIA

Dava vahi, daam sahi

Retail Pharmacy Chain (c)

7 %

Revenue Share

A chain of retail pharmacy stores that sells only generic medicines and OTC products at a substantial discount, of 30-90%

Commenced operations in October 2017, this segment is the most recent and ambitious business division undertaken by Zota Health Care Limited. In line with its philosophy of providing affordable health care in India, the company has come up with a one-of-kind concept, wherein it is operating a chain of retail pharmacy stores that sells only generic medicines and OTC products at a substantial discount, of 30-90%, in comparison to branded medicines and products. The stores are operated under the name of -davaIndia.

598

Lakhs

Revenue in FY19

With just 3 initial stores launched back in October-November 2017, the company has come a long way. As of July 2019, there are 148 davaIndia stores across 7 states.

Presence in Districts

42+

7

Presence in States

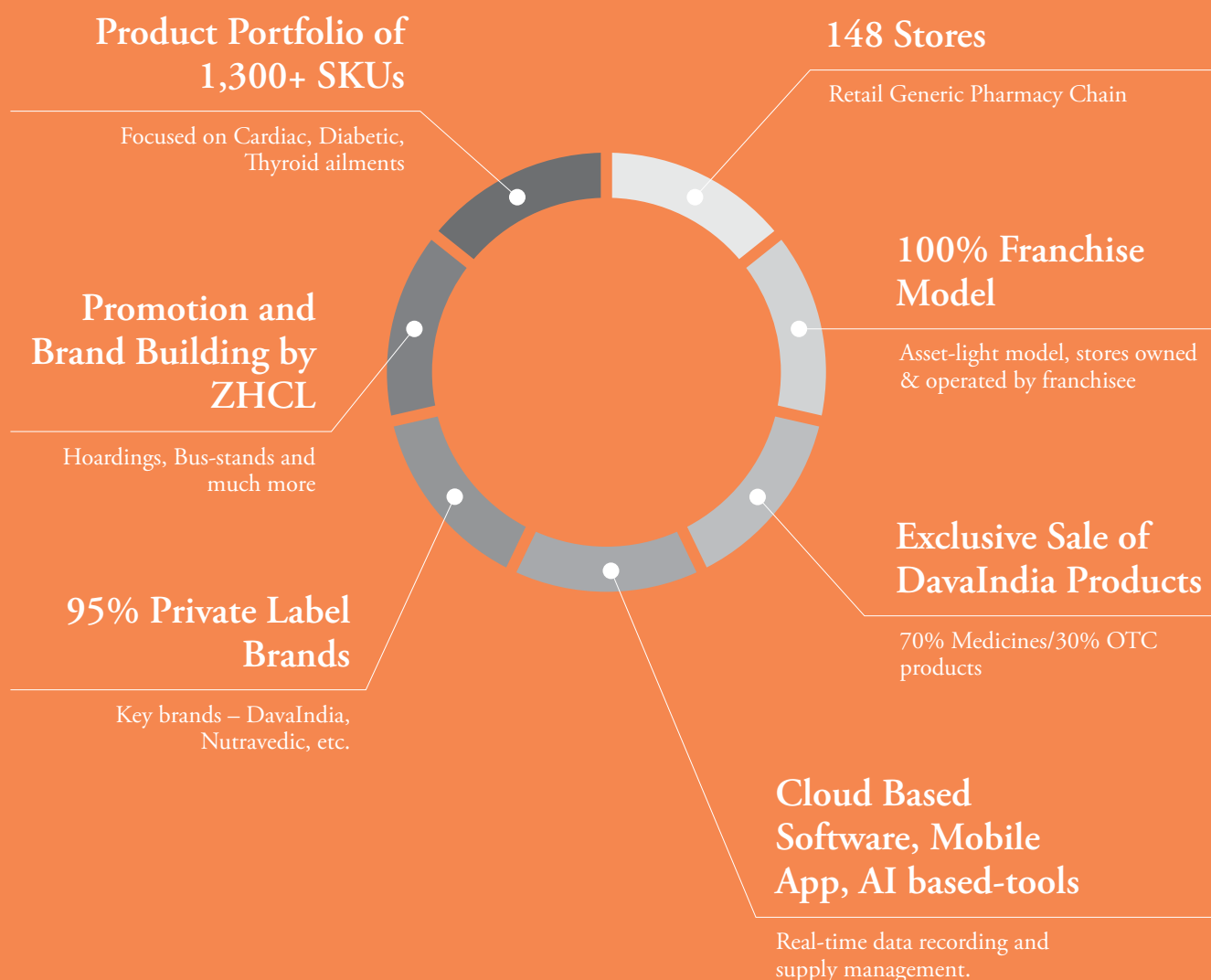
148 Stores

SKUs

1,300+



OPERATING MODEL OF DAVAINDIA



Key Facts FY19

120

Average Wallet Spend

101

Stores Opened

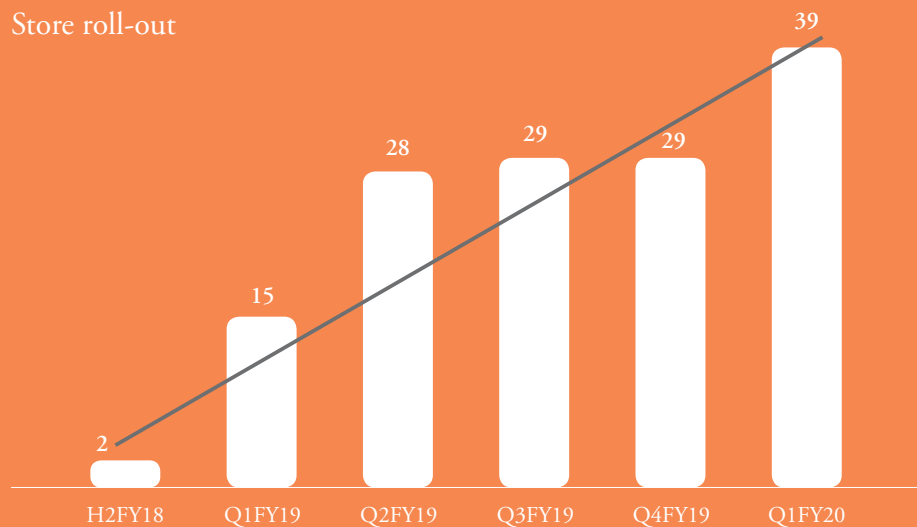
5.5 Lakh

Customers Served

2,000 Lakh

Customer Savings by
DavaIndia

Store roll-out



Growing Geographical Presence



148 Stores

7 States

42+ Districts



PRODUCT PORTFOLIO

~~Rs. 55/-~~

Rs. 27/-



Deep Cleansing Soap

~~Rs. 39/-~~

Rs. 27/-



Glycerin Soap



Cold Rub

~~Rs. 70/-~~

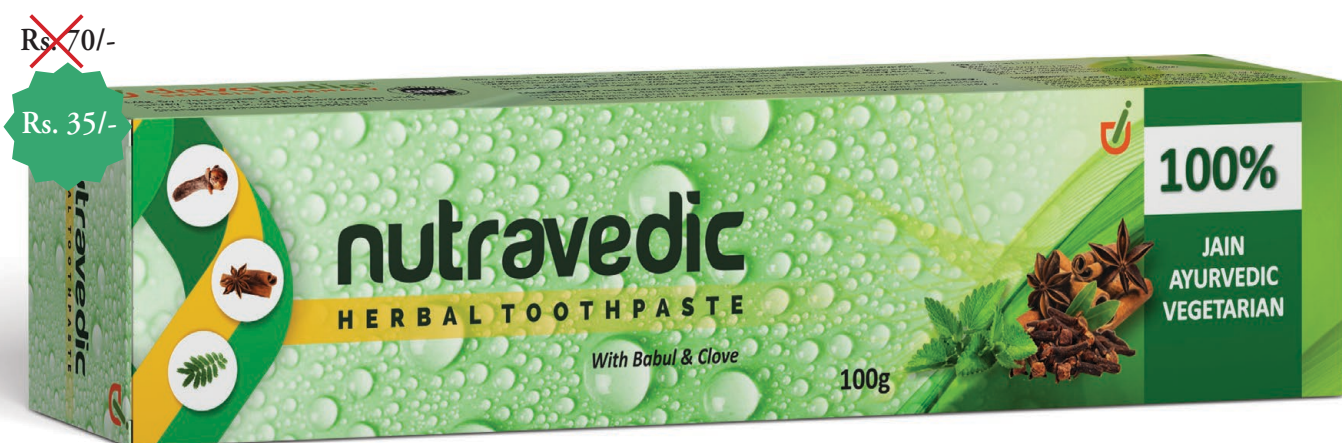
Rs. 30/-



Inhaler

~~Rs. 50/-~~

Rs. 20/-





Amrutaved Balm



Charcoal Peel Off Mask



Protein Choco-Rich Powder



Adult Toothbrush



Performance Discussion and Outlook

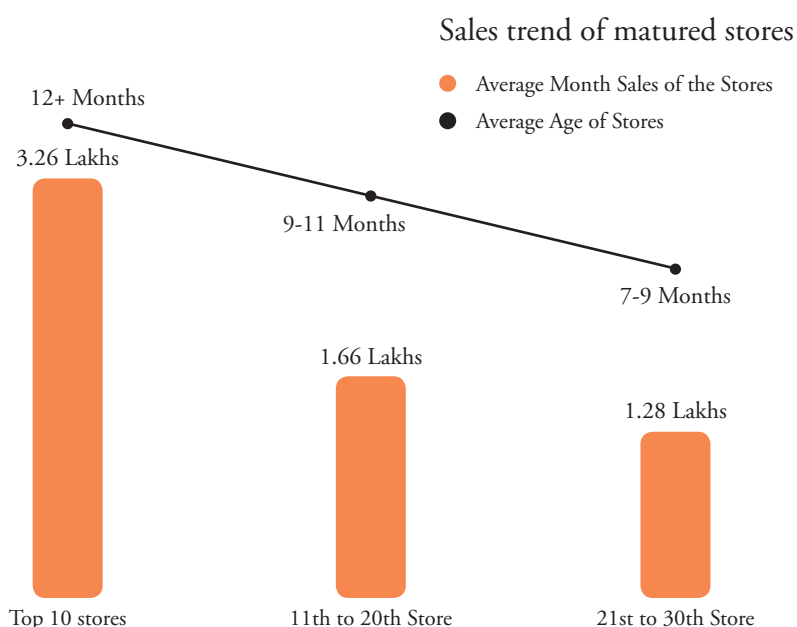
In the financial year 2018-19, this segment recorded a sales of 598 Lakhs as compared to almost nothing in its previous financial year. The strong revenue from operations in this segment was driven by a massive store roll-out, along with the completion of gestation period for the existing stores.

The performance of this segment is still in its nascent stages as compared to the potential of this model. A large number of stores were launched in

the second half of FY19, which haven't matured yet and are expected to record superior performance in the coming financial year. As of date we have more than 80 stores in pipeline, to launched in the coming quarter. The company also has vision to expand its chain to 3000 stores by the end of FY2022. The opportunity for economical generic medicines coupled with a good delivery and distribution channel is very large in India.

The company also has vision to expand its chain to 3000 stores by the end of FY2022.

The opportunity for economical generic medicines coupled with a good delivery and distribution channel is very large in India.



Threats, Risks and Concerns

Our industry is one of the most regulated industries in the world. Being a pharmaceutical company, we have to follow various rules and regulations.

Change in the regulatory norms of India or the exporting countries may affect the operations of our company.

Malpractices by some of the players in the industry may affect overall performance of the emerging players.

Our business is working capital intensive, our inability to manage the same may adversely affect our business.

Our retail pharmacy business is brand centric. Any malpractices or dissatisfaction with our products may harm our brand and subsequently our business.

Our export business exposes us to the risk of currency fluctuations. Any unhedged exposures may lead to future losses.

Financial Ratios

Financial Ratios	FY2017-18	FY2018-19	% Change	Comments
Operating Profit Margin	14.80	9.20	(37.70) %	The operating profit margins have deteriorated due to an increase in Sales, General and Administration expenses, due to expansion of retail pharmacy business.
Net Profit Margin	9.16	6.37	(30.50) %	The net profit margins have deteriorated primarily due to a decrease in operating profits.
Return on Net Worth	10.42	8.05	(22.70) %	-
Current Ratio	2.60	3.10	20.7%	-
Debt to Equity	0.00	0.00	0.00%	-
Interest Coverage Ratio	94.8	214.5	126.2%	The interest coverage ratio has increased due to decrease in interest and financial costs, the company is debt-free and hence has no major interest expenses.
Inventory Days	113.8	138.6	21.7%	-
Receivable days	107.5	94.2	(12.4) %	-

Internal Controls and Adequacy

The Company has in place an adequate system of internal control commensurate with the size and nature of its business. These have been designed to provide reasonable assurance that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly and

the business operations are conducted as per the prescribed policies and procedures of the Company. The Audit Committee and the management have reviewed the adequacy of the internal control systems and suitable steps are taken to improve the same.

Human Resource Development and Industrial Relations

Your Company firmly believes that its human resources are the key enablers for the growth of the Company and important asset. Hence, the success of the Company is closely aligned with the goals of the human resources of the Company. Taking into this account, your Company continued to Invest in developing its human capital and establishing

its brand on the market to attract and retain the best talent. Employee relations during the period under review continued to be healthy, cordial and harmonious at all levels and your Company is committed to maintaining good relations with the employees.

Cautionary Statement

Statements in the Management Discussion and Analysis, describing the Company's objective, projections, estimates, expectations, may be forward-looking statements. Actual results may differ materially from those expressed or implied due to various risks and uncertainties. Important factors that could make a difference to the Company's

operations include economic and political conditions in India and other countries in which the Company operates, volatility in interest rates, changes in government regulations and policies, tax laws, statutes, and other incidental factors. The Company does not undertake to update these statements.

CORPORATE INFORMATION

Board of Directors

Mr. Ketankumar Chandulal Zota	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
Mr. (Dr.) Shailesh Sevantilal Shah	Non-Executive Independent Director
Mr. Mahesh Mavjibhai Prajapati	Non-Executive Independent Director
Mrs. Bhumi Maulik Doshi	Additional Non-Executive Independent Director
Mr. (CA) Vitrag Sureshkumr Modi	Additional Non-Executive Independent Director

Company Secretary & Compliance Officer

CS Ashvin Variya

Statutory Auditor

M/s S. R. Somani & Co.,
Chartered Accountant
1001, Rathi Palace, Ring road,
Surat – 395002, Gujarat
Ph.No.: 0261 - 2323678

Register & Transfer Agent

Satellite Corporate Services Pvt. Ltd.
Category | Registrar to Issue & Share Transfer Agents
Unit No. 49, Bldg No. 13-A-B, 2nd Floor
Samhita Commercial Co-Op. Soc. Ltd,
Off Andheri Kurla Lane, MTNL Lane,
Sakinaka, Mumbai-400072
Ph. No.: 02228520461/462
Tele Fax: 022 28511809

Registered Office

“ZOTA HOUSE”, 2/896, Hira Modi Street,
Sagrampura, Surat– 395002
Ph. No.: 0261 2331601
Email: info@zotahealthcare.com
Website: www.zotahealthcare.com
Tele Fax: 0261 2346415

Banker To the Company

Axis Bank Limited
State Bank of India
Yes Bank Ltd

19th Annual General Meeting

Date : 21st September, 2019
Time : 11:00 AM
Venue : The Southern Gujarat Chamber of Commerce & Industry
1st floor, ‘Samruddhi Hall’, Makkai Pool, Nanpura, Surat – 395001, Gujarat

Audit Committee

Shailesh Sevantilal Shah - Chairman
Varshababen Gaurang Mehta - Member
Himanshu Muktilal Zota - Member
Bhumi Maulik Doshi - Member

Nomination & Remuneration Committee

Varshababen Gaurang Mehta - Chairman
Mahesh Mavjibhai Prajapati - Member
Shailesh Sevantilal Shah - Member

Stakeholders Shareholders & Investor Grievances Committee

Mahesh Mavjibhai Prajapati - 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

NOTICE

of Annual General Meeting

Notice is hereby given of the 19th Annual General Meeting of the members of Zota Health Care Limited will be held on Saturday, the 21st day of September, 2019 at The Southern Gujarat Chamber of Commerce & Industry, 1st floor, 'Samruddhi Hall', Makkai Pool, Nanpura, Surat – 395001, Gujarat at 11:00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended on 31st March, 2019, together with the Reports of the Board of Directors and Auditor thereon.
2. Declaration of dividend on equity shares @10% i.e. Re.1/- per share.
3. To appoint a Director in place of Mr. Ketankumar Chandulal Zota, Director (Holding DIN-00822594), who retire by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.
4. Appointment of Statutory Auditor and authorise directors to approve their remuneration and in this regards, to consider and if through fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“Resolved that pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s Shivangi Parekh & Co., Chartered Accountant, (Firm Registration No. 131449W) be and is hereby appointed as the Statutory Auditors of the Company for the period of consecutive five years commencing from the conclusion of this 19th Annual General Meeting till the conclusion of 24th Annual General Meeting of the Company, at a remuneration to be decided by the Board of Directors in consultation with the Auditors.

“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.”

SPECIAL BUSINESS:

5. 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 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, (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other applicable laws, if any, Mrs. Bhumi Maulik Doshi (DIN: 08456082), who was appointed as an Additional Director of the Company with effect from 30th May, 2019 by the Board of Directors pursuant to Section 161 of the Act and as recommended by the Nomination and Remuneration Committee and who holds office only upto the date of the ensuing Annual General Meeting of the Company be and is hereby appointed as a Non-Executive Independent Director of the Company for the period of five years starting from 30th May, 2019 to 29th May, 2024 and she is not liable to retire by rotation.”

“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 through fit, to pass with or without modification, the following resolution as a **Ordinary 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, (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other applicable laws, if any, Mr. Vitrag Sureshkumar Modi (DIN: 08457204), who was appointed as an Additional Director of the Company with effect from 30th May, 2019 by the Board of Directors pursuant to Section 161 of the Act and as recommended by the Nomination and Remuneration Committee and who holds office only upto the date of the ensuing Annual General Meeting of the Company be and is hereby appointed as a Non-Executive Independent Director of the Company for the period of five years starting from 30th May, 2019 to 29th May, 2024 and he is not liable to retire by rotation.”

“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 through fit, to pass with or without modification, the following resolution as a **Special Resolution**:

“Resolved that Pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and any other applicable laws, if any, consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Kamlesh Rajanikant Zota (DIN: 00822705) as Whole-time Director of the Company for the further period of five years from the expiry of his present term, that is with effect from April 01, 2020 to March 31, 2025, liable to retire by rotation. Company shall pay to Mr. Kamlesh Rajanikant Zota remuneration of Rs. 150,000/- per month and commission of 0.1% of annual turnover of the Company.”

“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 a **Special Resolution**:

“Resolved that Pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and any other applicable laws, if any, consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Himanshu Muktilal Zota (DIN: 01097722) as Whole-time Director of the Company for the further period of five years from the expiry of his present term, that is with effect from April 01, 2020 to March 31, 2025, liable to retire by rotation. Company shall pay to Mr. Himanshu Muktilal Zota remuneration of Rs. 150,000/- per month and commission of 0.1% of annual turnover of the Company.”

“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 a Special Resolution:

“Resolved that Pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and any other applicable laws, if any, consent of the members of the Company be and is hereby accorded to the re-appointment Mr. Manukant Chandulal Zota (DIN: 02267804) as Whole-time Director of the Company for the further period of five years from the expiry of his present term, that is with effect from April 01, 2020 to March 31, 2025. Company shall pay to Mr. Manukant Chandulal Zota remuneration of Rs. 150,000/- per month and commission of 0.1% of annual turnover of the Company.”

“Resolved further that on April 17, 2021 Mr. Manukant Chandulal Zota shall attended the age of seventy years, approval of the members be and is hereby sought for continuing him as a Whole-time Director of the Company after attending the age of retirement as aforementioned.”

“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 149, 150, 152 read with schedule IV and any other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time (including any statutory modifications 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. Dhiren Prafulbhai Shah (DIN: 08536409) as an Independent Non-Executive director on the Board of the Company to hold office for a term of 5 consecutive years commencing from the conclusion of this 19th Annual General Meeting with effect from September 21, 2019 till September 20, 2024.”

“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.”

11. 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 149, 150, 152 read with schedule IV and any other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time (including any statutory modifications 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 Mrs. Jayshreeben Nileskumar Mehta (DIN: 08536399) as an Independent Non-Executive director on the Board of the Company to hold office for a term of 5 consecutive years commencing from the conclusion of this 19th Annual General Meeting with effect from September 21, 2019 till September 20, 2024.”

“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.”

12. 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, 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 re-appointing Mr. Kamlesh Rajanikant Zota, Mr. Himanshu Muktilal Zota and Mr. Manukant Chandulal Zota as the Whole-time Directors of the Company, as detailed explained in Explanatory Statement;

b) approve the relate party transaction already been entered with Mr. Moxesh Ketanbhai Zota, for holding office of Managing Director of the Company, as detailed explained in Explanatory Statement.”

“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 or 10% of net worth 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.”

Date : 21-08-2019

Place : Surat

By order of the Board
for **Zota Healthcare Limited**

Sd/-
Ashvin Variya
Company Secretary & Compliance Officer

NOTES

a. The relevant explanatory statement pursuant to section 102 of the Companies Act, 2013 for item nos. 4 to 12 are annexed herewith.

b. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS/ HER BEHALF. AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Pursuant to Section 105 of Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as a proxy who shall not act as a proxy for any other member. The instrument of proxy, in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not later than forty eight hours before the commencement of the meeting. A proxy form is annexed to this report. Proxies submitted on behalf of limited Companies, Societies, etc, must be supported by an appropriate resolution / authority, as applicable.

c. Corporate Members intending to send their authorized representative to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013 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 and vote on their behalf at the meeting.

d. Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, the 14th day of September, 2019 to Saturday, the 21st day of September, 2019 (both day inclusive) for determining the names of Members eligible for dividend on Equity Shares if any, declared at the meeting and for annual general meeting.

e. All documents referred in the notice and accompany explanatory statements are open for inspection at the Registered Office of the Company during office hours on all days except Sunday & Public holidays between 11:00 a.m. and 1.00 p.m. up to the date of Annual General Meeting.

f. 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. Saturday, the 21st September, 2019 to the Company's Equity Shareholders, whose names stand registered on the Company's Register of Members:

a. As Beneficial Owners as at the end of business hours on 13th September, 2019 as per the list provided by National Securities Depository Limited

and Central Depository Services (India) Limited in respect of the shares held in the electronic form and

b. As Members in the Register of Members of the Company after giving effect to valid deletion of name /transmission (As per SEBI circular, as of now no physical transfer of shares are permitted) in physical form lodged with the Company before 13th September, 2019".

g. 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.

h. Members holding shares in physical form are requested to notify following details to Registrar and Transfer Agent (RTA) of the Company Satellite Corporate Services Pvt. Ltd. Unit No. 49, Bldg No. 13-A-B, 2nd Floor, Samhita Commercial Co-Op. Soc. Ltd, Off Andheri Kurla Lane, MTNL Lane, Sakinaka, Mumbai - 400 072

- 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 (application form is available at website of the Company www.zotahealthcare.com under investor relation tab.)
- PAN card copy for the record of the Company as required under the Guidelines of the SEBI.

i. Members who are having shares in physical mode and want to register as a nominee as per Section 72 of the Companies Act, 2013 are requested to send from SH-13 for nomination or form SH-14 for cancellation of nomination. Form SH-13 and SH-14 are available on Company's website www.zotahealthcare.com under investor relation tab.

j. To save environment and cost of the Company, Copies of Annual Report will not be distributed to the members at the venue of the AGM. Members are requested to bring their copies of Annual Report at the time of Annual General Meeting.

k. The details of directors appointment or re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as below:

Name	Ketankumar Chandulal Zota
DIN No.	00822594
Date of Birth	07-10-1966
Date of Appointment on current position	01-10-2016
Qualification	D Pharmacy
Expertise in specific functional areas	Mr. Ketankumar Chandulal Zota has done D Pharmacy from Gujarat University; Ahmedabad in the year 1983. He has vast 35 years of experience in the Pharmaceutical Industry. His dynamic leadership led the Zota Health Care Limited to become a major player in Pharma Industry. He is entrusted with the responsibilities of looking after the planning and implementing new marketing strategies and projects of the Company.
List of other Companies in which directorship is held as on 31st March, 2019	NIL

Chairman/ Member of Committee of other Company	NIL
No. of Shares Held	3032363
No. of Board Meeting attended during last Financial Year	8
Remuneration drawn during last Financial Year	NIL

Name	Bhumi Maulik Doshi
DIN No.	08456082
Date of Birth	14-09-1994
Date of Appointment on current position	30-05-2019
Qualification	Commerce Graduate
Expertise in specific functional areas	Mrs. Bhumi Maulik Doshi is commerce graduate and pursuing course of Chartered Accountancy from The Institute of Chartered Accountants of India (ICAI) and Master of Commerce from the Veer Narmad South Gujarat University, Surat. She is working in accounts department of D.D. Constructions Pvt. Ltd. since last three years and also doing practice in Goods and Service Tax (GST) since last two years. So, she is well versed with accounting and GST related matters. She is not related to any other Director on the Board of the Company.
List of other Companies in which directorship is held as on 31st March, 2019	NIL
Chairman/ Member of Committee of other Company	NIL
No. of Shares Held	1400

Name	Vitrag SureshKumar Modi
DIN No.	08457204
Date of Birth	21-01-1990
Date of Appointment on current position	30-05-2019
Qualification	Chartered Accountant
Expertise in specific functional areas	Mr. Vitrag Sureshkumar Modi is fellow member of the Institute of Chartered Accountant of India (ICAI). He has completed Chartered Accountancy course in the year 2011. 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 has worked with well-known Chartered Accountant Firms and Corporates for the period of six years. In the year 2017 he has formed his own firm and doing practice. So, he is having total work experience of around eight 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
List of other Companies in which directorship is held as on 31st March, 2019	NIL
Chairman/ Member of Committee of other Company	NIL
No. of Shares Held	604

Name	Kamlesh Rajaniknat Zota
DIN No.	00822705
Date of Birth	17-01-1973
Date of Appointment on current position	01-04-2010
Qualification	Bachelor in Pharmacy
Expertise in specific functional areas	Mr. Kamlesh Rajanikant Zota has done Bachelor in Pharmacy from Gujarat University. He has starting his carrier as a Sr. Technical Assistant in Torrent Pharma Ltd in the year 1995 after that he has worked as a Production Officer at Unique Pharmaceuticals Laboratories and subsequently joined our Company at the time of its incorporation, thus having an aggregate experience of around 24 years in the Pharmaceutical Industry. He has played lead role in getting regulatory approval for various facilities like NAFDAC, TFDA, FMHACA, PPD, NMRA, etc. He is looking after various business matters of the Company like factory management, work related to FDCA for domestic products as well as for export products, WHO certification, trademark and patent registration, customs and export documentation, pharmaceutical related regulatory compliances, etc.
List of other Companies in which directorship is held as on 31st March, 2019	NIL
Chairman/ Member of Committee of other Company	NIL
No. of Shares Held	1976903
No. of Board Meeting attended during last Financial Year	8
Remuneration drawn during last Financial Year	21.76 Lakhs

Name	Himanshu MuktiLal Zota
DIN No.	01097722
Date of Birth	30-05-1974
Date of Appointment on current position	01-04-2010
Qualification	Diploma in Pharmacy
Expertise in specific functional areas	Mr. Himanshu Muktilal Zota has been awarded with degree of Diploma in Pharmacy from the Board of Technical Examinations on behalf of the Government of Maharashtra. He has also done Bachelor in Computer Application from Aptech Compute Education; Surat. He began his journey in the Pharmaceutical Industry in the year 1992 as Retail Pharmacist and a Distributor of Medical Agency and subsequently has been associated with our Company since the time of its incorporation, thus having an aggregate experience of around 27 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 looking after various business matters of the Company like strategy formulation, finance, taxation and accounting related matters, information technology related matters, overall management, planning and implementation of new projects, forecasting of upcoming changes in pharma sectors. He is also playing vital role in planning and /implementation of Company's esteemed project DAVAININDIA.
List of other Companies in which directorship is held as on 31st March, 2019	NIL
Chairman/ Member of Committee of other Company	NIL
No. of Shares Held	3252620
No. of Board Meeting attended during last Financial Year	7
Remuneration drawn during last Financial Year	21.76 Lakhs

Name	Manukant Chandulal Zota
DIN No.	02267804
Date of Birth	17-04-1951
Date of Appointment on current position	01-04-2010
Qualification	Masters of Science Degree in Mathematics
Expertise in specific functional areas	Mr. Manukant Chandulal Zota has done Masters of Science Degree in Mathematics from Sardar Patel University, Gujarat. He 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
List of other Companies in which directorship is held as on 31st March, 2019	NIL
Chairman/ Member of Committee of other Company	NIL
No. of Shares Held	3176170
No. of Board Meeting attended during last Financial Year	8
Remuneration drawn during last Financial Year	21.76 Lakhs

Name	Dhiren Prafulbhai Shah
DIN No.	08536409
Date of Birth	20-08-1972
Date of Appointment on current position	---
Qualification	Bachelor of Pharmacy, Master of Pharmacy, Master of Business Administration & Ph. D.
Expertise in specific functional areas	<p>Mr. Dhiren Prafulbhai Shah has completed Bachelor of Pharmacy from L. M. College of Pharmacy, Ahmedabad, in the year 1995 and Master of Pharmacy on the subject of "Pharmaceutics & Pharmaceutical Technology Studies in Co processed Directly Compressible Diluents" from L. M. College of Pharmacy, Ahmedabad in the year 1997. Further, he has done Master of Business Administration on the subject of "Market Study for Intra Ocular Lens" from IGNOU in the year 2005 and Ph. D., on the subject of "Exploitation of Natural Product in Formulation Design of a Model Drug", from Gujarat University in the year 2010. So, he has a strong academic background and vice versa with pharmaceutical preparations and components. He has stated his carrier as an Executive & Area Manager in Cipla in the year 1997 and he has worked for the said designation for the period of three years. In the year 2000 he has changed his core working area and has decided to go in the field of empowering youth by teaching. In 2000 has joined Maliba Pharmacy College, Bardoli as an Assistant Professor (Lecturer) and he has worked over there for the period of four and half years, in the same field he has worked in Maliba Pharmacy College, Bardoli; Shree Dhanvantary Pharmacy College, Kim, Dist. Surat; and C K Pithawalla Institute of Pharmaceutical Science & Research, Surat for the period of seven and half year as an Associate Professor. At present he is working as a Professor and Principle at Shree Naranjibhai Lalbhai Patel College of Pharmacy, Umrakh, Bardoli since October, 2013. He has also served as an author of several books like "Exploitation of Natural Product in Formulation Design of a Model Drug", Published by LAMBERT Academic Publishing House, Germany, 2010; Co-Author for book – "Establishment of Herbal Monograph", Published by LAMBERT Academic Publishing House, Germany, 2010; Co-author for book - "Pharmaceutical Industrial Management", Published by Elsevier Publication, India, 2010 and Co-author for book - "A Text Book of Pharmacognosy", Published by Vikas Publication, Jalandhar, 2007.</p> <p>He is Editor-in-Chief of Journal "International Journal of Pharmaceutical Research". This journal is being published since January, 2009.</p> <p>Being guider he has also guided students for perusing Ph.D. in various pharmaceutical research and studies.</p>
List of other Companies in which directorship is held as on 31st March, 2019	NIL
Chairman/ Member of Committee of other Company	NIL
No. of Shares Held	NIL

Name	Jayshreeben Nileshkumar Mehta
DIN No.	08536399
Date of Birth	27-10-1971
Date of Appointment on current position	---
Qualification	Diploma in Pharmacy
Expertise in specific functional areas	Mrs. Jayshreeben Nileshkumar Mehta is originally from Varahi, Patan then adopted Surat. She has completed Diploma in Pharmacy with first class from M. N. College of Pharmacy, Gujarat University, Ahmedabad, in the year 1988. She is basically working as a homemaker as well as for a part time she is working in retail pharmacy.
List of other Companies in which directorship is held as on 31st March, 2019	NIL
Chairman/ Member of Committee of other Company	NIL
No. of Shares Held	2441

I. E-voting:

i) Pursuant to provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rule, 2014 members holding shares either in physical mode or dematerialization mode are entitled to exercise their vote through electronic mode.

ii) Company shall also providing voting through ballot papers which are provided at the Annual General Meeting. Members who have not voted through e-voting are entitled to cast their vote though ballot papers.

iii) The members who have voted though e-voting are also entitled to attend the meeting but not entitled to vote at the meeting.

iv) The Board of Directors of the Company has appointed Mr. Ranjit Kejriwal, Practicing Company Secretary as a scrutinizer, for conducting voting and poll during the Annual General Meeting and to oversee voting process.

v) The Cut-off date for the purpose of e-voting is Friday, the 13th day of September, 2019. Members whose names are appearing on Register of Members on Friday, the 13th day of September, 2019 are entitled to vote through e-voting.

vi) The e-voting facility will be start from Wednesday, the 18th day of September, 2019 at 9:30 a.m. and will end on Friday, the 20th day of September, 2019 on 5:00 p.m.

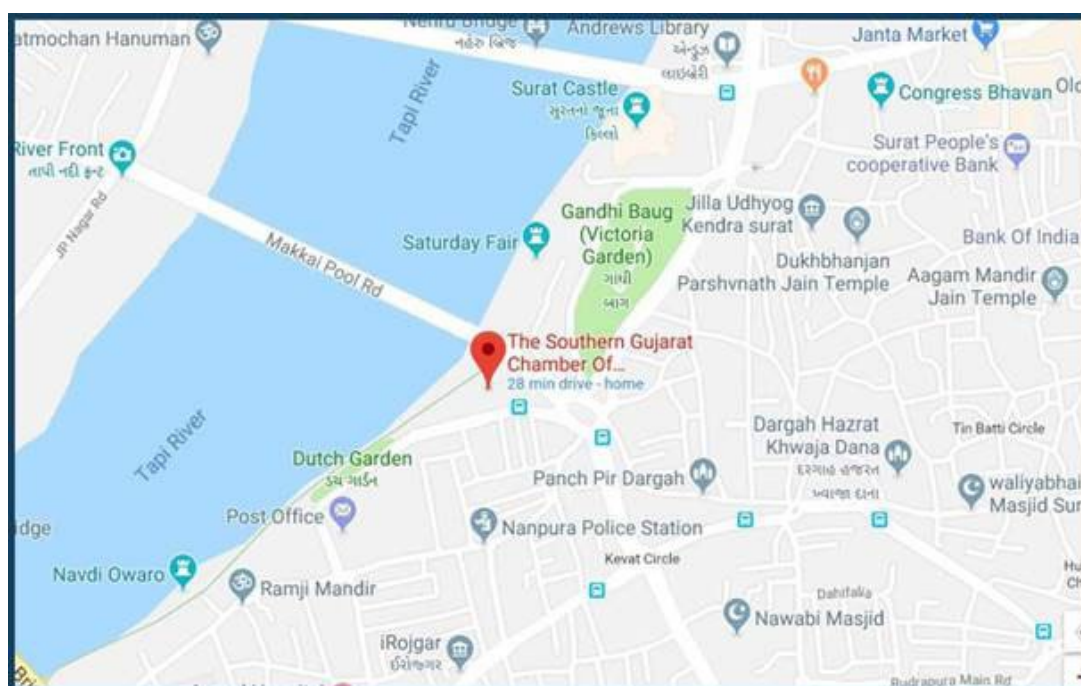
m. Poll at the Annual General Meeting:

i) First of all items of the notice will be discussed then the Chairman of the Meeting will order poll for that items. Poll is conducted under the supervision of the scrutinizer appointed for e-voting and poll.

ii) The members whose names are appear as on Friday, the 13rd day of September, 2019 in the Register of Members are entitled for the voting on poll in the meeting.

iii) Scrutinizer decision on validity of vote will be final.

n. The Prominent land mark near Southern Gujarat Chamber of Commerce & Industry is Dutch Garden. Map and Venue of AGM is as follows:



EXPLANATORY STATEMENT

in respect of special business pursuant to section 102 of the Companies Act, 2013

Item No. 4:

M/s S. R. Somani & Co., Chartered Accountants, appointed as Statutory Auditor of the Company to fill up casual vacancy caused due to resignation of M/s D S M & Co., chartered Accountants and holds the office as Statutory Auditor of the Company till the conclusion of this Annual General Meeting.

As the term of the aforementioned Statutory Auditor is completed on this Annual General Meeting; Company is required to appoint another auditor for the period of five years.

The Board of Directors at its meeting held on August 21, 2019, after considering the recommendations of the Audit Committee, had recommended for the appointment of M/s Shivangi Parekh & Co., Chartered Accountants, (Firm Registration No. 131449W), as the Statutory Auditors of the Company for approval of the members. The proposed Auditors shall hold office for a period of five consecutive years from the conclusion of the 19th Annual General Meeting till the conclusion 24th Annual General Meeting of the Company.

The Company has received letter from the M/s Shivangi Parekh & Co., Chartered Accountants, that their appointment, if made, would be within the prescribed limits under section 139(2) of the Companies Act, 2013 and that they are not disqualified for such appointment under section 141 of the Companies Act, 2013.

Pursuant to Section 102 of the Companies Act, 2013, The Board of Directors of the Company do hereby confirm that none of its Director or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, in the aforesaid resolution.

The Company shall pay proposed fee Rs. 5 Lakh per annum to M/s Shivangi Parekh & Co.; however, the same shall be reviewed by the Board from time to time and accordingly fees payable to auditor shall be changed. Further, there were no material changes in terms of payment of fee payable to new auditor.

Board of Directors of the Company recommended passing resolution set out in Item No. 4 of the Notice as an Ordinary Resolution.

Item No. 5:

Mrs. Bhumi Maulik Doshi (DIN: 08456082) was appointed as an Additional Director of the Company on 30th May, 2019 in accordance with provisions of section 161 of the Companies Act, 2013 (the "Act"). As per section 161 of the Companies Act, 2013 Mrs. Bhumi Maulik Doshi can hold office upto the date of ensuing Annual General Meeting of the Company.

On the recommendation of Nomination and Remuneration Committee of the Board of Directors of the Company, The Board of Directors has appointed her as a Non-Executive Independent Director for the term of five years starting from 30th May, 2019 subject to the members approval in ensuing general meeting and she 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, she will not receive any remuneration. Mrs. Bhumi Maulik Doshi is independent to the Company and possesses required qualifications and skills.

Mrs. Bhumi Maulik Doshi satisfies all the conditions set out in Schedule IV to the Companies Act, 2013 as also conditions set out under subsection (6) of Section 149 of the Companies Act, 2013 for being eligible for his reappointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Brief Profile of Mrs. Bhumi Maulik Doshi

Mrs. Bhumi Maulik Doshi is commerce graduate and pursuing course of Chartered Accountancy from The Institute of Chartered Accountants of India (ICAI) and Master of Commerce from the Veer Narmad South Gujarat University, Surat. She is working in accounts department of D.D. Constructions Pvt. Ltd. since last three years and also doing practice in Goods and Service Tax (GST) since last two years. So, she is well versed with accounting and GST related matters.

As on the date of this notice she has held 1400 shares in the Company.

Keeping in view of her experience in accounts and GST related matters it is in best interest of the Company to appoint her as an independent director of the Company. Accordingly, the Directors recommend the matter and the resolution set out under Item no. 5 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 Mrs. Bhumi Maulik Doshi, to the extent of her shareholding; none of its Director or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, in the aforesaid resolution.

Item No. 6:

Mr. Vitrag Sureshkumar Modi (DIN: 08457204) was appointed as an Additional Director of the Company on 30th May, 2019 in accordance with provisions of section 161 of the Companies Act, 2013 (the "Act"). As per section 161 of the Companies Act, 2013 Mr. Vitrag Sureshkumar Modi can hold office upto the date of ensuing Annual General Meeting of the Company.

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 Independent Director for the term of five years starting from 30th May, 2019 subject to the members 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. Vitrag Sureshkumar Modi is independent to the Company and possesses required qualifications and skills.

Mr. Vitrag Sureshkumar Modi satisfies all the conditions set out in Schedule IV to the Companies Act, 2013 as also conditions set out under subsection (6) of Section 149 of the Companies Act, 2013 for being eligible for his reappointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Brief Profile of Mr. Vitrag Sureshkumar Modi

Mr. Vitrag Sureshkumar Modi is fellow member of the Institute of Chartered Accountant of India (ICAI). He has completed Chartered Accountancy course in the year 2011. 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 has worked with well-known Chartered Accountant Firms and Corporates for the period of six years. In the year 2017 he has formed his own firm and doing practice. So, he is having total work experience of around eight 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.

As on the date of this notice he has hold 604 shares in the Company.

Keeping in view of his experience in accounts, audit and taxation related matters it is in best interest of the Company to appoint him as an independent director of the Company. Accordingly, the Directors recommend the matter and the resolution set out under Item no. 6 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 Mr. Vitrag Sureshkumar Modi, 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 resolution.

Item No. 7:

On the recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company, the Board of Directors of the Company in its meeting held on August 21, 2019 has, subject to approval of the shareholders in ensuing general meeting, re-appointed Mr. Kamlesh Rajanikant Zota (DIN: 00822705) as Whole-time Director of the Company for the further period of five years from the expiry of his present term, that is with effect from April 01, 2020 to March 31, 2025, liable to retire by rotation.

The Company shall pay to Mr. Kamlesh Rajanikant Zota remuneration of Rs. 150,000/- per months and commission of 0.1% of annual turnover of the Company. Apart from this the Company shall pay to him the sitting fees as may be decided by the Board of Directors from time to time for attending Board or Committee meetings.

Mr. Kamlesh Rajanikant Zota satisfies all the conditions set out in Part-I of Schedule V to the Companies Act, 2013 as also conditions set out under subsection (3) of Section 196 of the Companies Act, 2013 for being eligible for his reappointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Brief Profile of Mr. Kamlesh Rajanikant Zota

Mr. Kamlesh Rajanikant Zota has done Bachelor in Pharmacy from Gujarat University. He has starting his carrier as a Sr. Technical Assistant in Torrent Pharma Ltd in the year 1995 after that he has worked as a Production Officer at Unique Pharmaceuticals Laboratories and subsequently joined our Company at the time of its incorporation, thus having an aggregate experience of around 24 years in the Pharmaceutical Industry. He has played lead role in getting regulatory approval for various facilities like NAFDAC, TFDA, FMHACA, PPD, NMRA, etc. He is looking after various business matters of the Company like factory management, work related to FDCA for domestic products as well as for export products, WHO certification, trademark and patent registration, customs and export documentation, pharmaceutical related regulatory compliances, etc.

As on the date of this notice he has hold 1976903 shares in the Company.

Keeping in view of his experience and expertise in manufacturing as well as pharmaceutical regulatory it is in best interest of the Company to re-appoint him as Whole-time director of the Company. Accordingly, the Directors recommend the matter and the resolution set out under Item no. 7 for the approval of the Members by way of passing a Special Resolution.

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 resolution.

Item No. 8:

On the recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company, the Board of Directors of the Company in its meeting held on August 21, 2019 has, subject to approval of the shareholders in ensuing general meeting, re-appointed Mr. Himanshu Muktilal Zota (DIN: 01097722) as Whole-time Director of the Company for the further period of five years from the expiry of his present term, that is with effect from April 01, 2020 to March 31, 2025, liable to retire by rotation.

The Company shall pay to Mr. Himanshu Muktilal Zota remuneration of Rs. 150,000/- per months and commission of 0.1% of annual turnover of the Company. Apart from this the Company shall pay to him the sitting fees as may be decided by the Board of Directors from time to time for attending Board or Committee meetings.

Mr. Himanshu Muktilal Zota satisfies all the conditions set out in Part-I of Schedule V to the Companies Act, 2013 as also conditions set out under subsection (3) of Section 196 of the Companies Act, 2013 for being eligible for his reappointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Brief Profile of Mr. Himanshu Muktilal Zota

Mr. Himanshu Muktilal Zota has been awarded with degree of Diploma in Pharmacy from the Board of Technical Examinations on behalf of the Government of Maharashtra. He has also done Bachelor in Computer Application from Aptech Compute Education; Surat. He began his journey in the Pharmaceutical Industry in the year 1992 as Retassil Pharmacist and a Distributor of Medical Agency and subsequently has been associated with our Company since the time of its incorporation, thus having an aggregate experience of around 27 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 looking after various business matters of the Company like strategy formulation, finance, taxation and accounting related matters, information technology related matters, overall management, planning and implementation of new projects, forecasting of upcoming changes in pharma sectors. He is also playing vital role in planning and /implementation of Company's esteemed project DAVAINDIA.

As on the date of this notice he has hold 3252620 shares in the Company.

Keeping in view of his experience and expertise in pharma sector it is in best interest of the Company to re-appoint him as Whole-time director of the Company. Accordingly, the Directors recommend the matter and the resolution set out under Item no. 8 for the approval of the Members by way of passing a Special Resolution.

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 resolution.

Item No. 9:

On the recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company, the Board of Directors of the Company in its meeting held on August 21, 2019 has, subject to approval of the shareholders in ensuing general meeting, re-appointed Mr. Manukant Chandulal Zota (DIN: 02267804) as Whole-time Director of the Company for the further period of five years from the expiry of his present term, that is with effect from April 01, 2020 to March 31, 2025, not liable to retire by rotation.

The Company shall pay to Mr. Manukant Chandulal Zota remuneration of Rs. 150,000/- per months and commission of 0.1% of annual turnover of

the Company. Apart from this the Company shall pay to him the sitting fees as may be decided by the Board of Directors from time to time for attending Board or Committee meetings.

Mr. Manukant Chandulal Zota shall attend the age of seventy year on April 17, 2021. He is serving the Company since last two decades and taking part in the decision making of the Company and its operations on regular basis. In view of the same and to avail his expertise; Board of Directors of the Company recommends re-appointing him as a Whole-time Director. Accordingly, approval of members is sought by passing a Special Resolution for re-appointment of Mr. Manukant Chandulal Zota as a Whole-time Director as set out in Part-I of Schedule V to the Companies Act, 2013 as also conditions set out under subsection (3) of Section 196 of the Companies Act, 2013.

Except the paragraph as aforementioned Mr. Manukant Chandulal Zota satisfies all the conditions set out in Part-I of Schedule V to the Companies Act, 2013 as also conditions set out under subsection (3) of Section 196 of the Companies Act, 2013 for being eligible for his reappointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Brief Profile of Mr. Manukant Chandulal Zota

Mr. Manukant Chandulal Zota has done Masters of Science Degree in Mathematics from Sardar Patel University, Gujarat. He 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.

As on the date of this notice he has hold 3176170 shares in the Company.

Keeping in view of his experience it is in best interest of the Company to re-appoint him as Whole-time director of the Company. Accordingly, the Directors recommend the matter and the resolution set out under Item no. 9 for the approval of the Members by way of passing a Special Resolution.

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 their shareholding none of its Director or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, in the aforesaid resolution.

Item No. 10:

The Board of Directors at its meeting held on August 21, 2019, after considering the recommendations of the Nomination and Remuneration Committee, had recommended for the appointment of Mr. Dhiren Prabhubhai Shah (DIN: 08536409) as an Independent Non-Executive director on the Board of the Company for a consecutive period of 5 (five) years commencing from the conclusion of 19th Annual General Meeting that with effect September 21, 2019 till September 20, 2024. 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. Dhiren Prabhubhai Shah is independent to the Company and possesses required qualifications and skills.

The appointment of Mr. Dhiren Prabhubhai Shah (DIN: 08536409) as an Independent Non-Executive director of the Company shall be made in replacement of Mr. Mahesh Mavjibhai Prajapati, Independent Non-Executive director of the Company, whose term is going to complete on 19th Annual General Meeting and due to pre-occupations, he won't be available for re-appointed as an Independent Non-Executive director. Letter in this regards has already been received by the Company on August 13, 2019.

Mr. Dhiren Prabhubhai Shah satisfies all the conditions set out in Schedule

V to the Companies Act, 2013 as also conditions set out under subsection (6) of Section 149 of the Companies Act, 2013 for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Brief Profile of Mr. Dhiren Prafulbhai Shah

Mr. Dhiren Prafulbhai Shah has completed Bachelor of Pharmacy from L. M. College of Pharmacy, Ahmedabad, in the year 1995 and Master of Pharmacy on the subject of "Pharmaceutics & Pharmaceutical Technology Studies in Co processed Directly Compressible Diluents" from L. M. College of Pharmacy, Ahmedabad in the year 1997. Further, he has done Master of Business Administration on the subject of "Market Study for Intra Ocular Lens" from IGNOU in the year 2005 and Ph. D., on the subject of "Exploitation of Natural Product in Formulation Design of a Model Drug", from Gujarat University in the year 2010. So, he has a strong academic background and vise versed with pharmaceutical preparations and components.

He has stated his carrier as an Executive & Area Manager in Cipla in the year 1997 and he has worked for the said designation for the period of three years. In the year 2000 he has changed his core working area and has decided to go in the field of empowering youth by teaching. In 2000 he has joined Maliba Pharmacy College, Bardoli as an Assistant Professor (Lecturer) and he has worked over there for the period of four and half years, in the same field he has worked in Maliba Pharmacy College, Bardoli; Shree Dhanvantary Pharmacy College, Kim, Dist. Surat; and C K Pithawalla Institute of Pharmaceutical Science & Research, Surat for the period of seven and half year as an Associate Professor. At present he is working as a Professor and Principle at Shree Naranjibhai Lalbhai Patel College of Pharmacy, Umrakh, Bardoli since October, 2013.

He has also served as an author of several books like "Exploitation of Natural Product in Formulation Design of a Model Drug", Published by LAMBERT Academic Publishing House, Germany, 2010; Co-Author for book - "Establishment of Herbal Monograph", Published by LAMBERT Academic Publishing House, Germany, 2010; Co-author for book - "Pharmaceutical Industrial Management", Published by Elsevier Publication, India, 2010 and Co-author for book - "A Text Book of Pharmacognosy", Published by Vikas Publication, Jalandhar, 2007.

He is Editor-in-Chief of Journal "International Journal of Pharmaceutical Research". This journal is being published since January, 2009.

Being guider he has also guided students for perusing Ph.D. in various pharmaceutical research and studies.

Keeping in view of his vast experience it is the field of pharmaceutical research and study it is in best interest of the Company to appoint him as an Independent Non-executive director of the Company. Accordingly, the 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 none of its Director or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, in the aforesaid resolution.

Item No. 11:

The Board of Directors at its meeting held on August 21, 2019, after considering the recommendations of the Nomination and Remuneration Committee, had recommended for the appointment of Mrs. Jayshreeben Nileshkumar Mehta (DIN: 08536399) as an Independent Non-Executive director on the Board of the Company for a consecutive period of 5 (five) years commencing from the conclusion of 19th Annual General Meeting that with effect September 21, 2019 till September 20, 2024. Apart from the sitting fees as may be decided by the Board of Directors from time to time for attending Board or Committee meetings, she will not receive any

remuneration. Mrs. Jayshreeben Nileshkumar Mehta is independent to the Company and possesses required qualifications and skills.

The appointment of Mrs. Jayshreeben Nileshkumar Mehta (DIN: 08536399) as an Independent Non-Executive director of the Company shall be made in replacement of Mr. Shailesh Sevantil Shah, Independent Non-Executive director of the Company, whose term is going to complete on 19th Annual General Meeting and due to pre-occupations, he won't be available for re-appointed as an Independent Non-Executive director. Letter in this regards has already been received by the Company on August 13, 2019.

Mrs. Jayshreeben Nileshkumar Mehta satisfies all the conditions set out in Schedule V to the Companies Act, 2013 as also conditions set out under subsection (6) of Section 149 of the Companies Act, 2013 for being eligible for her appointment. She is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Brief Profile of Mrs. Jayshreeben Nileshkumar Mehta

Mrs. Jayshreeben Nileshkumar Mehta is originally from Varahi, Patan then adopted Surat. She has completed Diploma in Pharmacy with first class from M. N. College of Pharmacy, Gujarat University, Ahmedabad, in the year 1988. She is basically working as a homemaker as well as for a part time she is working in retail pharmacy.

As on the date of this notice he has hold 2441 shares in the Company.

Keeping in view of her experience in the field of retail pharmacy it is in best interest of the Company to appoint her as an Independent Non-executive director of the Company. Accordingly, the Directors recommend the matter and the resolution set out under Item no. 11 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 none of its Director or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, in the aforesaid resolution.

Item No. 12:

The members of the Company in 14th Annual General Meeting dated 30th September, 2014 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. Keamlesh Rajanikant Zota, Mr. Himanshu Muktilal Zota and Mr. Manukant Chandulal Zota, Whole-time Directors of the Company.

The term of aforementioned directors as Whole-time Directors of the Company is going to be complete on March 31, 2020 and Board of Directors have proposes for their re-appointment for the period of further five year commencing from April 01,2020 to March 31, 2025. As of now Company is paying remuneration of Rs. 1.5 lakhs per month plus commission of 0.1% of annual turnover of the Company to all the aforementioned directors and the total monthly remuneration paid to them are less than 2.5 lakhs per month. With increasing turnover of the Company, in future it is expected that monthly remuneration payable to them might increase the threshold of Rs. 2.5 lakhs per month. Hence, it is required to obtain members approval.

Further, the Board of Directors of the Company in its meeting held on October 07, 2016 has approved the related party transaction for paying remuneration to Mr. Moxesh Ketanbhai Zota, Managing Director of the Company. As of now Company is paying remuneration of Rs. 1.5 lakhs per month plus commission of 0.1% of annual turnover of the Company to Mr. Moxesh Ketanbhai Zota and the total monthly remuneration paid to him is less than 2.5 lakhs per month. With increasing turnover of the Company, in future it is expected that monthly remuneration payable to him might increase the threshold of Rs. 2.5 lakhs per month. 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. Kamlesh Rajanikant Zota	Mr. Himanshu Muktilal Zota	Mr. Manukant Chandulal Zota	Mr. Moxesh Ketanbhai Zota
Person who is interested in Related Party Transaction along with designation	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. Ketankumar Chandulal Zota (Chairman) and Mr. Moxesh Ketanbhai Zota (Managing Director)
Amount Involve in transaction	Remuneration of Rs. 1.5 lakh per month + commission of 0.1% of annual turnover	Remuneration of Rs. 1.5 lakh per month + commission of 0.1% of annual turnover	Remuneration of Rs. 1.5 lakh per month + commission of 0.1% of annual turnover	Remuneration of Rs. 1.5 lakh per month + commission of 0.1% of annual turnover
Nature of Transaction	Re-appointed as a Whole-time Director of the Company	Re-appointed as a Whole-time Director of the Company	Re-appointed as a Whole-time Director of the Company	Remuneration as a Managing Director of the Company

The relater party transactions with Mr. Kamlesh Rajanikant Zota, Mr. Himanshu Muktilal Zota and Mr. Manukant Chandulal Zota, Whole-time Directors of the Company, have already been approved by first the Audit Committee of the Company in its meeting held on August 17, 2019 and the same have been further approved by the Board of Directors in its meeting held on August 21, 2019.

The related party transactions with Mr. Moxesh Ketanbhai Zota, Managing Directors of the Company, have already been approved d by the Board of Directors in its meeting held on October 07, 2016.

The Board Directors recommend the matter and the resolution set out under Item no. 12 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 resolution.

DIRECTOR'S REPORT

Your directors are pleased to present their Annual Report along with the Audited statement of Accounts for the year ended on 31st March, 2019.

Corporate Information:

The company domiciled in India and was incorporated in the year 2000 under the provisions of the Companies Act, 1956. The company is engaged in the Manufacturing & Trading in Pharmaceutical Products. The company caters to both domestic and international markets.

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	For the year Ended 31-03-2019	For the year Ended 31-03-2018	For the year Ended 31-03-2019	For the year Ended 31-03-2018*
Revenue from operations	8562.94	7784.49	8562.94	-
Other Income	154.47	151.86	154.47	-
Profit before tax and Exceptional Items	785.92	1136.22	785.57	-
Exceptional Items	-	2.04	-	-
Profit before Taxation	785.92	1134.18	785.57	-
Income Tax	234.76	403.75	234.76	-
Deferred Tax	(4.03)	3.67	(4.03)	-
Profit after Taxation	555.19	726.77	554.84	-

* The Company has incorporated wholly owned subsidiary Company in the Financial Year 2018-19, prior this there were no subsidiary company, so consolidated financial statements for the Financial Year 2017-18 have not been prepared.

Dividend

The Board is pleased to recommend a dividend of 10% i.e. Re.1 per equity share for the financial year 2018-19. The dividend if approved by the members will be paid to the members within time limit defined in the Companies Act, 2013.

Investor Education and Protection Fund:

During the year, there were no amounts which were required to be transferred to the Investor and Education Protection Fund.

Transfer to Reserve:

The company does not propose to transfer any amount to General Reserves.

Statement of Company's Affairs

- Revenues for the Financial Year 2018-19 was higher by 9.84% YoY to Rs 8,717.4 lakhs, backed by strong growth in export business.
- Profit after tax for Financial Year 2018-19 was lower by 23.61% YoY to Rs 555.2 Lakhs with higher pre-operative expenses towards Davaindia which has impacted the Profit after taxes (PAT). However, the decline in PAT is a mere aberration and with Davaindia initiative picking up it expects stronger sales volume tapering the effect of the expenses.
- During the year, export revenue of the Company was higher by 51.91% YoY to Rs. 1807.73 Lakhs.
- Starting with four stores from October, 2017, Davaindia store expansion have doubled at 127 stores as on March 31, 2019 with higher number of stock keeping units per store.

Material Changes

After completion of financial year, the Company has issued Equity Shares amounting Rs. 7,01,69,750 on July 29, 2019 allotted as a Bonus Shares in the ratio of 4:10 [i.e. 4 (Four) fully paid up equity shares for every 10 (Ten) equity shares held.] Apart from this there are no Material change 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.

Statutory Auditors

During the year, M/s D.S.M. & Co., Chartered Accountants having firm registration no. 132003W have resigned from the office of Statutory Auditor on February 25, 2019. Due to resignation of M/s D.S.M. & Co., the office of statutory auditor was vacant and the same has been filled by the Board of Directors of the Company by appointing M/s S. R. Somani & Co., Chartered Accountant, having firm registration no. 110367W on March 23, 2019. Further, the members of the Company have approved the appointment of M/s S. R. Somani & Co., Chartered Accountant, as Statutory Auditor of the Company through Postal Ballot dated June 18, 2019. This auditor shall hold office up till ensuing Annual General Meeting.

Further, the Board of Directors of the Company in its meeting held on August 21, 2019 proposes for appointment of M/s Shivangi Parekh & Co., Chartered Accountant, having firm registration no. 131449W for the period of consecutive five (5) years, that is from the conclusion of 19th Annual General Meeting till the conclusion of 24th Annual General Meeting at such remuneration as may be decided by the Board of Directors from time to time.

The Board has received the letter from the auditor, that their appointment, if made, would be within the prescribed limit under section 139(2) of the Companies Act, 2013 and that they are not disqualified for such appointment under section 141 of the Companies Act, 2013. Your Board proposes for the appointment of M/s Shivangi Parekh & Co.

Extract of Annual Return

The Extract of 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-9 is annexed as (Annexure - 1) which forms an Integral part of this report. This Report is also available on the Company's website viz. www.zotahealthcare.com

Comments on Auditor's Report

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

Non-Executive Chairman, one is Executive Managing Director, three are Executive Whole Time Directors and remaining five are Non-Executive Independent Directors. As on date of this report Board of Directors of the company is as follows:

Details of Directors and Key Managerial Personnel

The Board of Directors comprises of ten (10) directors out of which one is

Name of Director	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
Mr. Shailesh Sevantilal Shah	Non-Executive Independent Director
Mrs. Varshabhen Gaurang Mehta	Non-Executive Independent Director
Mr. Mahesh Mavjibhai Prajapati	Non-Executive Independent Director
Mrs. Bhumi Maulik Doshi*	Additional Non-Executive Independent Director
Mr. Vitrag Sureshkumar Modi*	Additional Non-Executive Independent Director

*Appointments of Mrs. Bhumi Maulik Doshi and Mr. Vitrag Sureshkumar Modi have been made after the completion of financial year 2018-19; on May 30, 2019.

Pursuant to Sections 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of the directors are liable to retire by rotation, and if eligible offer themselves for re-appointment. In this Annual General Meeting Mr. Ketankumar Chandulal Zota, Non-Executive Chairman of the Company is liable to retire by rotation and being eligible to offer himself for re-appointment.

Pursuant to the provisions of Section 149, 150, 152 read with schedule IV and any other applicable provisions of the Companies Act, 2013 read with

Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time (including any statutory modifications or re-enactment thereof for the time being in force), and any other applicable laws, Board be and hereby recommending the Appointments of Mr. Dhiren Prafulbhai Shah and Mrs. Jayshreeben Nileshkumar Mehta as the Non – Executive Independent directors of the Company.

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

Name of Director	Category & Designation
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
Mr. Viral Mandviwala	Chief Financial Officer
Mr. Ashvin Variya	Company Secretary

Meeting of the Board of Directors:

During the year, there were eight (8) Board meetings held. Details of the same are as follows:

Sr. No	Date of Meeting	Board Strength	No. of Director Present
1	30/05/2018	8	7
2	06/07/2018	8	8
3	30/08/2018	8	8
4	12/10/2018	8	8
5	14/11/2018	8	7
6	16/02/2019	8	8
7	04/03/2019	8	8
8	23/03/2019	8	8

Deposits

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

Related Party Transaction

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under section 188 of the Companies Act, 2013 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-2 in form AOC-2 for your kind perusal and information.

Loans, Guarantees & Investments

With reference to Section 134(3)(g) of the Companies Act, 2013, loans, guarantees and investments made under section 186 of the Companies Act, 2013 are as under:

Sr. No	Date of Transaction	Name of the Company	Purpose of Transaction	Amount involved in Transaction
1	Earlier year	Prime Co-op .Bank	Investment in equity shares	100
2	07/06/2018	Zota Health Care Lanka (Pvt) Ltd	Acquisition	86680
3	16/02/2019	Zota Healthcare Nig. Ltd. *	Acquisition	197300

* Incorporation of Zota Healthcare Nig. Ltd. is under process.

Corporate Social Responsibility

On recommendation of Corporate Social Responsibility Committee Board has formulated Corporate Social Responsibility Policy and adopted the same. The detailed CSR policy of the Company is available on the link http://www.zotahealthcare.com/images/cms/cmsfile/Corporate_Social_Responsibility_

Policy.pdf. Details of CSR activities carried out by the Company are as per Annexure - 3. Corporate Social Responsibility Committee constituted by the Company has met two (2) times during the last year. A detail of the meeting of CSR committee is as follows:

Sr. No	Date of Meeting	Strength of Committee	No. of Members Present
1	12/06/2018	3	3
2	30/03/2019	3	3

Declaration of Independent Directors

Company has received declaration from all the independent directors duly signed by them stating that they meet the criteria of independence as provided in section 149(6) of the Companies Act, 2013.

comprising three non-executive directors Composition of the Committee is as follows:

Mrs. Varshababen Gaurang Mehta -Chairman & Member
Mr. Mahesh Mavjibhai Prajapati - Member
Mr. Shailesh Sevantilal Shah - Member

Nomination and Remuneration Committee

Company has formulated nomination and remuneration committee

During the year, two (2) meetings of the nomination and remuneration committee were held. Details of the Meetings are as follows:

Sr. No	Date of Meeting	Strength of Committee	No. of Members Present
1	30/05/2018	3	3
2	06/07/2018	3	3

(i) Term 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.

(ii) Remuneration Policy:

• Remuneration to Executive Directors:

The remuneration paid to executive directors of the Company is recommended by the Nomination and Remuneration Committee of the Company and then Board of the Company approve in their duly held meeting. The remuneration of executive directors are decided by considering various criteria like qualification, experience, responsibilities, value addition to the Company and financial position of the Company. Board is taking permission of the members if required at any time for paying remuneration to executive directors.

• Remuneration to Non-Executive Directors:

During the year Company has not paid any remuneration to the non-executive and independent directors of the Company. However, from May 30, 2019 the Board of Directors of the Company have decided to pay sitting fees to all the directors of the Company.

The detailed remuneration policy of the Company is available on the below link: http://www.zotahealthcare.com/images/cms/cmsfile/Policy_on_Appointment_and_Remuneration_for_Directors,_Key_Management_Personnel_and_Senior_Management_Employee.pdf

Audit Committee:

Pursuant to requirement of Section 177(1) of the Companies Act, 2013 Company has formulated Audit Committee. Composition of the Audit Committee as on date is as follows:

Mr. Shailesh Sevantil Shah- Chairman & Member
Mrs. Varshababen Gaurang Mehta - Member
Mr. Himanshu Muktilal Zota - Member
Mrs. Bhumi Maulik Doshi - Member

During the year, Audit Committee has met six (6) times details of the same are as follows:

Sr. No	Date of Meeting	Strength of Committee	No. of Members Present
1	30/05/2018	3	2
2	01/09/2018	3	3
3	03/10/2018	3	3
4	14/11/2018	3	2
5	04/03/2019	3	3
6	18/03/2019	3	3

The Whole term of references of audit committee are to recommend for appointment of statutory auditor, 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.

Stakeholders, Shareholders and Investor Grievances Committee

To solve the investors grievances Company has formulated Stakeholders,

Shareholders and Investor Grievance Committee. Composition of the Committee is as follows:

Mr. Mahesh Mavjibhai Prajapati - Chairman & Member
Mr. Himanshu Muktilal Zota - Member
Mr. Manukant Chandulal Zota - Member

During the year, Stakeholders, Shareholders and Investor Grievance Committee has met four (4) times details of the meetings are as follows:

Sr. No	Date of Meeting	Strength of Committee	No. of Members Present
1	16/05/2018	3	3
2	07/08/2018	3	3
3	06/11/2018	3	3
4	18/01/2019	3	3

Vigil Mechanism

The Company has established a Vigil Mechanism to deal with instances of fraud and mismanagement, if any. The policy has a systematic mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or policy. The detailed Whistle Blower Policy & Vigil Mechanism available on below link:

http://www.zotahealthcare.com/images/cms/cmsfile/Vigil_Mechanism.pdf

Risk Management

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

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

Directors Responsibility Statement

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

A. That in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departments;

B. That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs 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 as well as the Committee was evaluated by the board after seeking inputs from all the directors on the basis of the criteria 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. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

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.

Reporting of Fraud by Auditor's

During the year under review neither the Statutory Auditor nor the Secretarial Auditor has reported to Audit Committee, under section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by the Officers or Employees, the details of which would need to be mentioned in the Director's Report.

Corporate Governance:

Your Company has incorporated the appropriate standards for corporate governance. During the year, the securities of the Company was listed on SME (EMERGE) platform of the NSE and Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, during the year, the company has not filed the Corporate Governance Report to stock exchange quarterly. However, as per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 company is giving report on corporate governance report in annual report of the company. Corporate Governance Report is as per [Annexure - 4](#).

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 - 5](#).

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 integral part of this Report.

Secretarial Auditor

Your board has appointed PCS Ranjit Kejriwal, as secretarial Auditor of the company for the period of 5 consecutive years starting from financial year 2016-17. The secretarial report for the financial year 2018-19 is attached as [Annexure - 6](#). Report of secretarial auditor is self-explanatory and need not any further clarification.

Cost Auditor

During the year, as per the provisions of section 148(1) of the Companies Act, 2013, the Company has maintained and prepared the cost records. However, as the manufacturing unit of the Company is situated in Special Economic Zone, so requirement of appointment of 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 - 7](#).

CEO/CFO Certification

In terms of Regulation 17(8) of the Listing Regulations, the CFO has certified to the Board of Directors of the Company with regard to the financial statements and other matters specified in the said regulation for the financial year 2018-19. The certificate received from CFO is attached herewith as per [Annexure - 8](#).

Code of Conduct

Being a SME listed Company exemption has been provided to the Company from formulating of Code of Conduct for Board of Directors and Senior Management Personnel. However, Board of Directors has formulated and adopted Code of Conduct for Board of Directors and Senior Management Personnel from May 30, 2018. During the year, Board of Directors and Senior Management Personnel has complied with general duties, rules, acts and regulations. In this regard certificate from Managing Directors as required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been received by the Board and the same is attached herewith as per [Annexure - 9](#).

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

http://www.zotahealthcare.com/images/cms/cmsfile/Code_of_Conduct_for_Board_Members_and_Senior_Management_Personnel.pdf

Certification of Corporate Governance

Corporate Governance is a set of process, practice and system which ensure that the Company is managed in a best interest of stakeholders. The key

fundamental principles of corporate governance are transparency and accountability. At Zota, Company's core business objective is to achieve growth with transparency, accountability and with independency. Company has adopted various corporate governance standard and doing business in ethical way by which Company has enhance stakeholders trust, shareholders wealth creation by improving shares valuation, market capitalization, etc.

A certificate received from M/s S. R. Somani & Co., 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 – 10](#).

Share Capital

During the year, the paid up Equity Share Capital stood at 17.54 crore. Apart from this Company has not issued any shares with different rights, sweat equity shares or employee stock options. However, post completion

of financial year, the Company has issued Equity Shares amounting Rs. 7,01,69,750 on July 29, 2019 allotted as a Bonus Shares in the ratio of 4:10 [i.e. 4 (Four) fully paid up equity shares for every 10 (Ten) equity shares held.]

Subsidiaries, Joint Venture and Associate Companies

The Company has one Wholly Owned Subsidiary Company with the name and style of M/s Zota Healthcare Lanka (Pvt) Ltd incorporated in Sri Lanka.

Performance of Subsidiary Company

Zota Healthcare Lanka (Pvt) Ltd

During the year, the Company has incorporated Zota Healthcare Lanka (Pvt) Ltd as a wholly owned subsidiary company. During the year under review Zota Healthcare Lanka (Pvt) Ltd has not commenced any operations in Sri Lanka and the financial performance of the same are as below:

Particulars	Amount in ₹
Total assets	78,980
Total revenues	NIL
Total net loss	35,049

Consolidated Financial Statement

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. Consolidated Financial Statements includes financial statements of following company:

M/s Zota Health Care Limited – Parent Company

M/s Zota Healthcare Lanka (Pvt) Ltd – 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 integral part of this Report and is attached herewith as per [Annexure – 11](#).

Material Subsidiary

The Company has formed the Policy on Material Subsidiary with indicating threshold limit of Material Subsidiary as required 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/images/cms/cmsfile/Policy_for_Determining_Material_Subsiadiary.pdf

Sexual Harassment of Women

Company has constituted the Internal Complaints Committee in compliance 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 Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressed) Act, 2013.

Acknowledgment:

We would like to thank our Bankers, Auditors, RTA and members for extending their full Co-operation during the year.

Place : Surat
Date : 21.08.2019

For the board of Director
Zota Healthcare Limited

Sd/-
Moxesh Ketanbhai Zota
Managing Director
Din : 07625219

Sd/-
Himanshu Muktilal. Zota
Whole Time Director
Din : 01097722

Annexure 1

FORM MGT 9

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended 31.03.2019

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014

I. Registration & Other Details :

I	CIN	L24231GJ2000PLC038352
II	Registration Date	12/07/2000
III	Name of the Company	Zota Health Care Limited
IV	Category/ Sub-category of the Company	Public Limited Company
V	Address of the Registered office & Contact detail	Zota House 2/896, Hira Modi Street, Sagrapura, Surat – 395002, Gujarat
VI	Weather listed Company	Yes
VII	Name , Address & contact details of the Registrar & Transfer Agent, if any	Satellite Corporate Services Pvt. Ltd. Unit No. 49, Bldg No. 13-A-B, 2nd Floor Samhita Commercial Co-Op. Soc. Ltd Off Andheri Kurla Lane, MTNL Lane Sakinaka, Mumbai - 400 072 Ph. No.: 022 28520461/462. Fax: 022 28511809 Website: www.satellitecorporate.com Email: service@satellitecorporate.com

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the company

Sr. No	Name and Description of products/ service	NIC Code of the Product/ service	% to total turnover of the Company
1	Whole sale of pharmaceutical and medical goods	46497	77.49
2	Manufacture of allopathic pharmaceutical preparations	21002	20.74

III. Particulars of Holding, Subsidiary & Associate Companies

[No. of Companies for which information filed]

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Share held	Applicable Sec. of Companies Act, 2013
1	Zota Healthcare Lanka Pvt Ltd*		Subsidiary	100	2(87)

* Foreign subsidiary

IV. Shareholding Pattern (Equity Share Capital Break up as percentage of total Equity)

i. Category-wise Share Holding

Category of Shareholders	No of shares held at the beginning of the year (as on 31.03.2018)				Shareholding at the end of the year (as on 31.03.2019)				%Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	(9-5)
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.
Promoters									
Indian									
Individuals / Hindu Undivided Family	1,15,07,985	0	1,15,07,985	65.60	1,18,85,633	0	1,18,85,633	67.75	2.15
Central Government	0	0	0	0.00	0	0	0	0.00	0.00
State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
Any other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (1)	1,15,07,985	0	1,15,07,985	65.60	1,18,85,633	0	1,18,85,633	67.75	2.15
Foreign		0		0.00		0		0.00	0.00
Non-Resident Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (2)	0	0	0	0.00	0	0	0	0.00	
Total Shareholding of Promoter (A) = (A) (1)+(A)(2)	1,15,07,985	0	1,15,07,985	65.60	1,18,85,633	0	1,18,85,633	67.75	2.15
Public Shareholding			0				0		
Institutions			0				0		
Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
Central Government	0	0	0	0.00	0	0	0	0.00	0.00
State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B) (1)	0	0	0	0.00	0	0	0	0.00	0.00
Non-Institutions			0				0		
Bodies Corporate	25,32,545	21,600	25,54,145	14.56	22,25,386	0	22,25,386	12.69	-1.87
i) Indian									
ii) Overseas									
Individuals									
Individual Shareholders holding nominal Share Capital upto Rs.2 Lakh	16,55,052	4,58,130	21,13,182	12.05	23,91,375	1,62,866	25,54,241	14.56	2.51

Individual Shareholders holding nominal Share Capital in excess of Rs.2 Lakh	6,95,336	2,42,194	9,37,530	5.34	3,83,200	77,840	4,61,040	2.63	-2.72
Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Member	1,000	0	1,000	0.01	500	0	500	0.00	0.00
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
Non Resident Indians	13,580	0	13,580	0.08	31,580	0	31,580	0.18	0.10
HUF	3,73,678	42,252	4,15,930	2.37	3,68,184	16,788	3,84,972	2.19	-0.18
Directors & their relatives	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B) (2)	52,71,191	7,64,176	60,35,367	34.40	54,00,225	2,57,494	56,57,719	32.25	-2.15
Total Public Shareholding (B) = (B) (1)+(B)(2)	52,71,191	7,64,176	60,35,367	34.40	54,00,225	2,57,494	56,57,719	32.25	-2.15
Total (A)+(B)	1,67,79,176	7,64,176	1,75,43,352	100.00	1,72,85,858	2,57,494	1,75,43,352	100.00	0.00
Shares held by Custodians Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A)+(B)+(C)	1,67,79,176	7,64,176	1,75,43,352	100.00	1,72,85,858	2,57,494	1,75,43,352	100.00	0.00

ii. Shareholding of Promoters

Sr.No.	Shareholder's Name	Shareholding at the beginning of the year 31.03.18			Shareholding at the end of the year-31.03.2019			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of shares pledged/ encumbered to total shares	
1	Anilaben Ketankumar Zota	10,18,500	5.81	0	5,46,500	3.12	0	-2.69
2	Anjnaben Shrenikkumar Gandhi	288	0.00	0	288	0.00	0	0
3	Ashokkumar Chandulal Zota	8,402	0.05	0	8,402	0.05	0	0
4	Ashokkumar Chandulal Zota (HUF)	997	0.01	0	997	0.01	0	0
5	Champaben Halchandbhai Mehta	648	0.00	0	648	0.00	0	0
6	Chandrikaben Subodhchandra Shah	216	0.00	0	216	0.00	0	0
7	Dhara Ketan Zota	1,248	0.01	0	1,28,148	0.73	0	0.72
8	Dimple Dhaval Shah	648	0.00	0	1,148	0.01	0	0.01
9	Halchandbhai Manilal Mehta	3,444	0.02	0	3,444	0.02	0	0
10	Harshaben Ashvinbhai Siriya	648	0.00	0	648	0.00	0	0
11	Heli Ritesh Shah	25,600	0.15	0	25,600	0.15	0	0
12	Himansubhai Muktilal Zota HUF	9,456	0.05	0	9,456	0.05	0	0
13	Himansubhai Muktilal Zota	22,96,800	13.09	0	23,19,800	13.22	0	0.13
14	Induben Muktilal Zota	1,200	0.01	0	1,200	0.01	0	0
15	Kamlesh Rajanikant Zota	14,00,074	7.98	0	14,12,074	8.05	0	0.07
16	Ketankumar Chandulal Zota	21,45,974	12.23	0	21,65,974	12.34	0	0.11
17	Kinjal Nikesh Mehta .	19,360	0.11	0	19,360	0.11	0	0
18	Krinal V Ankhad	6,168	0.04	0	6,168	0.04	0	0
19	Kumarpal Rajanikant Mehta	0	0.00	0	648	0.00	0	0
20	Manisha Tusharkumar Mehta	8,424	0.05	0	8,424	0.05	0	0
21	Manishaben Kamleshkumar Zota	8,79,619	5.01	0	9,37,119	5.34	0	0.33
22	Manukant Chandulal Zota	25,34,693	14.45	0	22,68,693	12.93	0	-1.52
23	Manukant Chandulal Zota(HUF)	1,47,691	0.84	0	1,47,691	0.84	0	0

24	Mehta Suresh Halchand	1,228	0.01	0	1,228	0.01	0	0
25	Moxesh Ketanbhai Zota	0	0.00	0	3,50,000	2.00	0	2
26	Niralkumar Muktilal Zota	5,000	0.03	0	5,000	0.03	0	0
27	Nirmalaben A Shah	768	0.00	0	768	0.00	0	0
28	Niruben Vinodchandra Mehta	6,480	0.04	0	6,480	0.04	0	0
29	Nitaben Rajeshbhai Mehta	4,056	0.02	0	4,056	0.02	0	0
30	Praful Ratilal Vora	9,236	0.05	0	9,236	0.05	0	0
31	Pushpaben Seventilal Doshi	2,568	0.01	0	2,568	0.01	0	0
32	Rajanikant Shantilal Mehta .	432	0.00	0	432	0.00	0	0
33	Rasilaben Manukantbhai Zota	7,000	0.04	0	10,000	0.06	0	0.02
34	Rasilaben V Siriya	2,928	0.02	0	2,928	0.02	0	0
35	Ratilal Zumchand Vora	2,400	0.01	0	2,400	0.01	0	0
36	Shripal R Mehta	1,728	0.01	0	1,728	0.01	0	0
37	Varshaben Himanshubhai Zota	4,59,023	2.62	0	5,33,523	3.04	0	0.42
38	Viren Manukant Zota	9,000	0.05	0	3,63,600	2.07	0	2.02
39	Viren Manukant Zota (HUF)	6,000	0.03	0	7,000	0.04	0	0.01
40	Zota Ketankumar Chandulal (HUF)	4,79,040	2.73	0	5,72,040	3.26	0	0.53
Total		1,15,06,985	65.60	0	1,18,85,633	67.75	0	2.16

iii. Change in Promoters' Shareholding (Please specify, if there is no change)

Sr.No.	Promoter	Shareholding at the beginning of the year		Date	(+)Increase/ (-)Decrease In Shareholding	Reason	Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	Anilaben Ketankumar Zota	0	0.00	01.04.2018				
	1204150000944952			12.10.2018	3,000		3,000	0.02
				31.03.2019	0		3,000	0.02
	IN30048417061490	10,18,500	5.81	01.04.2018			10,18,500	5.81
			0.00	27.07.2018	-4,75,000		5,43,500	3.10
			0.00	31.03.2019	0		5,43,500	3.10
2	Anjnaben Shrenikkumar Gandhi	288	0.00	01.04.2018			288	0.00
	1204150000375329		0.00	31.03.2019	0		288	0.00
3	Ashokkumar Chandulal Zota	8,402	0.05	01.04.2018			8,402	0.05
	1204150000623116		0.00	31.03.2019	0		8,402	0.05
4	Ashokkumar Chandulal Zota (HUF)	997	0.01	01.04.2018			997	0.01
	1204150001009304		0.00	31.03.2019	0		997	0.01
5	Champaben Halchandbhai Mehta	648	0.00	01.04.2018			648	0.00
	IN30042510160736		0.00	31.03.2019	0		648	0.00
6	Chandrikaben Subodhchandra Shah	216	0.00	01.04.2018			216	0.00
	1202890001398721		0.00	31.03.2019	0		216	0.00
7	Dhara Ketan Zota	1,248	0.01	01.04.2018			1,248	0.01
	IN30048423531525		0.00	31.03.2019	0		1,248	0.01
	1208170000011750	0	0.00	01.04.2018			0	0.00
			0.00	27.07.2018	1,25,000		1,25,000	0.71
			0.00	21.09.2018	500		1,25,500	0.72
			0.00	22.03.2019	1,300		1,26,800	0.72
			0.00	31.03.2019	100		1,26,900	0.72
8	Dimple Dhaval Shah	648	0.00	01.04.2018			648	0.00
	IN30246110547984		0.00	19.10.2018	500		1,148	0.01
			0.00	31.03.2019	500		1,148	0.01

9	Halchandbhai Manilal Mehta	3,444	0.02	01.04.2018			3,444	0.02
	IN30084510677264		0.00	31.03.2019	0		3,444	0.02
10	Harshaben Ashvinbhai Siriya	648	0.00	01.04.2018			648	0.00
	1204310000153785		0.00	31.03.2019	0		648	0.00
11	Heli Ritesh Shah	25,600	0.15	01.04.2018			25,600	0.15
	1204150000684408		0.00	31.03.2019	0		25,600	0.15
12	Himanshu Muktilal Zota HUF	9,456	0.05	01.04.2018			9,456	0.05
	In30048423253025		0.00	31.03.2019	0		9,456	0.05
13	Himanshu Muktilal Zota	22,51,800	12.84	01.04.2018			22,51,800	12.84
	In30048415369926		0.00	14.09.2018	3,500		22,55,300	12.86
			0.00	05.10.2018	2,000		22,57,300	12.87
			0.00	31.03.2019	500		22,57,800	12.87
	1204480000026604	38,000	0.22	01.04.2018			38,000	0.22
			0.00	31.03.2019	0		38,000	0.22
	1204150000945012	7,000	0.04	01.04.2018			7,000	0.04
			0.00	21.09.2018	17,000		24,000	0.14
			0.00	31.03.2019	0		24,000	0.14
14	Induben Muktilal Zota	1,200	0.01	01.04.2018			1,200	0.01
	IN30084510434862		0.00	31.03.2019	0		1,200	0.01
15	Kamlesh rajanikant zota	21,000	0.12	01.04.2018			21,000	0.12
	1204480000026598		0.00	08.06.2018	9,000		30,000	0.17
			0.00	31.03.2019	0		30,000	0.17
	In30048423172014	13,79,074	7.86	01.04.2018			13,79,074	7.86
			0.00	31.03.2019	0		13,79,074	7.86
	1204150000863489	0	0.00	01.04.2018			0	0.00
			0.00	21.12.2018	3,000		3,000	0.02
			0.00	31.03.2019	0		3,000	0.02
16	Ketankumar chandulal zota	21,15,974	12.06	01.04.2018			21,15,974	12.06
	IN30048422874119		0.00	31.03.2019	0		21,15,974	12.06
	1204480000026661	30,000	0.17	01.04.2018			30,000	0.17
			0.00	31.03.2019	0		30,000	0.17
	1204150000945027	0	0.00	01.04.2018			0	0.00
			0.00	21.09.2018	20,000		20,000	0.11
			0.00	31.03.2019	0		20,000	0.11
17	Kinjal Nikesh Mehta .	19,360	0.11	01.04.2018			19,360	0.11
	1204150000039781		0.00	31.03.2019	0		19,360	0.11
18	Krinal V Ankhad	6,168	0.04	01.04.2018			6,168	0.04
	1204150000695437		0.00	31.03.2019	0		6,168	0.04
19	Kumarpal Rajanikant Mehta	0	0.00	01.04.2018			0	0.00
	1207170000099305		0.00	08.03.2019	648		648	0.00
			0.00	31.03.2019	0		648	0.00
20	Manisha Tusharkumar Mehta	8,424	0.05	01.04.2018			8,424	0.05
	In30148510336287		0.00	31.03.2019	0		8,424	0.05
21	Manishaben Kamleshkumar Zota	8,79,619	5.01	01.04.2018			8,79,619	5.01
	In30048421249639		0.00	31.03.2019	0		8,79,619	5.01
	1204150001176102	0	0.00	01.04.2018			0	0.00
			0.00	07.12.2018	57,500		57,500	0.33
			0.00	31.03.2019	0		57,500	0.33
22	Manukant Chandulal Zota	2,53,4693	14.45	01.04.2018			25,34,693	14.45
	1203230001964610		0.00	27.07.2018	-3,50,000		21,84,693	12.45
			0.00	31.03.2019	0		21,84,693	12.45
	1204150000783798	0	0.00	01.04.2018			0	0.00
			0.00	02.11.2018	18,000		18,000	0.10
			0.00	21.12.2018	9,988		27,988	0.16
			0.00	18.01.2019	56,012		84,000	0.48
			0.00	31.03.2019	0		84,000	0.48

23	Manukant Chandulal Zota HUF	1,47,691	0.84	01.04.2018			1,47,691	0.84
	IN30021419092570		0.00	31.03.2019	0		1,47,691	0.84
24	Mehta Suresh Halchand	1,228	0.01	01.04.2018			1,228	0.01
	IN30042510144350		0.00	31.03.2019	0		1,228	0.01
25	Moxesh Ketanbhai Zota	0	0.00	01.04.2018			0	0.00
	IN30048423158340		0.00	27.07.2018	3,50,000		3,50,000	2.00
			0.00	31.03.2019	0		3,50,000	2.00
26	Niralkumar Muktilal Zota	5,000	0.03	01.04.2018			5,000	0.03
	1204150000890255		0.00	31.03.2019	0		5,000	0.03
27	Nirmalaben A Shah	768	0.00	01.04.2018			768	0.00
	1202890001158741		0.00	31.03.2019	0		768	0.00
28	Niruben Vinodchandra Mehta	6,480	0.04	01.04.2018			6,480	0.04
	IN30267931867316		0.00	31.03.2019	0		6,480	0.04
29	Nitaben Rajeshbhai Mehta	4,056	0.02	01.04.2018			4,056	0.02
	1204150000076811		0.00	31.03.2019	0		4,056	0.02
30	Praful Ratilal Vora	7,236	0.04	01.04.2018			7,236	0.04
	IN30084510587997		0.00	31.03.2019	0		7,236	0.04
	1202890001231840	2,000	0.01	01.04.2018			2,000	0.01
			0.00	31.03.2019	0		2,000	0.01
31	Pushpaben Seventilal Doshi	2,568	0.01	01.04.2018			2,568	0.01
	IN30021420207534		0.00	31.03.2019	0		2,568	0.01
32	Rajanikant Shantilal Mehta	432	0.00	01.04.2018			432	0.00
	1204150000162909		0.00	31.03.2019	0		432	0.00
33	Rasilaben Manukantbhai Zota	7,000	0.04	01.04.2018			7,000	0.04
	1204150000771444		0.00	25.05.2018	1,000		8,000	0.05
			0.00	02.11.2018	2,000		10,000	0.06
			0.00	31.03.2019	0		10,000	0.06
34	Rasilaben V Siriya	2,928	0.02	01.04.2018			2,928	0.02
	1202890000889171		0.00	31.03.2019	0		2,928	0.02
35	Ratilal Zumchand Vora	2,400	0.01	01.04.2018			2,400	0.01
	IN30084510587989		0.00	31.03.2019	0		2,400	0.01
36	Shripal R Mehta	1,728	0.01	01.04.2018			1,728	0.01
	1204150000700021		0.00	31.03.2019	0		1,728	0.01
37	Varshaben Himanshubhai Zota	4,59,023	2.62	01.04.2018			4,59,023	2.62
	IN30048418613318		0.00	31.03.2019	0		4,59,023	2.62
	1204150001178887	0	0.00	01.04.2018			0	0.00
			0.00	07.12.2018	74,500		74,500	0.42
			0.00	31.03.2019			74,500	0.42
38	Viren Manukant Zota	9,000	0.05	01.04.2018			9,000	0.05
	1204150000784242		0.00	27.07.2018	3,50,000		3,59,000	2.05
			0.00	02.11.2018	4,000		3,63,000	2.07
			0.00	22.03.2019	600		3,63,600	2.07
			0.00	31.03.2019	0		3,63,600	2.07
39	Viren Manukant Zota (HUF)	6,000	0.03	01.04.2018			6,000	0.03
	1204150000942269		0.00	21.12.2018	1,000		7,000	0.04
			0.00	31.03.2019	0		7,000	0.04
40	Zota Ketankumar Chandulal(HUF)	4,79,040	2.73	01.04.2018			4,79,040	2.73
	IN30048423455660		0.00	31.03.2019	0		4,79,040	2.73
	1204150001176096	0	0.00	01.04.2018			0	0.00
			0.00	05.10.2018	4,000		4,000	0.02
			0.00	07.12.2018	77,000		81,000	0.46
			0.00	18.01.2019	12,000		93,000	0.53
				31.03.2019	0		93,000	0.53

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sr.No.	Promoter	Shareholding at the beginning of the year		Date	(+)/Increase/ (-)/Decrease In Shareholding	Reason	Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company				No. of Shares	% of total Shares of the company
1.	Jainam Share Consultants Pvt. Ltd 1204150000007808	12,20,530	6.957222	01.04.2018	1,500		12,20,530	6.96
				06.04.2018	2,499		12,22,030	6.97
				13.04.2018	1,483		12,24,529	6.98
				20.04.2018	2,686		12,26,012	6.99
				27.04.2018	3,734		12,28,698	7.00
				04.05.2018	6,500		12,32,432	7.03
				11.05.2018	22,000		12,38,932	7.06
				18.05.2018	6,500		12,60,932	7.19
				25.05.2018	-14,234		12,67,432	7.22
				01.06.2018	20,480		12,53,198	7.14
				08.06.2018	1,59,017		12,73,678	7.26
				22.06.2018	8,000		14,32,695	8.17
				30.06.2018	1,000		14,40,695	8.21
				13.07.2018	-2,000		14,41,695	8.22
				27.07.2018	-11,025		14,39,695	8.21
				03.08.2018	9,500		14,28,670	8.14
				10.08.2018	6,000		14,38,170	8.20
				17.08.2018	-1,78,050		14,44,170	8.23
				24.08.2018	-5,607		12,66,120	7.22
				31.08.2018	0		12,60,513	7.19
				07.09.2018	1,000		12,60,513	7.19
				14.09.2018	9,89,144		12,61,513	7.19
				29.09.2018	1,500		22,50,657	12.83
				05.10.2018	-1,93,645		22,52,157	12.84
				12.10.2018	1,76,234		20,58,512	11.73
				19.10.2018	500		22,34,746	12.74
				26.10.2018	-5,63,000		22,35,246	12.74
				02.11.2018	-11,47,995		1,67,2246	9.53
				09.11.2018	500		52,4251	2.99
				16.11.2018	10,16,000		52,4751	2.99
				23.11.2018	-40,000		15,40,751	8.78
				30.11.2018	-3,30,654		15,00,751	8.55
				07.12.2018	1,932		11,70,097	6.67
				14.12.2018	-12,988		11,72,029	6.68
				21.12.2018	-1,000		11,59,041	6.61
				31.12.2018	-1,497		11,58,041	6.60
				04.01.2019	-57,500		11,56,544	6.59
				11.01.2019	-4,512		10,99,044	6.26
				18.01.2019	-500		10,94,532	6.24
				25.01.2019	-1,84,008		10,94,032	6.24
				01.02.2019	4,508		9,10,024	5.19
				08.02.2019	216		9,14,532	5.21
				15.02.2019	500		9,14,748	5.21
				22.02.2019	-2,500		9,15,248	5.22
				08.03.2019	-2,000		9,12,748	5.20
				15.03.2019	7,86,747		9,10,748	5.19
				22.03.2019	500		16,97,495	9.68
				31.03.2019			16,97,995	9.68

2.	Jainam Commodities Pvt Ltd	8,69,000	4.95	01.04.2018	-3,29,000		8,69,000	4.95
				02.11.2018	11,45,000		5,40,000	3.08
				09.11.2018	-10,14,000		16,85,000	9.60
				23.11.2018	0		6,71,000	3.82
				30.11.2018	1,73,154		6,71,000	3.82
				07.12.2018	-5,000		8,44,154	4.81
				31.12.2018	-1,000		8,39,154	4.78
				18.01.2019	1,83,000		8,38,154	4.78
				01.02.2019	-7,85,000		10,21,154	5.82
				22.03.2019	0		2,36,154	1.35
				31.03.2019			2,36,154	1.35
3.	Pravin Pannalal Shah (HUF)	95,000	0.541516	01.04.2018	0		95,000	0.54
	1204150000305953			31.03.2019			95,000	0.54
4.	Pantomath Stock Brokers Pvt Ltd	1,52,000	0.866425	01.04.2018			1,52,000	0.87
	1208380000000413			11.05.2018	-2,000		1,50,000	0.86
				08.06.2018	216		1,50,216	0.86
				30.06.2018	-1,000		1,49,216	0.85
				27.07.2018	160		1,49,376	0.85
				03.08.2018	-500		1,48,876	0.85
				10.08.2018	-500		1,48,376	0.85
				17.08.2018	-500		1,47,876	0.84
				24.08.2018	-500		1,47,376	0.84
				31.08.2018	-5,000		1,42,376	0.81
				29.09.2018	500		1,42,876	0.81
				31.03.2019	-51,000		91,876	0.52
5.	Pantomath Stock Borkers Pvt Ltd	0	0.00	01.04.2018			0	0.00
	1100001100019868			31.03.2019	50,000		50,000	0.29
6.	Jamnadas Purshottamdas Chandak	0	0.00	01.04.2018			0	0.00
	1201090007047364			11.01.2019	23,250		73,250	0.42
				18.01.2019	90,700		90,700	0.52
				31.03.2019	17,450		90,700	0.52
7.	Miker Financial Consultants Pvt Ltd	97,500	0.555766	01.04.2018			97,500	0.56
	1204480000024250			27.07.2018	500		98,000	0.56
				10.08.2018	-500		97,500	0.56
				17.08.2018	-7,500		90,000	0.51
				24.08.2018	4,000		94,000	0.54
				31.08.2018	-2,500		91,500	0.52
				14.09.2018	-11,000		80,500	0.46
				21.09.2018	500		81,000	0.46
				29.09.2018	500		81,500	0.46
				05.10.2018	4,000		85,500	0.49
				19.10.2018	-500		85,000	0.48
				26.10.2018	500		85,500	0.49
				02.11.2018	1,000		86,500	0.49
				16.11.2018	500		87,000	0.50
				23.11.2018	500		87,500	0.50
				30.11.2018	1,000		88,500	0.50
				14.12.2018	-500		88,000	0.50
				31.12.2018	1,000		89,000	0.51
				18.01.2019	-1,000		88,000	0.50
				25.01.2019	-1,000		87,000	0.50
				22.03.2019	-4,000		83,000	0.47
				31.03.2019	500		83,500	0.48

8.	Kamlesh Suryakant Siriya	73,000	0.416112	01.04.2018			73,000	0.42
	1203250000016229			17.08.2018	1,000		74,000	0.42
				31.03.2019	0		74,000	0.42
9.	Seema Kamlesh Siriya	49,000	0.279308	01.04.2018			49,000	0.28
	1203250000016140			25.05.2018	11,000		60,000	0.34
				17.08.2018	4,000		64,000	0.36
				31.03.2019	0		64,000	0.36
10.	Taraben C Shah	24,500	0.139654	01.04.2018			24,500	0.14
	IN30133021662053			06.04.2018	500		25,000	0.14
				25.05.2018	10,000		35,000	0.20
				01.06.2018	11,000		46,000	0.26
				22.06.2018	3,000		49,000	0.28
				31.03.2019	0		49,000	0.28
11.	Raj nibhai Virchand Shah	35,000		01.04.2018			35,000	0.20
	1204150000039678		0.199506	18.05.2018	1,500		36,500	0.21
				29.09.2018	1,000		37,500	0.21
				31.03.2019	0		37,500	0.21

v. Shareholding of Director's & Key Managerial Personnel

Sr.No.	Particulars	Particulars	Shareholding at the beginning of the year		Shareholding at the end of the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Ketankumar Chandulal Zota	Chairman	21,45,974	12.23	2165974	12.35
2.	Moxesh Ketanbhai Zota	MD	0	0	350000	2
3.	Kamlesh Rajanikant Zota	WTD	14,00,074	7.98	1412074	8.05
4.	Himanshu Muktilal Zota	WTD	22,96,800	13.09	2319800	13.22
5.	Manukant Chandulal Zota	WTD	25,34,693	14.45	2268693	12.93
6.	Varshababen Gaurang Mehta	ID	2,376	0.014	3456	0.02
7.	Shaileshkumar Sevantilal Shah	ID	7,776	0.044	7776	0.04
8.	Mahesh Mavjibhai Prajapati	ID	0	0	0	0
9.	Bhumi Maulik Doshi*	AID	N.A	N.A	500	0.002
10.	Vitrag Sureshkumar Modi*	AID	N.A	N.A	432	0.002
11.	Viral Mandviwala	CFO	1,296	0.0074	1296	0.0074
12.	Ashvin Variya	CS	0	0	0	0

* Appointments of Mrs. Bhumi Maulik Doshi and Mr. Vitrag Sureshkumar Modi have been made after the completion of financial year 2018-19 on May 30, 2019.

V. Indebtedness

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the year	NIL			
I. Principle Amount				
II. Interest due but not paid				
III. Interest accrued but not due				
Total (I+II+III)				
Change in Indebtedness during the financial year	NIL			
Additions				
Reduction				
Net Change				
Indebtedness at the end of the financial year	NIL			
I. Principle Amount				
II. Interest due but not paid				
III. Interest accrued but not due				
Total (I+II+III)				

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole Time Director and/or Manager

(₹ in lakhs)

Sr.No.	Particulars of Remuneration	Name of the MD/WTD				Total Amount
		Moxesh ketanbhai Zota (Managing Director)	Kamlesh Rajanikant Zota (Whole Time Director)	Himanshu Muktilal Zota (Whole Time Director)	Manukant Chandulal Zota (Whole Time Director)	
1.	Gross Salary	15.00	15.00	15.00	15.00	60.00
a.	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	NIL	NIL	NIL	NIL	NIL
b.	Value of perquisites u/s 17(2) of Income Tax Act, 1961	NIL	NIL	NIL	NIL	NIL
c.	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	NIL	NIL	NIL	NIL	NIL
2.	No. of Stock option	NIL	NIL	NIL	NIL	NIL
3.	Sweat Equity					
4.	Commission					
	As % of profit	NIL	NIL	NIL	NIL	NIL
	Others (% of Turnover)	6.755	6.755	6.755	6.755	27.02
5.	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total	21.76	21.76	21.76	21.76	87.02
	Celling as per the Act	Rs.87.29 Lakhs (10% of the net profit calculated as per Section 198 of the Companies Act, 2013)				

B. Remuneration to other Directors

(₹ in lakhs)

Sr.No.	Particulars	Name of Directors					Total Amount
1.	Independent Directors	Varshabhen Gaurang Mehta	Saileshkumar Sevantilal Shah	Mahesh Mavjibhai Prajapati	Bhumi Maulik Doshi*	Vitrag Sureshkumar Modi*	
a.	Fees for attending Board/ Committee meetings	N.A.					
b.	Commission						
c.	Others						
	Total (1)						
2.	Other Non-Executive Directors						
a.	Fees for attending Board/ Committee meetings						
b.	Commission						
c.	Others						
	Total (2)						
	Total (1+2)						
	Total Managerial Remuneration						
	Overall Managerial Remuneration						
	Celling as per the Act						Rs. 8.73 Lakhs (1% of the net profit calculated as per Section 198 of the Companies Act, 2013)

*Appointments of Mrs. Bhumi Maulik Doshi and Mr. Vitrag Sureshkumar Modi have been made after the completion of financial year 2018-19; on May 30, 2019.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTd

(₹ in lakhs)

Sr.No.	Particulars	Key Managerial Personnel		Total Amount
1.	Gross Salary	Viral Mandviwala (CFO)	Ashvin Variya (CS)	
a.	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	5.94	6.41	12.35
b.	Value of perquisites u/s 17(2) of Income Tax Act, 1961	0.00	0.00	0.00
c.	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00
2.	No. of Stock option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission			
	As % of profit	0.00	0.00	0.00
	Others (specify)	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00
	Total	5.94	6.41	12.35

VII. Penalties/Punishment/Compounding of Offences

Particulars	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. Company					
Penalty					
Punishment			NONE		
Compounding					
B. Directors					
Penalty					
Punishment			NONE		
Compounding					
C. Other Officers					
Penalty					
Punishment			NONE		
Compounding					

Place : Surat
Date : 21.08.2019

For the board of Director
Zota Healthcare Limited

Sd/-
Moxesh Ketanbhai Zota
Managing Director
Din : 07625219

Sd/-
Himanshu Muktilal. Zota
Whole Time Director
Din : 01097722

Annexure 2

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 arms 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	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 advances, if any
1	Jatin A. Zota (Director's Relative)	Salary	N.A.	0.45 lakhs per month	30.09.2014	
2	Niral M.Zota (Director's Relative)	Salary	N.A.	0.45 lakhs per month	30.09.2014	
3	Viren M. Zota (Director's Relative)	Salary	N.A.	0.45 lakhs per month	30.09.2014	
4	Jatin A. Zota (Director's Relative)	Commission	N.A.	Commission on sales	30.09.2014	
5	Niral M.Zota (Director's Relative)	Commission	N.A.	Commission on sales	30.09.2014	
6	Viren M. Zota (Director's Relative)	Commission	N.A.	Commission on sales	30.09.2014	
7	Himanshu M. Zota (Director)	Remuneration	N.A.	1.5 lakhs per month	30.09.2014	
8	Kamlesh R. Zota (Director)	Remuneration	N.A.	1.5 lakhs per month	30.09.2014	
9	Manukant C. Zota (Director)	Remuneration	N.A.	1.5 lakhs per month	30.09.2014	
10	Moxesh K. Zota (Director)	Remuneration	N.A.	1.5 lakhs per month	07.10.2016	
11	Zota Jewel (Relative of Marketing Manager Mr. Jatin Zota)	Promotional Expenses	N.A.	N.A.	30.05.2017 01.09.2015	
12	Ashvin Bhagavanbhai Variya (CS)	Salary	N.A.	N.A		
13	Viral A. Mandviwala (CFO)	Salary	N.A	N.A	30.09.2014	
14	Heli Ritesh Shah Director's Relative)	Salary	N.A.	0.16 lakhs per month	12.10.2018	
15	Mr. Egbunike Okechukwu Abel (Director in Company's WOS Zota Health Care Nig. Ltd , Incorporation of the same is under process)	Salary	N.A.	1000 US \$ per month	04.03.2019	
16	Himanshu M. Zota (Director)	Commission	N.A.	Commission on sales	30.09.2014	
17	Kamlesh R. Zota (Director)	Commission	N.A.	Commission on sales	30.09.2014	
18	Manukant C. Zota (Director)	Commission	N.A.	Commission on sales	30.09.2014	
19	Moxesh K. Zota (Director)	Commission	N.A.	Commission on sales	07.10.2016	

Place : Surat
Date : 21.08.2019

For the board of Director
Zota Healthcare Limited

Sd/-
Moxesh Ketanbhai Zota
Managing Director
Din : 07625219

Sd/-
Himanshu Muktilal. Zota
Whole Time Director
Din : 01097722

Annexure 3

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

1. Brief outline of the Company's CSR Policy

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. To know more about CSR policy of the Company kindly visit below link:

http://www.zotahealthcare.com/images/cms/cmsfile/Corporate_Social_Responsibility_Policy.pdf

2. The Composition of CSR Committee

Himanshu Muktilal Zota - Chairman & Member
Ketankumar Chandulal Zota - Member
Varshabhen Gaurang Mehta - Member

3. Average net profit of the Company in last three financial years

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

2015-16 – Rs. 772.42 lakhs

2016-17 – Rs. 836.17 lakhs

2017-18 – Rs. 1134.18 lakhs

Average Net Profit: Rs.914.26 lakhs

4. Prescribed CSR Expenditure:

2% of average profit during last three years Rs.18.29 lakhs

Total Prescribed CSR Expenditure Rs. 18.29

5. Details of CSR spent during the financial year

a) Total amount to be spent for the financial year: Rs. 18.29 lakhs

b) Amount unspent, if any: N/A.

c) Manner in which the amount spent during the financial year is detailed below:

Sr.No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or programs wise [in Rs. lakhs]	Amount spent on the projects or programs Sub-heads (1) Direct expenditure on projects or programs (2) Over heads [in Rs. lakhs]	Cumulative expenditure up to the reporting period\ [in Rs. lakhs]	Amount spent Direct or through implementing agency
1	Health Care Sector	Health Care Sector	Patan, Gujarat	0.15	Direct=0.15	0.15	Ahmed Vikas Mandal
2	Providing food to stray animals	Environment protection (Animal Welfare)	Varahi, Patan, Gujarat	2.90	Direct=2.90	2.90	Jivdaya Gaushala Charitable Trust
3	Health Care sector	Health care sector	Radhanpur, Gujarat	0.25	Direct=0.25	0.25	Indian Redcross Society
4	Health Care sector	Health Care sector	Surat, Gujarat	15	Direct= 15	15	Sraman Ayogyam
Total				18.3	Direct=18.3	18.3	

6. Company fails to spend two percent of the net profit then reason of the same shall be provided in the Board Report of the Company:

During the year, Company has spent 2% of average net profit of last three financial year's calculate as per provisions of section 198 of the Companies Act, 2013.

Place : Surat

Date : 21.08.2019

For the board of Director
Zota Healthcare Limited

Sd/-
Moxesh Ketanbhai Zota
Managing Director
Din : 07625219

Sd/-
Himanshu Muktilal. Zota
Chairman - CSR Committee
Din : 01097722

Annexure 4

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 good Corporate Governance and has benchmarked itself against the prescribed standards. The fundamental objective of Corporate Governance is the enhancement of shareholders' value and protecting the interest of the stakeholders. Your Company's philosophy of Corporate Governance is aimed at assisting the management in the efficient conduct of the business of the Company and in the meeting its obligations to shareholders and others.

2. Board of Directors

The Board of Directors of the Company (Board) has optimum combination of Executive and Non-Executive Directors comprising four (4) Executive

Directors and six (6) Non-Executive Directors. None of the Directors hold directorship in more than 20 public limited companies nor is a member of more than 10 committees or chairman of more than 5 committees across all the public limited companies in which they are Directors.

(a) Board Strength and representation:

As on Date the Board of Directors comprises of ten directors out of which one(1) is Non-Executive Chairman, one (1) is Executive Managing Director, three (3) are Executive Whole Time Directors and three (3) are Non-Executive Independent Directors and remaining Two (2) are Additional Non-Executive Independent Directors. As on date of this report Board of Directors of the company is 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
Mr. Shailesh Sevantilal Shah	Non-Executive Independent Director
Mrs. Varshababen Gaurang Mehta	Non-Executive Independent Director
Mr. Mahesh Mavjibhai Prajapati	Non-Executive Independent Director
Mrs. Bhumi Maulik Doshi	Additional Non-Executive Independent Director
Mr. Vitrag Sureshkumar Modi	Additional Non-Executive Independent Director

The Details of Directorship held by the Directors as on 31st March, 2019 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 Companies (excluding Zota)	No. of other Board Committee(s) in which he is		Attendance at last AGM	Attendance at Board Meetings	No. of Shares held as on 31.03.2019	List of Directorship held in Other Listed Companies and Category
			Member	Chairman				
Ketankumar Chandulal Zota	Chairman/PD/NED	NIL	NIL	NIL	Yes	8	21,65,974	NIL
Moxesh ketanbhai Zota	MD/ED	NIL	NIL	NIL	Yes	8	3,50,000	NIL
Himanshu Muktilal Zota	WTD/PD/ED	NIL	NIL	NIL	Yes	7	23,19,800	NIL
Manukant Chandulal Zota	WTD/PD/ED	NIL	NIL	NIL	Yes	8	22,68,693	NIL
Kamlesh Rajanikant Zota	WTD/PD/ED	NIL	NIL	NIL	Yes	8	14,12,074	NIL
Shailesh Sevantilal Shah	ID	NIL	NIL	NIL	Yes	7	7,776	NIL

Varshabhen Gaurang Mehta	ID	NIL	NIL	NIL	Yes	8	3,456	NIL
Mahesh Mavjibhai Prajapati	ID	NIL	NIL	NIL	Yes	8	0	NIL
Mrs. Bhumi Maulik Doshi*	AID	Nil	Nil	Nil	N.A.	N.A.	500	Nil
Mr. Vitrag Sureshkumar Modi*	AID	Nil	Nil	Nil	N.A.	N.A.	432	Nil

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

* Appointments of Mrs. Bhumi Maulik Doshi and Mr. Vitrag Sureshkumar Modi have been made after the completion of financial year 2018-19 on May 30, 2019.

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.

During the financial year 2018-19, there were Eight (8) Board meetings held on following dates:

30/05/2018 06/07/2018 30/08/2018 12/10/2018 14/11/2018
16/02/2019 04/03/2019 23/03/2019

(c) Familiarization to Independent Directors:

The newly appointed Independent Directors of the Company are familiarized with the various aspects of the Company provided with an overview of the requisite criteria of independence, roles, rights, duties and responsibilities of directors, terms of appointment of the Company and policies of the Company and other important regulatory aspects as relevant for directors. The Company, through its Executive Director 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 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 http://www.zotahealthcare.com/images/cms/cmsfile/Familiarization_program_for_Independent_Director's.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 for decision making. The details of key qualifications of individual Board members are mentioned below table. However, all the Board members possess skills and knowledge which are required for the industry in which Company operates.

Director	Qualifications						
	Knowledge about Pharmaceutical Industry	Finance	Sales	Accounting	Import/Export	Regulatory	Diversity
Mr. Ketankumar Chandulal Zota Chairman	✓	✓	✓		✓	✓	✓
Mr. Moxesh ketanbhai Zota Managing Director	✓	✓	✓		✓	✓	✓
Mr. Himanshu Muktilal Zota Whole Time Director	✓	✓	✓	✓	✓	✓	✓
Mr. Manukant Chandulal Zota Whole Time Director	✓	✓	✓		✓	✓	✓
Mr. Kamlesh Rajanikant Zota Whole Time Director	✓	✓	✓		✓	✓	✓
Mr. Shailesh Sevantilal Shah Independent Director	✓	✓	✓	✓		✓	✓
Mrs. Varshabhen Gaurang Mehta Independent Director	✓	✓	✓	✓		✓	✓
Mr. Mahesh Mavjibhai Prajapati Independent Director	✓		✓			✓	✓
Mrs. Bhumi Maulik Doshi Additional Independent Director		✓		✓		✓	✓
Mr. Vitrag Sureshkumar Modi Additional Independent Director		✓		✓		✓	✓

(e) Independent Directors confirmation by the Board:

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

3. Audit Committee

As on date The Audit Committee of the company consists of three Independent Directors and one Executive Director of the Company. All the Directors have good understanding Finance, Accounts and Law. Composition of audit committee of the company is as follows:

Name	Category	Nature of Directorship
Mr. Shailesh Sevantil Shah	Chairman	Non-Executive Independent Director
Mrs. Varshababen Gaurang Mehta	Member	Non-Executive Independent Director
Mr. Himanshu Muktilal Zota	Member	Executive Director
Mrs. Bhumi Maulik Doshi	Member	Additional Non-Executive Independent Director

During the financial year 2018-19, Six (6) meetings of Audit Committee were held on following dates:

30/05/2018, 01/09/2018, 03/10/2018, 14/11/2018, 04/03/2019, 18/03/2019

Attendance of members for the meeting of Audit Committee held during the year 2018-19 is as below:

Name	Category	No. of Meeting Attended
Mr. Shailesh Sevantil Shah	Chairman	5
Mrs. Varshababen Gaurang Mehta	Member	6
Mr. Himanshu Muktilal Zota	Member	5
Mrs. Bhumi Maulik Doshi*	Member	NA

* Appointments of Mrs. Bhumi Maulik Doshi has been made after the completion of financial year 2018-19 on May 30, 2019

The term of reference of Audit Committee is as below:

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

auditors and the management of the company.

- 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 gave power to obtain professional advice from external sources and have full access to information contained in the records of the company.
- 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.
- 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.
- The victims/persons who use vigil mechanism can direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

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	Category	Nature of Directorship
Mrs. Varshababen Gaurang Mehta	Chairman	Non-Executive Independent Director
Mr. Mahesh Mavjibhai Prajapati	Member	Non-Executive Independent Director
Mr. Shailesh Sevantil Shah	Member	Non-Executive Independent Director

During the financial year 2018-19, Two (2) meetings of Nomination & Remuneration Committee were held on following dates:
30/05/2018, 06/07/2018

Attendance of members for the meeting of Nomination & Remuneration Committee held during the year 2018-19 is as below:

Name	Category	No. of Meeting Attended
Mrs. Varshababen Gaurang Mehta	Chairman	2
Mr. Mahesh Mavjibhai Prajapati	Member	2
Mr. Shailesh Sevantil Shah	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:
 - 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.

5. Remuneration of Directors

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

Name	Category	Remuneration (In ₹ Lakhs)
Mr. Ketankumar Chandulal Zota	Non-executive Chairman	NIL
Mr. Moxesh Ketanbhai Zota	Executive Managing Director	21.76
Mr. Himanshu Muktilal Zota	Executive Whole Time Director	21.76
Mr. Kamlesh Rajanikant Zota	Executive Whole Time Director	21.76
Mr. Manukant Chandulal Zota	Executive Whole Time Director	21.76
Mr. Shailesh Sevantil Shah	Non-Executive Independent Director	NIL
Mrs. Varshababen Gaurang Mehta	Non-Executive Independent Director	NIL
Mr. Mahesh Mavjibhai Prajapati	Non-Executive Independent Director	NIL
Mrs. Bhumi Maulik Doshi	Additional Non-Executive Independent Director	NA
Mr. Vitrag Sureshkumar Modi	Additional Non-Executive Independent Director	NA

* Appointments of Mrs. Bhumi Maulik Doshi and Mr. Vitrag Sureshkumar Modi have been made after the completion of financial year 2018-19 on May 30, 2019.

Remuneration to Non-Executive Directors:

During the year Company has not paid any remuneration to the non-executive and independent directors of the Company. However, from May 30, 2019 the Board of Directors of the Company have decided to pay sitting fees to all the directors of the Company.

The detailed remuneration policy of the Company is available on the below link: http://www.zotahealthcare.com/images/cms/cmsfile/Policy_

on_Appointment_and_Remuneration_for_Directors,_Key_Manageial_Personnel_and_Senior_Management_Employee.pdf

6. Stakeholders, Shareholders/Investor's Grievances committee

To solve the investors grievances Company has formulated Stakeholders, Shareholders and Investor Grievance Committee. Composition of the Committee is as follows:

Name	Category	Nature of Directorship
Mr. Mahesh Mavjibhai Prajapati	Chairman	Non-Executive Independent Director
Mr. Himanshu Muktilal Zota	Member	Executive Whole time Director
Mr. Manukant Chandulal Zota	Member	Executive Whole time Director

During the financial year 2018-19, Four (4) meetings of Stakeholders, Shareholders and Investor Grievance Committee were held on following dates:
16/05/2018, 07/08/2018, 06/11/2018, 18/01/2019

Attendance of members for the meeting of Stakeholders, Shareholders and Investor Committee held during the year 2018-19 is as below:

Name	Categories	No. of Meeting Attended
Mr. Mahesh Mavjibhai Prajapati	Chairman	4
Mr. Himanshu Muktilal Zota	Member	4
Mr. Manukant Chandulal Zota	Member	4

Name & Designation and address of the Compliance Officer

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

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

Status of Complaints pending, received, disposed and unresolved:

Number of Shareholders' Complaints Pending at the end of the year	NIL
Number of Shareholders' Complaints received during the year	0
Number of Shareholders' Complaints disposed during the year	0
Number of Shareholders' Complaints remain unresolved during the year	NIL

7. GENERAL BODY MEETING

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

Year	Day, Date and Time	Venue
2015-16	Saturday, 27th August, 2016 at 11:00 A.M.	Zota House, 2/896, Hira Modi Street, Sagrampura, Surat – 395002
2016-17	Thursday, 10th August, 2017 at 11:00 A.M.	The Southern Gujarat chamber of Commerce & Industry, 1st Floor, 'Samruddhi Hall', Makkai Pool, Nanpura, Surat – 395001, Gujarat
2017-18	Saturday, 11th day of August, 2018 at 11:00 A.M.	The Southern Gujarat chamber of Commerce & Industry, 1st Floor, 'Samruddhi Hall', Makkai Pool, Nanpura, Surat – 395001, Gujarat

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
27th August, 2016	Adoption of Annual Accounts, Auditor's Report and Directors Report	Ordinary	43,35,067	68,86,507	0	0
	Declaration of dividend at the rate of 10%	Ordinary	43,31,929	68,86,507	3,138	0
	Reappointment of Mr. Manukant Zota liable to retire by rotation	Ordinary	43,35,067	68,86,507	0	0
	Ratification of Appointment of Statutory Auditor	Ordinary	43,35,067	68,86,507	0	0
	Increase of Authorised Share Capital from Rs. 15 crore to 20 crore	Special	43,35,067	68,86,507	0	0
	Initial Public offer of amount not exceeding Rs.60 crore	Special	43,35,067	68,86,507	0	0

10th August, 2017	Adoption of Annual Accounts, Auditor's Report and Directors Report	Ordinary	54,994	87,40,564	0	0
	Declaration of dividend at the rate of 10%	Ordinary	54,994	87,40,564	0	0
	Reappointment of Mr. Himanshu Zota liable to retire by rotation	Ordinary	54,994	87,40,564	0	0
	Appointment of M/s D.S.M & Co. as a Statutory Auditor	Ordinary	54,994	87,40,564	0	0
	Appointment of Mrs. Varsaben Gaurang Mehta, as an Independent Director	Ordinary	53,994	87,40,564	1,000	0
	Appointment of Mr. Moxesh Ketanbhai Zota, as a Managing Director	Special	54,994	87,40,564	0	0
11th August, 2018	Adoption of Annual Accounts, Auditor's Report and Directors Report	Ordinary	14,67,684	32,76,463	432	0
	Declaration of dividend at the rate of 30%	Ordinary	14,67,684	32,76,463	432	0
	Reappointment of Mr. Kamlesh Zota liable to retire by rotation	Ordinary	88,494	1,52,040	432	0
	Ratification of Appointment of Statutory Auditor	Ordinary	14,67,684	32,76,463	432	0
	Change in terms of appointment of Mr. Himanshu Zota, Whole Time Director.	Special	88,494	151040	432	1000
	Change in terms of appointment of Mr. Kamlesh Zota, Whole Time Director.	Special	88,610	152040	432	0
	Change in terms of appointment of Mr. Manukant Zota, Whole Time Director	Special	88,494	151040	432	1000
	Change in terms of appointment of Mr. Moxesh Zota, Managing Director	Special	87,610	152040	432	0

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

CS Ranjit 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

8. Means of Communication

1. Financial Results:

Zota Health Care Limited believes in to publish all the financial information to stakeholders within the stipulations provided under the

law. During the year, Company has declared all financial results within the timeline provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Half yearly and yearly financial results: The half yearly and yearly financial results of the Company are normally published in website of the Company i.e. on www.zotahealthcare.com as well as on NEAPS portal of National Stock Exchange. All half yearly and yearly financial results have been submitted to stock exchange within 30 minutes from the conclusion of Board Meeting in which financial results have been approved. During the year, following half yearly and yearly financial results have been submitted on NEAPS portal

Period of Financial Results	Date
Unaudited Financial Results for the half year ended September 30, 2018	November 14, 2018
Audited Financial Results for the half year and year ended March 31, 2019	May 30, 2019

Being a SME listed Company, exemptions have been provided to the Company from publishing financial results in newspaper. Hence, Company has not published abovementioned half yearly and yearly financial results in any of the newspaper.

2. Annual Report: Physical copy of the Annual Report for the FY 2017-18 containing Notice of 18th Annual General Meeting, Audited Financial Statements, Director's Report, Corporate Governance Report and Management Discussion and Analysis Report was sent to all the shareholders who have not registered their email IDs with the Company prior to 23 days of 18th Annual General Meeting.

Soft copy of the Annual Report for the FY 2017-18 containing Notice of 18th Annual General Meeting, Audited Financial Statements, Director's Report, Corporate Governance Report and Management Discussion and Analysis Report was sent by email to the shareholders who have registered their email IDs with the Company/ RTA/ Depository Participants. The Annual Report for the FY 2017-18 had also uploaded on the website of the Company www.zotahealthcare.com

3. News Release/ Investor Presentation: All press release and investor presentations made to media, analysts, institutional investors, fund managers, are uploaded on the official website of the Company www.zotahealthcare.com

4. Communication to Shareholders: Communication like Annual Report, Notices, Annual Report, Dividend payment advice, etc, are sent to the

shareholders through email to the shareholders who have registered their email IDs with the Company and by speed post/ courier to the shareholders who have not registered their email IDs with the Company.

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 shareholders information updation form to the Company, the same is available on official website of the Company www.zotahealthcare.com under investor relations tab.

5. Website: Company's official website www.zotahealthcare.com contains separate tab "Investor Relations" for investors, in which notices of the Board Meetings, Annual Reports, Investor Presentations, Shareholding Pattern and other announcements made to stock exchange are displayed in due course 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 the Company.

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

7. 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.

8. NEAPS portal: For submitting all listing compliances National Stock Exchange has developed NEAPS portal in which all corporate can file their listing compliances. During the year, company has filed all the listing compliances on NEAPS portal of NSE and after submitting the same is also available on official website of NSE www.nseindia.com/emerge

9. General Shareholder Information

Date, Time and Venue of AGM	Saturday, the 21th day of Septemver, 2019 at The Southern Gujarat Chamber of Commerce & Industry 1st floor, 'Samruddhi Hall', Makkai Pool, Nanpura, Surat – 395001, Gujarat at 11:00 A.M.
Financial Year	From 1st April to 31st March of the following year
Date of Book Closure	From Friday, the 13th day of September, 2019 to Saturday, the 21th day of September, 2019 (both day inclusive)
Listed on Stock Exchanges	NSE
Trading Symbol	ZOTA
Listing Fees	During the year, the Company has paid all the listing fees to the stock exchange, where the securities of the Company are listed.

Dividend

The Board of Directors of the Company in its meeting held on May 30, 2019 has recommended dividend at the rate of 10% i.e. Re.1/- per share and shall be paid to the shareholders whose names appear on the register of members as on the Record date for dividend i.e. on September 13, 2019 in respect of physical shares and as Beneficial Owners as at the end of business hours on September 13, 2019 as per the list provided by the NSDL/ CDSL in respect of the shares held in electronic mode. Dividend recommended by the Board, if approved by the members on September 21, 2019 then the same shall be paid to the members within 30 days from the date of approval of the members.

Unclaimed Dividend

The Ministry of Corporate Affairs has notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, 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.

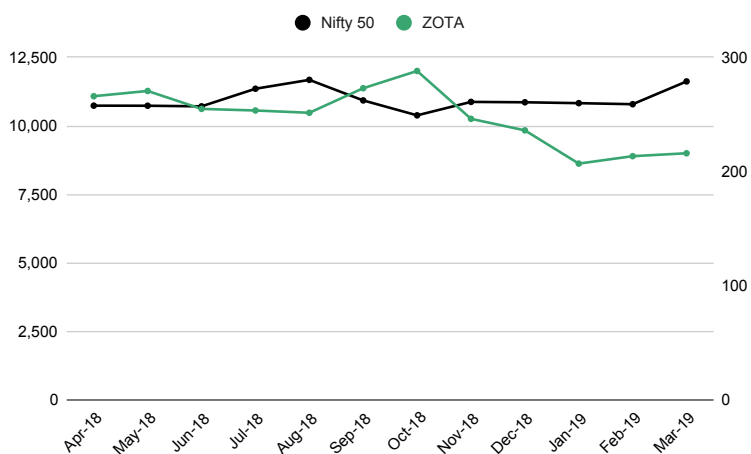
Year	Rate of Dividend (%)	Date of Declaration	Date of Transfer
2012-13	10	30/09/2013	05/11/2020
2013-14	10	30/09/2014	05/11/2021
2014-15	10	26/09/2015	01/11/2022
2015-16	10	27/08/2016	02/10/2023
2016-17	20	10/08/2017	15/09/2024

IEPF- Investor Education and Protection Fund

Market Price Data

Data of market price high, low for the year 2018-19 is given below :

Month	High (₹)	Low (₹)	Volume (No. of Shares)	Turnover (In Lakhs)
April, 2018	222.05	210	94500	203.7
May, 2018	217.05	206	2,61,000	546.69
June, 2018	249.7	211	2,66,500	589.37
July, 2018	250	235	3,00,000	729.74
August, 2018	292	247.25	5,27,500	1486.12
September, 2018	289.7	265	2,74,000	767.08
October, 2018	265.9	244	2,95,500	751.23
November, 2018	262.4	251.3	3,18,000	813.35
December, 2018	258	250.5	3,16,500	804.72
January, 2019	276	250.15	3,26,500	841.2
February, 2019	279.95	258	2,40,000	645.04
March, 2019	266	253	2,55,000	664.2



Registrar & Transfer Agents:

Satellite Corporate Services Pvt. Ltd.
Unit No. 49, Bldg No. 13-A-B, 2nd Floor
Samhita Commercial Co-Op. Soc. Ltd
Off Andheri Kurla Lane, MTNL Lane
Sakinaka, Mumbai - 400 072
Ph. No.: 022 28520461/462. Fax: 022 28511809
Website: www.satellitecorporate.com
Email: service@satellitecorporate.com
Tele Fax: 022 28511809

Distribution of Shareholdings as on March 31, 2019:

Share Holding of Nominal Value Rs.	Number of Shareholders	No. of Shares	Percentage of Total
UPTO -- 20,000	2,055	3,499,013	19.945
50,001 -- 10,0000	9	717,376	4.089
10,0001 -- 50,0000	8	2,268,308	12.930
50,0001 -- and above	7	11,058,655	63.036
Total	2,079	17,543,352	100.0000

Category	No. of Shares held	Shareholding %
Promoter & Promoter' Relatives	1,18,85,633	67.75
Bodies Corporate	22,25,386	12.69
Individuals holding nominal share capital up to Rs.2 lakhs	25,54,241	14.56
Non Resident Indians	31,580	0.18
Individuals holding nominal share capital in excess of Rs.2 lakhs	4,61,040	2.63
HUF	3,84,972	2.19
Market Maker	0	0
Clearing Member	500	0.00
Total	1,75,43,352	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 transfer form to RTA then RTA check the validity of forms and other details of form and then forward to company for approval.

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

Dematerialization of Shares and Liquidity:

Company is listed on NSE Emerge platform on 10th May, 2017 and all the shares are traded on NSE Emerge platform w.e.f. 10th May, 2017. 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).

As on 31st March, 2018 out of total 17543352 shares 17285858 i.e. 98.53% shares are in dematerialized mode. All promoters' shares 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 dematerializes 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, CRISIL has reaffirmed its NSIC – CRISIL RATING: CRISIL MSE 1 rating with highest financial strength and highest operating performance indicates 'Highest creditworthiness in relation to other.'

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

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.
Unit No. 49, Bldg No. 13-A-B, 2nd Floor,
Samhita Commercial Co-Op. Soc. Ltd, Off Andheri Kurla Lane,
MTNL Lane, Sakinaka, Mumbai-400072
Ph: No. 022 28520461/462. Fax: 022 28511809
Email: service@satellitecorporate.com
Tele Fax: 022 28511809

(b) Registered Officer:

"Zota House", 2/896, Hira Modi Street,
Sagrampura, Surat – 395002, Gujarat
Ph. No.: 0261 2331601
Email: info@zotahealthcare.com
Website: www.zotahealthcare.com
Tele Fax: 0261 2346415

10. 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 monitored by Audit Committee of the Company. Company's policy on related party transaction is available on below link:

http://www.zotahealthcare.com/images/cms/cmsfile/Related_Party_Transactions_Policy.pdf

Statutory Compliance, Penalties and Strictures

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

Whistle Blower Policy/Vigil Mechanism Policy

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

Mandatory & Non Mandatory Requirements

The Company has complied with all the mandatory requirements of Corporate Governance and endeavors to adopt 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/images/cms/cmsfile/Policy_for_Determining_Material_Subsiidiary.pdf

Certificate from Company Secretary in Practice:

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

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

Details of fees paid to the Statutory Auditors are mentioned in Note No. C-22 (12) of the Standalone Financial Statement and Note No. H-22 (12) of Consolidated Financial Statement.

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

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

Place : Surat
Date : 21.08.2019

11. DISCRETIONARY REQUIREMENTS

The Board

The chairperson of the company is Non-Executive Director.

Shareholder Rights

Half yearly and yearly declaration of financial performance is uploaded on the website of the company 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 Auditors M/s Pradeep K. Singhi & Associates, Chartered Accountant and M/s Suresh I Surana & Associates, Chartered Accountant have reported directly to the Audit Committee of the Company.

12. The Disclosures of the Compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and Regulation 46(2)

During the year, the securities of the Company were listed on SME (EMERGE) platform of the NSE. So, the compliance with the provisions as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were not applicable to the Company. However, in view of better Corporate Governance point of view; the Company has complied with major provisions of the aforementioned regulations.

For the board of Director
Zota Healthcare Limited

Sd/-
Moxesh Ketanbhai Zota
Managing Director
Din : 07625219

Sd/-
Himanshu Muktilal. Zota
Whole Time Director
Din : 01097722

ANNEXURE 5

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 2018-19 was Rs. 7.44 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 2018-19 was Rs. 1201.75lakhs.

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

Foreign Exchange outgo during the financial year 2018-19 -Nil

Place : Surat
Date : 21.08.2019

For the board of Director
Zota Healthcare Limited

Sd/-
Moxesh Ketanbhai Zota
Managing Director
Din : 07625219

Sd/-
Himanshu Muktilal. Zota
Whole Time Director
Din : 01097722

Annexure 6

FORM NO. MR- 3 SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31.03.2019

[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 on test check basis 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 **31st March, 2019** 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 **31st March, 2019** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. 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;
- v. 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, 2009 (upto 10th November, 2018) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (effective 11th November, 2018);
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **the regulation is not applicable during the Financial Year 2018-19**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **the regulation is not applicable during the Financial Year 2018-19**
 - 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; **the regulation is not applicable during the Financial Year 2018-19 and**
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (upto 10th September, 2018, Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (effective 11th September, 2018; **the regulation is not applicable during the Financial Year 2018-19**

vi. Other Laws Specifically Applicable to Company:

- a. Income Tax Act, 1961
- b. Goods & Service Tax and other Indirect Taxes
- c. Labour Laws
- d. The Patents Act, 1970
- e. Indian Copyrights Act, 1957
- f. The Trademark 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 Standards 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 Form AOC-4 XBRL filing of XBRL document in respect of financial statement for the year ended 31.03.2018 filed after due date of filling.

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/CFO and Statutory Auditor 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 and indirect tax laws and other business specific laws narrated 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.

Place : Surat
Date : 21.08.2019

Signature:
Sd/-
Ranjit B. Kejriwal
FCS No. : 6116
C P No. : 5985

This report is to be read with our letter dated 21st August, 2019 which is annexed and forms an integral part of this report.

To,
The Members,
Zota Helathcare Limited
(CIN: L24231GJ2000PLC038352)
Zota House, 2/896, Hira Modi Street,
Sagrampura, Surat-395002

Our Secretarial Audit report dated 21st August, 2019 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.

Place : Surat
Date : 21.08.2019

Signature:
Sd/-
Ranjit B. Kejriwal
FCS No. : 6116
C P No. : 5985

ANNEXURE 7

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 2018-19, ratio of the remuneration of the employees of the Company for the financial year 2018-19 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. 2018-19 (in Rs. lakhs)	% increase in Remuneration in the F.Y. 2018-19	Ratio of Remuneration of each Director/to median remuneration of employees
1.	Ketankumar Chandulal Zota Non-Executive Chairman	NIL	NIL	NIL
2.	Moxesh Ketanbhai Zota Managing Director	21.76	141.78	17.24:1
3.	Himanshu Muktilal Zota Whole Time Director	21.76	141.78	17.24:1
4.	Kamlesh Rajanikant Zota Whole Time Director	21.76	141.78	17.24:1
5.	Manukant Chandulal Zota Whole Time Director	21.76	141.78	17.24:1
6.	Shailesh Sevantilal Shah Non-Executive Independent Director	NIL	NIL	NIL
7.	Varshababen Gaurang Mehta Non-Executive Independent Director	NIL	NIL	NIL
8.	Mahesh Mavjibhai Prajapati Non-Executive Independent Director	NIL	NIL	NIL
9.	Bhumi Maulik Doshi Additional Non-Executive Independent Director*	N.A.	N.A.	N.A.
10.	Vitrag Sureshkumar Modi Additional Non-Executive Independent Director*	N.A.	N.A.	N.A.
11.	Ashvin Variya Company Secretary & Compliance Officer	6.41	21.40	N.A.
12.	Viral Madviwala Chief Financial Officer	5.94	12.93	N.A.

*Appointments of Mrs. Bhumi Maulik Doshi and Mr. Vitrag Sureshkumar Modi have been made after the completion of financial year 2018-19; on May 30, 2019

(i) Names of the top ten employees in terms of remuneration drawn from the Company in the financial year 2018-19:

Sr.No.	Name & Designation	Qualification and Experience	Remuneration (Rs. In Lakhs)	Date of Appointment	Age (In years)	Particulars of Last Employment	Relative of Director/ Manager
1	Moxesh Ketanbhai Zota – Managing Director	B.Pharm, Master of Science – BPP University (UK) (5 years)	21.76	07/10/2016	28	N.A.	Son of Mr. Ketankumar Chandulal Zota (Chairman)
2	Himanshu Muktilal Zota – Whole Time Director	Diploma in Pharmacy (27 years)	21.76	01/04/2015	45	N.A.	N.A.
3	Kamlesh Rajanikant Zota – Whole Time Director	B.Pharm (24 years)	21.76	01/04/2015	46	Technical Assistant - Torrent Pharmaceuticals Ltd, Production Officer – Unique Pharmaceuticals Laboratories,	N.A.
4	Manukant Chandulal Zota – Whole Time Director	M.SC (24 years)	21.76	01/04/2015	68	N.A.	Brother of Mr. Ketankumar Chandulal Zota (Chairman)
5	Jatin Zota – Head of Domestic Market	Diploma In Chemical Engineering (12 years)	16.00	01/04/2008	37	N.A.	N.A.
6	Niral Zota – Head of Domestic Market	H.S.C. (21 years)	16.00	01/04/2010	42	N.A.	Brother of Mr. Himanshu Zota (Whole Time Director)
7	Viren Zota – Head of Domestic Market	B.B.A. (12 years)	16.00	01/04/2008	35	N.A.	Son of Mr. Manukant Zota (Whole Time Director)
8	Deepali Kasare – Business Development Manager (International)	BAMS, PG – DBN (6 years)	11.84	19/02/2018	38	International Business Development – Deltas Pharma Pvt Ltd, Medicon Maketing – Ayaksha Healthcare, Product Manager (export) – Chanak Pharma Pvt Ltd	N.A.
9	Ratilal G. Harkhani – Plant Manager	B. Pharm (27 years)	10.57	16/05/2009	52	Sr. Chemist - Torrent Pharmaceuticals Ltd, Manager - Akums Drugs & Pharmaceuticals Ltd, Manager - Meridian Pharmacare Pvt. Ltd.	N.A.
10	Arun Kumar Rath – Zonal Sales Manager	B.SC (Math), MBA, D. Pharm (26 years)	9.79	15/07/2004	49	T.B.E. – Indofrench, Chennai, T.B.E. – Comed Chemical, Baroda	N.A.

- (ii) The median remuneration of employees of the Company during the Financial Year was Rs. 126197/-
- (iii) In the Financial year, the median remuneration of employees is increased by 8.63%.
- (iv) There were 370 permanent employees on the rolls of the Company as on March 31, 2019;
- (v) Average percentage increase made in the salaries of employees other than the managerial personnel in comparison of the last financial year is 27.80%. There is an average increase of 100.24% 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.

Place : Surat
Date : 21.08.2019

For the board of Director
Zota Healthcare Limited

Sd/-
Moxesh Ketanbhai Zota
Managing Director
Din : 07625219

Sd/-
Himanshu Muktilal. Zota
Whole Time Director
Din : 01097722

ANNEXURE 8

Certificate in terms of Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Zota Health Care Limited.

Dear Sir(s)/Madam,

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

1. We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2019 and that to the best of our knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended March 31, 2019 which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the auditors and the Audit Committee:-
 - a. that there are no significant changes in internal control over financial reporting during the financial year ended March 31, 2019;
 - b. during year company has adopted IND AS apart from this there are no significant changes in accounting policies during the financial year ended March 31, 2019; and
 - c. that there are no instances of significant fraud of which we have become aware.

Place : Surat
Date : 21.08.2019

For the board of Director
Zota Healthcare Limited

Sd/-
Viral Mandviwala
Chief Financial Officer

ANNEXURE 9

Declaration by Management Director that the members of Board of Directors and Senior Management Personnel have affirmed with the code of conduct of board of directors and senior management

All the Members of the Board of Directors of the Company and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2019 as applicable to them as laid down in Companies Act, 2013 with the code of conduct of Board of directors and senior management.

Place : Surat
Date : 21.08.2019

For the board of Director
Zota Healthcare Limited

Sd/-
Moxesh Ketanbhai Zota
Managing Director
Din : 07625219

Annexure 10

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 31st March 2019 as stipulated in Regulation 27(2) of SEBI (Listing Obligation And Disclosure Requirements), Regulations 2015 of the said Company with NSE Emerge.

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.

Place : Surat
Date : 21.08.2019

For S. R. Somani & Co. Chartered Accountants

Sd/-
CA. Lavkush somani
(Partner)
M. No. 129473
Firm No. 110367W

Annexure 11

FORM NO. AOC. I

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	1st April, 2018 To 31st March, 2019	Sri Lankan Rupees (LKR) (1 LKR = 0.3949 INR)	2,00,000	(85000)	2,00,000	85000	NIL	NIL	(85000)	NIL	(85000)	NIL	100%

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

Place : Surat

Date : 21.08.2019

For the board of Director
Zota Healthcare Limited

Sd/-

Moxesh Ketanbhai Zota
Managing Director
Din : 07625219

Sd/-

Himanshu Muktilal Zota
Whole Time Director
Din : 01097722

Annexure 12

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
Zota Health Care Limited
(CIN: L24231GJ2000PLC038352)
Zota House, 2/896, Hira Modi Street,
Sagrampura, Surat 395002.

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 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	Key Managerial Personnel	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	Shailesh servantilal shah	03245881	14/08/2010
6	Mahesh mavjibhai prajapati	03245989	14/08/2010
7	Varshababen gaurang mehta	07611561	10/09/2016
8	Moxesh ketanbhai zota	07625219	07/10/2016

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

Place : Surat
Date : 21.08.2019

Signature:
Sd/-
Ranjit B. Kejriwal
FCS No. : 6116
C P No. : 5985

STANDALONE BALANCE SHEET

As at 31st March, 2019

Amount in ₹

	Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
	Assets			
1)	Non-Current Assets			
	Property, plant and equipment	M-01 & S-07	7,89,30,320	7,26,47,457
	Intangible Assets	M-02	1,88,24,544	2,29,74,512
	Capital work-in-progress	M-03	25,90,476	3,60,672
	Intangible assets under development	M-02	1,29,33,333	-
	Financial Assets			
	(i) Investments	C-03	15,62,02,800	26,14,78,570
	(iii) Loans	C-04	29,29,791	30,75,269
	Other Non-current assets			-
	Total Non-Current assets		27,24,11,263	36,05,36,481
2)	Current Assets			
	Inventories	C-05	32,51,23,918	24,28,26,978
	Financial Assets			-
	(i) Trade Receivables	C-06	22,09,64,038	22,92,67,795
	(ii) Cash and Cash Equivalents	C-07	1,69,42,506	2,46,20,927
	(iii) Loans	C-08	3,43,80,949	4,83,75,832
	Other Current Assets	C-09	2,63,30,122	1,23,15,022
	Total Current assets		62,37,41,532	55,74,06,554
	Total Assets		89,61,52,796	91,79,43,035
	Equity and Liabilities			
1)	Equity			
	(i) Equity Share capital	C-10	17,54,33,520	17,54,33,520
	(ii) Other Equity	C-11	51,38,52,615	52,23,43,027
	Total Equity		68,92,86,135	69,77,76,547
2)	Liabilities			
	Non-Current Liabilities			
	Financial Liabilities			
	(i) Borrowings		-	-
	Provisions	C-12	75,64,955	49,17,913
	Deferred tax liabilities (Net)		11,46,522	15,49,371
	Total non-current liabilities		87,11,477	64,67,284
	Current liabilities			
	Financial Liabilities			
	(i) Borrowings		-	-
	(ii) Trade payables		16,16,83,686	16,46,74,327
	Other Current liabilities	C-13	52,48,336	31,23,843
	Provisions	C-14	3,12,23,161	4,59,01,033
	Total current liabilities		19,81,55,183	21,36,99,203
	Total Liabilities		20,68,66,661	22,01,66,487
	Total Equity and Liabilities		89,61,52,796	91,79,43,035

Significant Accounting Policies

See accompanying notes to the financial statements

For and on behalf of the Board

S. R. Somani & Co.
Chartered Accountants

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

(Managing Director)
Moxesh K. Zota
(Din : 07625219)
8D, Lal Bungalow, Athwalines, Surat

CA. Lavkush Somani
Partner
M. No. 129473
Firm No. 110367W

Company Secretary
Ashvin Variya

Chief Financial Officer
Viral Mandviwala

Date : 30-05-2019
Place : Surat

STANDALONESTATEMENTOFPROFIT & LOSS

For the year ended 31st March, 2019

Amount in ₹

	Particulars	Note No.	Year Ended 31st March, 2019	Year Ended 31st March, 2018
I.	Revenue from Operations	C-15	85,62,94,307	77,84,48,514
II.	Other Incomes	C-16	1,54,47,264	1,51,85,725
III.	Total Revenue		87,17,41,571	79,36,34,239
IV.	Expenses:			
	Cost of Materials Consumed:	C-17	11,51,00,078	8,00,20,903
	Purchases of Stock-in-Trade		52,76,35,052	42,54,51,504
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	C-18	(7,25,96,807)	49,00,566
	Employee Benefit Expenses	C-19	8,89,19,072	6,63,66,953
	Finance Costs	C-20	3,68,029	12,10,893
	Depreciation / Amortization and Depletion Expense	M-01 & M-02 & S-07	1,39,42,286	93,65,956
	Other Expenses	C-21	11,97,81,409	9,26,95,288
V.	Total Expenses		79,31,49,119	68,00,12,063
VI.	Profit/(loss) before exceptional items and tax (III-V)			
	Exceptional items		7,85,92,451	11,36,22,176
VII.	Profit/(loss) before tax			2,03,754
VIII.	Tax Expense:		7,85,92,451	11,34,18,422
	(1) Current tax		2,32,42,539	3,98,65,550
	(1.1) I.T. & DD Tax Provision Created Short/ excess		2,33,582	5,09,084
	(2) Deferred Tax		4,02,849	(3,67,095)
IX.	Profit/ (Loss) for the Year		5,55,19,179	7,26,76,693
	Other Comprehensive Income			
	A (i) Items that will not be reclassified to Statement of profit and loss		(9,21,714)	-
	(ii) Income Tax relating to items that will not be reclassified to Statement of profit and loss		2,56,421	-
	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		(6,65,293)	-
	Total comprehensive income for the year		5,48,53,886	7,26,76,693
	Earnings per equity share of face value of ₹ 10 each			
	(1) Basic (in ₹)		3.16	4.23
	(2) Diluted (in ₹)		3.16	4.23

Significant Accounting Policies
See accompanying notes to the financial statements

For and on behalf of the Board

S. R. Somani & Co.
Chartered Accountants

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

(Managing Director)
Moxesh K. Zota
(Din : 07625219)
8D, Lal Bungalow, Athwalines, Surat

CA. Lavkush Somani
Partner
M. No. 129473
Firm No. 110367W

Company Secretary
Ashvin Variya

Chief Financial Officer
Viral Mandviwala

Date : 30-05-2019
Place : Surat

STANDALONE STATEMENT OF CHANGES OF EQUITY

For the year ended 31st March, 2019

I. Equity share capital

Particulars	Amount in ₹
As at March 31, 2018	17,54,33,520
Changes in equity share capital	-
As at March 31, 2019	17,54,33,520

II. Other Equity

Particulars	Reserves and surplus		Total ₹
	Securities premium reserve	Retained earnings	
As at April 01, 2017	-	12,61,95,849	12,61,95,849
Profit for the year	-	7,26,76,693	7,26,76,693
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	7,26,76,693	7,26,76,693
Increase in Securities Premium Reserve On issue of shares	36,57,00,000	-	36,57,00,000
Transactions with owners in their capacity as owners:	-	-	-
Final Dividend paid	-	(3,50,86,704)	(3,50,86,704)
Dividends distribution tax paid	-	(71,42,811)	(71,42,811)
As at March 31, 2018	36,57,00,000	15,66,43,027	52,23,43,027
Profit for the year	-	5,55,19,179	5,55,19,179
Other comprehensive income	-	(6,65,293)	(6,65,293)
Total comprehensive income for the year	-	5,48,53,886	5,48,53,886
Transactions with owners in their capacity as owners:	-	-	-
Final Dividend paid	-	(5,26,30,056)	(5,26,30,056)
Dividends distribution tax paid	-	(1,07,14,242)	(1,07,14,242)
As at March 31, 2019	36,57,00,000	14,81,52,615	51,38,52,615

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

For and on behalf of the Board

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

(Managing Director)
Moxesh K. Zota
(Din : 07625219)
8D, Lal Bungalow, Athwalines, Surat

Company Secretary
Ashvin Variya

Chief Financial Officer
Viral Mandviwala

Date : 30-05-2019
Place : Surat

S. R. Somani & Co.
Chartered Accountants

CA. Lavkush Somani
Partner
M. No. 129473
Firm No. 110367W

NOTES TO FINANCIAL STATEMENT

NOTE # C-01

Corporate Information:

Zota Health Care Ltd. is a company domiciled in India and Incorporated under the provisions of the Companies Act, 1956. The company is engaged in the Manufacturing & Trading in Pharmaceutical Products. The company caters to both domestic and international markets.

NOTE # C-02

1. Significant Accounting Policies

1.1 Basis of Preparation of Financial Statements:

The 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.

Historical cost convention - The 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

1.2 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 date, 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.

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 to sell an 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 Rupees (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.

Effective April 1, 2018 the company has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

v. Revenue recognition

The following is a summary of new and/or revised significant accounting policies related to revenue recognition. Refer Note 1 “Significant Accounting Policies,” in the Company’s 2017-2018 Annual Report for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of Ind AS 115 was insignificant.

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.

The impact on account of applying the erstwhile Ind AS 18 Revenue instead of Ind AS 115 Revenue from contract with customers on the financials results of the Company for the year ended and as at March 31, 2019 is insignificant.

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.

vi. Income tax

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

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

For the purpose of presentation in the Statement of Cash Flows, Cash and Cash Equivalents includes balance with banks and demand deposits with banks with original maturities of three months or less and other short term

highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

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 excise duty and other costs incurred in bringing the inventories to their present location and conditions.
- Cost of stock-in-trade includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

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

xii. Financial instruments:

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

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

Financial assets:

Classification

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

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

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

Initial recognition and measurement

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

Subsequent measurement

After initial recognition, financial assets are measured at: fair value (either through other comprehensive income or through Profit and Loss), or amortized cost.

Debt instruments

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

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

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured

at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in the Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

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

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

Fair Value Through Profit and Loss (FVTPL):

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

Equity instruments

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

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

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

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

Financial liabilities:

Initial recognition and measurement

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

Subsequent measurement

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

De-recognition

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

xiv . Property, Plant and Equipment (PPE)

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

the assets to their working condition for their intended use.

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

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

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

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

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

Depreciation methods, estimated useful lives and residual values:

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

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

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

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

xv. Intangible assets

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

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

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

xvi. Research and Development Expenditure

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

xvii. Provisions and contingent liabilities

Provisions

Provisions are recognized when there is a present legal or constructive obligation as a result of a past 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.

Signatures to Notes 1 to 22

For and on behalf of the Board

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

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

Company Secretary
Ashvin Variya

Chief Financial Officer
Viral Mandviwala

Date : 30-05-2019
Place : Surat

S. R. Somani & Co.
Chartered Accountants

CA. Lavkush Somani
Partner
M. No. 129473
Firm No. 110367W

Note No. C-03

Particulars	As at 31st March, 2019 (₹)	As at 31st March, 2018 (₹)
Non-Current Investments		
Investments in Equity Instruments		
Prime Co-Op. Bank (Non-Trade Investment)	100	100
In Equity Shares of Subsidiary Companies		
Unquoted, fully paid up		
Zota Healthcare Lanka (Pvt) Ltd [2000 units of LKR 100 each]	86,680	
Zota Healthcare Nig. Ltd [1000000 units of Naira 1 each]	1,97,300	
Other Non-Current Investments		
Axis Bank Fixed Deposit	15,59,18,720	26,14,78,470
Total	15,62,02,800	26,14,78,570

Note No. C-04

Particulars	As at 31st March, 2019 (₹)	As at 31st March, 2018 (₹)
Loans - Non-Current		
(Unsecured and Considered Good)		
Security Deposits	9,37,164	10,75,269
Others		
Loan to Employee	19,92,627	20,00,000
Total	29,29,791	30,75,269

Note No. C-05

Particulars	As at 31st March, 2019 (₹)	As at 31st March, 2018 (₹)
Inventories		
Raw Materials	2,23,71,714	97,33,246
Work-in-Progress	59,56,697	88,95,031
Finished Goods	23,02,092	78,72,105
Stock-in-Trade (in respect of goods acquired for trading)	28,36,23,202	20,48,82,337
Others		
Promotional, Packing and Stationery Material	1,08,70,214	1,14,44,259
Total	32,51,23,918	24,28,26,978

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 .

Note No. C-06

Particulars	As at 31st March, 2019 (₹)	As at 31st March, 2018 (₹)
Trade Receivables		
(Unsecured and Considered Good)		
Trade Receivables	22,09,64,038	22,92,67,795
Total	22,09,64,038	22,92,67,795

Note No. C-07

Particulars	As at 31st March, 2019 (₹)	As at 31st March, 2018 (₹)
Cash and Cash Equivalents		
Balance with Banks	1,67,28,306	2,44,87,283
Cash on Hand	1,79,301	1,05,783
Cash on Hand-SEZ	34,899	27,861
Total	1,69,42,506	2,46,20,927

Note No. C-08

Particulars	As at 31st March, 2019 (₹)	As at 31st March, 2018 (₹)
Loans		
(Unsecured and Considered Good)		
Others	3,43,80,949	4,83,75,832
Total	3,43,80,949	4,83,75,832

Note No. C-09

Particulars	As at 31st March, 2019 (₹)	As at 31st March, 2018 (₹)
Other Current Assets		
Prepaid Expenses	87,856	3,10,821
Balances with Govt. Authorities	10,69,475	78,80,118
Other Receivables	2,51,72,790	41,24,083
Total	2,63,30,122	1,23,15,022

Note No. C-10

Equity	As at 31st March, 2019 (₹)	As at 31st March, 2018 (₹)
Share Capital :		
Authorised Share Capital		
20000000 Equity Shares of Rs. 10/- each		
(Pre. Yr. 20000000 Equity Shares of Rs. 10/- each)	20,00,00,000	20,00,00,000
Issued, Subscribed and Paid up		
17543352 Equity Shares of Rs. 10/- each		
(Pre. Yr. 17543352 Equity Shares of Rs. 10/- each)	17,54,33,520	17,54,33,520
Total	17,54,33,520.00	17,54,33,520

A. Movements in equity share capital :

Authorised Shares	No. of Shares 31st March, 2019	No. of Shares 31st March, 2018
Previous Year	2,00,00,000	2,00,00,000
Increase during the year		-
Current Year	2,00,00,000	2,00,00,000

Issued, Subscribed and fully paid	No. of Shares 31st March, 2019	No. of Shares 31st March, 2018
Number of shares at the beginning	1,75,43,352	1,43,63,352
Issued during the year	-	31,80,000
Number of shares at the end	1,75,43,352	1,75,43,352

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

Name	No. of Shares with Sharing Ratio			
	31st March, 2019		31st March, 2018	
	No. of Shares	%	No. of Shares	%
Manukant C. Zota	2268693	12.93	2534693	14.45
Himanshu M. Zota	2319800	13.22	2251800	12.84
Ketan C. Zota	2165974	12.35	2115974	12.06
Jainam Share Consultants Pvt. Ltd.	1697995	9.68	1220530	6.96
Kamlesh R. Zota	1412074	8.05	1379074	7.86
Manisha K. Zota	937119	5.34	879619	5.01
Anila K. Zota	546500	3.12	1018500	5.81

C. Aggregate number and class of shares allotted as fully paid up by way of bonus shares :

Year	Bonus Equity Shares (No.)
F.Y. 2009-2010	2080200
F.Y. 2010-2011	2092700
F.Y. 2011-2012	3324850
F.Y. 2012-2013	1994910
F.Y. 2013-2014	Nil
F.Y. 2014-2015	2393892
F.Y. 2015-2016	Nil
F.Y. 2016-2017	Nil
F.Y. 2017-2018	Nil
F.Y. 2018-2019	Nil

Note No. C-11

Sr. No.	Other Equity	As at 31st March, 2019 (₹)	As at 31st March, 2018 (₹)
a.	Securities Premium Reserve	36,57,00,000	36,57,00,000
b.	Retained earnings	14,81,52,615	15,66,43,027
	Total	51,38,52,615	52,23,43,027
a.	Securities Premium Reserve		
	As per last Balance Sheet	36,57,00,000	-
	Add: Equity Shares Issued	-	36,57,00,000
	Closing balance	36,57,00,000	36,57,00,000
b.	Retained earnings		
	Opening balance	15,66,43,027	12,61,95,849
	Profit for the year	5,55,19,179	7,26,76,693
	Other comprehensive income of the year	(6,65,293)	
	Final dividend	(5,26,30,056)	(3,50,86,704)
	Dividend distribution tax	(1,07,14,242)	(71,42,811)
	Closing balance	14,81,52,615	15,66,43,027

Note No. C-12

Particulars	As at 31st March, 2019 (₹)	As at 31st March, 2018 (₹)
Provisions -Non-Current		
Gratuity Payable	75,64,955	49,17,913
Total	75,64,955	49,17,913

Note No. C-13

Particulars	As at 31st March, 2019 (₹)	As at 31st March, 2018 (₹)
Other Current Liabilities		
Statutory Liabilities	13,61,768	9,84,946
Other Payables	38,86,568	21,38,897
Total	52,48,336	31,23,843

Note No. C-14

Particulars	As at 31st March, 2019 (₹)	As at 31st March, 2018 (₹)
Provisions - Current		
Provision for Employee Benefits	79,07,968	57,85,943
Others	2,33,15,193	4,01,15,091
Total	3,12,23,161	4,59,01,033

Note No. C-15

Particulars	Year Ended 31st March, 2019 (₹)	Year Ended 31st March, 2018 (₹)
Revenue From Operations		
Sale of Products	85,62,94,307	77,84,48,514
Total	85,62,94,307	77,84,48,514

Note No. C-16

Particulars	Year Ended 31st March, 2019 (₹)	Year Ended 31st March, 2018 (₹)
Other Incomes		
Interest Income	1,40,67,643	1,47,72,492
PMRPY Income	5,66,368	-
Commission Income	6,17,694	-
Income From Damaged Goods	80,000	-
Other Non-Operating Income		
Duty Drawback Income	14,571	12,169
Profit on Sale of Fixed Assets	-	-
Foreign Exchange Profit/Loss	9,205	3,25,227
Product Development Charges	91,783	-
Miscellaneous Income	-	75,837
Total	1,54,47,264	1,51,85,725

Note No. C-17

Particulars	Year Ended 31st March, 2019 (₹)	Year Ended 31st March, 2018 (₹)
Cost of Materials Consumed:		
Raw Materials		
Inventory at the beginning of the year	1,86,28,277	1,00,01,956
Add: Purchase Less Return	12,48,00,212	8,86,47,224
	14,34,28,489	9,86,49,180
Less: Inventory at the end of the year	2,83,28,411	1,86,28,277
Total	11,51,00,078	8,00,20,903

Note No. C-18

Particulars	Year Ended 31st March, 2019 (₹)	Year Ended 31st March, 2018 (₹)
Changes In Inventories Of Stock-In-Trade		
Inventories (at commencement)	22,41,98,701	22,90,99,267
Inventories (at close)	29,67,95,507	22,41,98,701
Total	(7,25,96,807)	49,00,566

Note No. C-19

Particulars	Year Ended 31st March, 2019 (₹)	Year Ended 31st March, 2018 (₹)
Employee Benefit Expenses		
Salaries, Wages and Bouns	3,48,71,729	2,68,99,465
Director's Remuneration	87,02,000	36,00,000
Contribution to Provident Fund and Other Funds	60,13,342	33,89,872
Staff Welfare Expenses	3,93,32,001	3,24,77,616
Total	8,89,19,072	6,63,66,953

Note No. C-20

Particulars	Year Ended 31st March, 2019 (₹)	Year Ended 31st March, 2018 (₹)
Finance Costs		
Bank Charges	1,57,390	1,24,117
Bank Interest	-	4,33,397
Interest On TDS	14,217	9,127
Interest On Security Deposits	1,96,273	6,44,152
Other Interest (CST Interest)	149	100
Total	3,68,029	12,10,893

Note No. C-21

Particulars	Year Ended 31st March, 2019 (₹)	Year Ended 31st March, 2018 (₹)
Other Expenses		
Direct Expenses		
Freight On Purchases	8,10,424	6,05,959
Lab Testing Expenses	9,18,294	10,59,485
Lab Chemical Expenses	4,38,893	-
Packing Materials Expenses	34,40,596	25,97,707
Purchase Tax	-	37,189
Insurance on Purchase -Expense	2,254	-
Transporation Expense	1,16,04,686	1,39,82,598
Vat Expenses	359	1,75,238
GST Expenses	6,86,150	-
Power and Fuel Expenses	24,95,243	23,20,644
Factory Maintenance Expenses	10,49,277	16,16,978
Water Charges	1,15,541	82,040
Diesel Expense for Boiler	14,78,846	10,96,119
Entry Tax	-	48,036
	2,30,40,564	2,36,21,993
Administrative and General Expenses		
Audit and Consultancy Fees	5,00,000	5,00,000
Bad Debts Written Off	21,82,682	-
Clearing and Forwarding Charges	37,51,328	7,36,633
Computer Repairs and Maintenance Expenses	7,28,683	4,46,180
Professional Fess /Consultancy Charges	1,08,26,813	1,32,59,954
Cylinder Charges	3,79,961	12,928
Conferance Expenses	39,44,285	-
Commission Expenses	22,65,606	-
Diesel Expenses	1,74,041	1,11,920
Electricity Light Bill Expenses	14,43,021	7,31,556
Export Promotion Council - Membership Fees	10,000	5,900
Godown rent	76,80,231	19,67,221
Generator on Rent	25,000	-
Building Rent	9,36,000	4,26,310
Insurance Expenses	10,13,280	4,07,058
Legal Expense	1,21,702	4,81,090
Lodging and Boarding Expense	15,00,789	10,86,283
Membership Fees	11,800	11,800
Administratrive and General Expenses		
Municipal Tax	8,56,375	5,40,745
Office Equipment Maintenance	3,48,985	1,45,300
Office/ Factory Miscellaneous Expense	34,63,913	23,62,612
PF Fund Administration Charges	1,86,991	1,53,687
Post And Courier Charges	55,00,139	46,56,738
Printing and Stationery Expense	14,62,924	8,45,068
Product Approval Charges	3,73,200	39,120
Professional Tax	2,400	2,600
Security service charges	1,56,000	1,27,200
Service Charges	2,42,360	2,35,439
Shop Maintenance Expense	1,17,222	1,02,773
Software Subscription Expense	2,10,000	-
Telephone and Mobile Bill Expense	6,44,853	3,53,400

Trademark Expense	5,300	3,51,700
Travelling Expense	42,57,196	26,35,826
Website Renewal Charges	2,31,706	1,85,316
Charity and Donation Expense	19,32,000	31,65,000
GST Penalty	1,000	250
Vatav Kasar	13,44,506	(7,43,013)
	5,88,32,293	3,53,44,595
Selling and Distribution Expenses		
Advertisement Expense	1,33,02,285	72,16,604
Cash and Trade Discount	39,61,479	81,93,182
Commission on Sales	95,79,086	78,01,615
Freight on Sales	7,06,146	31,98,450
Promotional Expenses	1,01,94,019	51,37,058
Turnover Cash Discount	-	16,71,450
Sales Incentive	1,65,537	5,10,342
	3,79,08,551	3,37,28,701
Total	11,97,81,409	9,26,95,288

STANDALONE CASH FLOW STATEMENT

For the year ended 31st March, 2019

Amount in ₹

	Particulars	2018-19	2017-18
A.	Cash flow from Operating Activities	7,85,92,451	11,34,18,422
	Net Profit Before Tax as per Statement of Profit and Loss		
	Adjusted for:		
	Exceptional items	-	2,03,754
	Depreciation / Amortization and Depletion Expense	1,39,42,286	93,65,956
	Interest on Unsecured loan	1,96,273	6,44,152
	Interest on Term loan	-	4,33,397
	Interest on Fixed Deposits	(1,40,15,516)	(1,47,16,195)
	Interest on GEB Deposits	(52,127)	(56,297)
	Operating Profit before Working Capital Changes	7,86,63,367	10,92,93,189
	Adjusted for:		
	Trade Payables	(29,90,641)	(1,89,18,740)
	Provisions-Current Liabilities	(1,55,99,586)	1,15,49,384
	Borrowings-Current Liabilities	-	(1,63,89,976)
	Provisions - Non-Current	26,47,042	3,79,561
	Current Liabilities	21,24,493	(4,68,392)
	Trade Receivables	83,03,757	(5,84,47,443)
	Loans	1,39,94,883	(1,84,38,379)
	Inventories	(8,22,96,941)	(37,25,755)
	Other Current Assets	(1,40,15,099)	(87,50,489)
	Changes in Working Capital	(8,78,32,092)	(11,32,10,228)
	Cash Generated from Operations	(91,68,724)	(39,17,039)
	Taxes Paid	(2,32,19,700)	(4,03,74,634)
	Net Cash Flow from/(Used in) Operating Activities (A)	(3,23,88,425)	(4,42,91,673)
B.	Cash Flow from Investing Activities		
	Purchase of Intangible Assets	(1,51,72,461)	(89,02,725)
	Decrease in Long Term Loans & Advances	1,45,478	(20,00,000)
	Interest on Fixed Deposits	1,40,15,516	1,47,16,195
	Interest on GEB Deposits	52,127	56,297
	Purchase of Tangible Assets	(1,60,65,855)	(42,66,745)
	Non-current Investments	10,52,75,770	(26,14,78,470)
	Net Cash Flow (Used in) Investing Activities (B)	8,82,50,574	(26,18,75,448)
C.	Cash Flow from Financing Activities		
	Proceeds from/(Repayment of) Long Term Borrowings	-	(2,45,71,358)
	Proceeds from Issue of Equity Share Capital	-	3,18,00,000
	Increase in Securities Premium Reserve	-	36,57,00,000
	Interest on Unsecured Loan	(1,96,273)	(6,44,152)
	Interest on Term Loan	-	(4,33,397)
	Dividend Paid	(5,26,30,056)	(3,52,55,994)
	Tax on Dividend	(1,07,14,242)	(71,77,275)
	Net Cash Flow from / (Used in) Financing Activities (C)	(6,35,40,571)	32,94,17,824
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(76,78,421)	2,32,50,702
	Opening Balance of Cash and Cash Equivalents	2,46,20,926	13,70,224
	Closing Balance of Cash and Cash Equivalents	1,69,42,505	2,46,20,926

As per our report of even date
For and on behalf of the Board

S. R. Somani & Co.
Chartered Accountants

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

(Managing Director)
Moxesh K. Zota
(Din : 07625219)
8D, Lal Bungalow, Athwalines, Surat

CA. Lavkush Somani
Partner
M. No. 129473
Firm No. 110367W

Company Secretary
Ashvin Variya

Chief Financial Officer
Viral Mandviwala

Date : 30-05-2019
Place : Surat

Note No. C-22 Other Disclosures**1 Dividend**

Particulars	31st March, 2019	31st March, 2018
Equity shares: Final dividend for the year ended March 31, 2019 - ₹ 1/- (March 31, 2018 - ₹ 3/-) per fully paid up Equity Share	1,75,43,352	5,26,30,056

2 Earnings Per Share

Particulars	2018-19	2017-18
Profit for the year (Rupees)	5,55,19,179	7,26,76,693
Weighted Average No. of Equity Shares	1,75,43,352	1,71,94,859
Nominal value per share (Rupees)	10	10
Basic and Diluted Earnings per equity share of face value of ₹ 10 each	3.16	4.23

3 Related Party Disclosures

Sr. No.	Name	Relation	Amount (₹)	PAN	Nature of Transaction
1	Jatin A. Zota	Director Relatives	5,40,000	AACPZ8768Q	Salary
2	Niral M. Zota	Director Relatives	5,40,000	AABPZ1960H	Salary
3	Viren M. Zota	Director Relatives	5,40,000	AAEPZ7934J	Salary
4	Himanshu M. Zota	Director	6,75,500	AABPZ1961G	Commission
5	Kamlesh R. Zota	Director	6,75,500	AABPZ9457F	Commission
6	Manukant C. Zota	Director	6,75,500	AAAPZ7965K	Commission
7	Moxesh K. Zota	Director	6,75,500	AANPZ1370P	Commission
8	Jatin A. Zota	Director Relatives	10,60,000	AACPZ8768Q	Commission
9	Niral M. Zota	Director Relatives	10,60,000	AABPZ1960H	Commission
10	Viren M. Zota	Director Relatives	10,60,000	AAEPZ7934J	Commission
11	Himanshu M. Zota	Director	15,00,000	AABPZ1961G	Remuneration
12	Kamlesh R. Zota	Director	15,00,000	AABPZ9457F	Remuneration
13	Manukant C. Zota	Director	15,00,000	AAAPZ7965K	Remuneration
14	Moxesh K. Zota	Director	15,00,000	AANPZ1370P	Remuneration
15	Zota Jewel	Relative of Marketing Manager (Mr. Jatin Zota)	79,000	AAEPZ7563K	Promotional Expenses
16	Ashvin Bhagavanbhai Variya	Company Secretary	6,40,683	AQEPV4861E	Salary
17	Viral A. Mandviwala	CFO	5,93,926	AAAPZ7965K	Salary
18	Heli Ritesh Shah	Director Relatives	41,645	AAIPZ0123H	Salary
19	Mr. Egbunike Okechukwu Abel	Director in Company's WOS, Zota Healthcare Nig. Ltd (Incorporation of the same is under process)	1,29,235	Foreign resident, No PAN Available	Salary

4 Deferred Tax

Particulars	Amount (₹)
WDV As Per Companies Act.	11,32,78,672
WDV As Per Income Tax Act.	10,91,57,456
Difference in C/B of FA	41,21,216
Deferred Tax Liabilities Tax Rate@ 27.82%	11,46,522
Opening Liability	15,49,371
Closing Liability	11,46,522
Provided during the year	(4,02,849)

5 Fair value measurements

Financial instruments by category

Financial instruments by category	March 31, 2019			March 31, 2018		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments	-	-	15,62,02,800	-	-	26,14,78,570
Trade Receivables	-	-	22,09,64,038	-	-	22,92,67,795
Cash and Cash Equivalents	-	-	1,69,42,506	-	-	2,46,20,927
Other Financial Assets	-	-	3,43,80,949	-	-	4,83,75,832
Total financial assets	-	-	42,84,90,292	-	-	56,37,43,124
Financial liabilities						
Borrowings	-	-	-	-	-	-
Trade Payable	-	-	16,16,83,686	-	-	16,46,74,327
Other Financial Liabilities	-	-	-	-	-	-
Total financial liabilities	-	-	16,16,83,686	-	-	16,46,74,327

Fair value of financial assets and financial liabilities measured at amortised cost.	March 31, 2019		March 31, 2018	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets at amortised cost				
Fixed deposits	15,59,18,720	15,59,18,720	26,14,78,470	26,14,78,470
Financial assets at FVTPL				
Investments in equity instruments (unquoted)*	100	100	100	100
Zota Healthcare Lanka (Pvt) Ltd.	86,680	86,680	-	-
Zota Healthcare Nig. Ltd.	1,97,300	1,97,300	-	-

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 2018-19
Discount Rate (per annum)	7.70%
Expected Rate of Return	
Salary Escalation rate	9.00%
Retirement Age	60
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate
Employees attrition rate	5% at younger ages and reducing to 1% at older ages according to graduated scale

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:

Particulars	2018-19 Gratuity Amount in ₹
Liability at the beginning of the period	49,17,913
Interest Cost	3,78,680
Current Service Cost	17,38,473
Employees Contribution	-
Interest Guarantee	-
Benefits Paid	-
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	9,21,714
Liability at the end of the year	79,56,780

ii) Amount Recognised in the Balance Sheet

Particulars	2018-19 Gratuity Amount in ₹
Present Value of Benefit Obligation on 31-3-2019	79,56,780
Fair Value of Plan Assets on 31-3-2019	-
Net Liability / (Asset) recognised in Balance Sheet	79,56,780

iii) Expenses Recognised in the Income Statement

Particulars	2018-19 Gratuity Amount in ₹
Current Service Cost	17,38,473
Interest Cost on benefit obligation (net)	3,78,680
Past Service Cost	-
Expected Contribution	-
Gain / Losses on Curtailment and Settlement	-
Net Effect of Change in Foreign Exchange Rates	-
Expenses Recognised	21,17,153

iv) Expenses Recognised in Other Comprehensive Income (OCI) for current Period

Particulars	2018-19 Gratuity Amount in ₹
Actuarial changes arising from changes in financial assumptions	-
Actuarial changes arising from changes in demographic adjustments	-
Actuarial changes arising from changes in experience adjustments	9,21,714
Net (Income) / Expense for period	9,21,714

v) Maturity profile of defined benefit obligations

Projected Benefits Payable in Future Years From the Date of Reporting	31-03-2019 Amount in ₹
1st Following Year	3,91,825
2nd Following Year	2,09,648
3rd Following Year	2,02,415
4th Following Year	2,13,281
5th Following Year	2,63,258
6 to 10 years	26,04,493

vi) Sensitivity Analysis Gratuity Plan

Particulars	2018-19 Gratuity Amount in ₹
Projected Benefit Obligation on Current Assumptions	79,56,780
Delta Effect of +1% Change in Rate of Discounting	69,34,533
Delta Effect of -1% Change in Rate of Discounting	92,11,734
Delta Effect of +1% Change in Rate of Salary Increase	91,82,697
Delta Effect of -1% Change in Rate of Salary Increase	69,37,100
Delta Effect of +1% Change in Rate of Employee Turnover	78,95,332
Delta Effect of -1% Change in Rate of Employee Turnover	80,23,515

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. All known liabilities have been provided for in the books of accounts for the year under report.
8. Balances of depositors, sundry debtors, creditors and loans and advances are subject to confirmation and reconciliation.
9. The quantity and value of closing stock is certified by the management as true and correct.
10. Previous year's figures have been regrouped / recast wherever necessary to conform to current interim period's presentation.
11. 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:

Particulars	31st March, 2019 (₹)	31st March, 2018 (₹)
Principal amount remaining unpaid	20,44,021	(Refer Note i)
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	-	

Note: i As at 31st March, 2018; the Company was not in a position to identify the amount of balances due to small-scale industrial (SSI) undertakings in absence of sufficient information from suppliers regarding their status as SSI undertakings.

12 Auditor's remuneration and expenses charged to profit and loss account are as under:

Particulars	31st March, 2019	31st March, 2018
As Auditors	5,00,000	5,00,000
In other capacities	-	-
Total	5,00,000	5,00,000

13 Managerial remuneration to directors charged to profit and loss account are as under:

Particulars	31st March, 2019	31st March, 2018
Director's Remuneration	87,02,000	36,00,000
Total	87,02,000	36,00,000

14 Value of Imports on CIF Basis :

Particulars	31st March, 2019	31st March, 2018
Import from SEZ unit (India)	-	-
Total	-	-

15 Value of Export on FOB Basis :

Particulars	31st March, 2019	31st March, 2018
Merchant Export by SEZ Unit	6,05,97,764	7,18,33,484
Export by SEZ Unit	12,01,74,971	4,71,64,573
Total	18,07,72,735	11,89,98,057

16 Expenditure in Foreign Currency

Particulars	31st March, 2019	31st March, 2018
Registration Charges	1,40,43,259	36,65,416
Professional & Consultancy fees	1,79,519	-
Total	1,42,22,778	36,65,416

17 Earning in Foreign Exchange at FOB value

Particulars	31st March, 2019	31st March, 2018
Earning	12,01,74,971	7,18,33,484
Total	12,01,74,971	7,18,33,484

Property, plant and equipment

Particulars	Land	Buildings	Office Equipments	Furniture & Fixtures	Computers	Total	Capital Work-in-Progress
For Year Ended March 31, 2018							
Opening Gross Carrying Amount	85,93,108	1,46,30,510	41,72,341	38,20,717	53,35,202	3,65,51,878	1,50,00,142
Additions	-	1,22,68,503	15,98,665	28,05,965	11,91,283	1,78,64,416	14,59,127
Disposals	-	-	-	-	-	-	-
Capitalised /Transferred during the year							(1,60,98,597)
Closing Gross Carrying Amount as on 31.03.2018	85,93,108	2,68,99,013	57,71,006	66,26,682	65,26,485	5,44,16,294	3,60,672
Accumulated Depreciation							
Opening Accumulated Depreciation	-	44,05,933	20,20,244	31,79,883	42,62,372	1,38,68,432	-
Depreciation Charge during the year	-	2,90,635	2,95,512	1,25,507	4,32,501	11,44,156	-
Disposals	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	46,96,570	23,15,756	33,05,390	46,94,873	1,50,12,589	-
Net Carrying Amount As On 31.03.2018	85,93,108	2,22,02,443	34,55,250	33,21,292	18,31,612	3,94,03,705	3,60,672
For Year Ended March 31, 2019							
Opening Gross Carrying Amount	85,93,108	2,68,99,013	57,71,006	66,26,682	65,26,485	5,44,16,294	3,60,672
Additions	-	-	43,48,925	55,24,360	-	98,73,286	1,21,03,089
Disposals	-	-	-	-	-	-	-
Capitalised /Transferred during the year	-	-	-	-	-	-	98,73,286
Closing Gross Carrying Amount as on 31.03.2019	85,93,108	2,68,99,013	1,01,19,931	1,21,51,042	65,26,485	6,42,89,579	25,90,476
Accumulated Depreciation							
Opening Accumulated Depreciation	-	46,96,570	23,15,756	33,05,390	46,94,873	1,50,12,589	-
Depreciation Charge during the year	-	10,95,828	7,03,173	8,44,863	10,91,628	37,35,492	-
Disposals	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	57,92,398	30,18,929	41,50,253	57,86,501	1,87,48,081	-
Net Carrying Amount As On 31.03.2019	85,93,108	2,11,06,615	71,01,002	80,00,789	7,39,984	4,55,41,498	25,90,476

M-02

Intangible assets

Particulars	Brands/ Trademarks	Copyrights and Patents	Softwares	Others	Total	Intangible assets under development
For Year Ended March 31, 2018						
Opening Gross Carrying Amount	2,80,35,059	43,41,739	-	-	3,23,76,798	99,53,551
Additions	-	1,02,600	2,00,000	1,85,53,676	1,88,56,276	86,00,125
Disposals	-	-	-	-	-	-
Capitalised /Transferred during the year						1,85,53,676
Closing Gross Carrying Amount as on 31.03.2018	2,80,35,059	44,44,339	2,00,000	1,85,53,676	5,12,33,074	-
Accumulated Depreciation						
Opening Accumulated Depreciation	2,24,60,416	20,10,251	-	-	2,44,70,667	-
Depreciation Charge during the year	7,94,853	5,73,203	24,965	23,94,874	37,87,895	-
Disposals	-	-	-	-	-	-
Closing Accumulated Depreciation	2,32,55,269	25,83,454	24,965	23,94,874	2,82,58,562	-
Net Carrying Amount As On 31.03.2018	47,79,790	18,60,885	1,75,035	1,61,58,802	2,29,74,512	-
For Year Ended March 31, 2019						
Opening Gross Carrying Amount	2,80,35,059	44,44,339	2,00,000	1,85,53,676	5,12,33,074	-
Additions	4,15,761	9,52,967	8,70,400	-	22,39,128	1,29,33,333
Disposals	-	-	-	-	-	-
Capitalised /Transferred during the year	-	-	-	-	-	-
Closing Gross Carrying Amount as on 31.03.2019	2,84,50,820	53,97,306	10,70,400	1,85,53,676	5,34,72,203	1,29,33,333
Accumulated Depreciation						
Opening Accumulated Depreciation	2,32,55,269	25,83,454	24,965	23,94,874	2,82,58,562	-
Depreciation Charge during the year	14,04,749	6,72,784	1,28,607	41,82,957	63,89,097	-
Disposals	-	-	-	-	-	-
Closing Accumulated Depreciation	2,46,60,018	32,56,238	1,53,572	65,77,831	3,46,47,659	-
Net Carrying Amount As On 31.03.2019	37,90,802	21,41,068	9,16,828	1,19,75,845	1,88,24,544	1,29,33,333

Property, plant and equipment

Particulars	Land	Factory & Buildings	Plant & Equipments	Furniture & Fixtures	Electric Accessories	Office Equipment	Computer	Total	Capital work-in-progress
For Year Ended March 31, 2018									
Opening Gross Carrying Amount	73,50,000	1,34,99,530	5,01,20,510	34,47,100	37,60,230	11,71,491	15,13,212	8,08,62,072	-
Additions	-	-	9,05,155	1,33,144	-	-	3,500	10,41,799	-
Disposals	-	-	-	-	-	-	-	-	-
Capitalised /Transferred during the year									-
Closing Gross Carrying Amount as on 31.03.2018	73,50,000	1,34,99,530	5,10,25,665	35,80,244	37,60,230	11,71,491	15,16,712	8,19,03,871	-
Accumulated Depreciation									-
Opening Accumulated Depreciation	-	48,85,540	3,16,55,012	26,12,333	24,42,951	11,47,456	14,82,922	4,42,26,214	-
Depreciation Charge during the year	-	3,96,281	35,25,827	2,39,603	2,51,067	3,368	17,759	44,33,905	-
Disposals	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	52,81,821	3,51,80,839	28,51,936	26,94,018	11,50,824	15,00,681	4,86,60,119	-
Net Carrying Amount As On 31.03.2018	73,50,000	82,17,709	1,58,44,826	7,28,308	10,66,212	20,667	16,031	3,32,43,752	-
For Year Ended March 31, 2019									
Opening Gross Carrying Amount	73,50,000	1,34,99,530	5,10,25,665	35,80,244	37,60,230	11,71,491	15,16,712	8,19,03,871	-
Additions	-	7,01,933	22,85,960	8,68,349	18,398	-	88,126	39,62,766	39,62,766
Disposals	-	-	-	-	-	-	-	-	Nil
Capitalised /Transferred during the year	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount as on 31.03.2019	73,50,000	1,42,01,463	5,33,11,625	44,48,593	37,78,628	11,71,491	16,04,838	8,58,66,637	39,62,766
Accumulated Depreciation									-
Opening Accumulated Depreciation	-	52,81,821	3,51,80,839	28,51,936	26,94,018	11,50,824	15,00,681	4,86,60,119	-
Depreciation Charge during the year	-	3,78,050	30,09,837	2,02,662	2,03,207	13,723	10,218	38,17,697	-
Disposals	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	56,59,871	3,81,90,676	30,54,598	28,97,225	11,64,547	15,10,899	5,24,77,816	-
Net Carrying Amount As On 31.03.2019	73,50,000	85,41,592	1,51,20,949	13,93,995	8,81,403	6,944	93,939	3,33,88,821	-

Signatures to Notes 1 to 22

For and on behalf of the Board

S. R. Somani & Co.
Chartered Accountants

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

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

CA. Lavkush Somani
Partner
M. No. 129473
Firm No. 110367W

Company Secretary
Ashvin Variya

Chief Financial Officer
Viral Mandviwala

Date : 30-05-2019
Place : Surat

CONSOLIDATED BALANCE SHEET

As at 31st March, 2019

Amount in ₹

	Particulars	Note No.	As at 31st March, 2019
	Assets		
1)	Non-Current Assets		
	Property, plant and equipment	M-01&S-07	7,89,30,320
	Intangible Assets	M-02	1,88,24,544
	Capital work-in-progress	M-03	25,90,476
	Intangible assets under development		1,29,33,333
	Financial Assets		
	(i) Investments	H-03	15,61,16,120
	(iii) Loans	H-04	29,29,791
	Other Non-current assets		-
	Total Non-Current assets		27,23,24,583
2)	Current Assets		
	Inventories	H-05	32,51,23,918
	Financial Assets		
	(i) Trade Receivables	H-06	22,09,64,038
	(ii) Cash and Cash Equivalents	H-07	1,69,42,506
	(iii) Loans	H-08	3,43,80,949
	Other Current Assets	H-09	2,63,30,122
	Total Current assets		62,37,41,532
	Total Assets		89,60,66,116
	Equity and Liabilities		
1)	Equity		
	(i) Equity Share capital	H-10	17,54,33,520
	(ii) Other Equity	H-11	51,38,18,636
	Total Equity		68,92,52,156
2)	Liabilities		
	Non-Current Liabilities		
	Financial Liabilities		
	(i) Borrowings		-
	Provisions	H-12	75,64,955
	Deferred tax liabilities (Net)		11,46,522
	Total non-current liabilities		87,11,477
	Current liabilities		
	Financial Liabilities		
	(i) Borrowings		-
	(ii) Trade payables		16,16,83,686
	Other Current liabilities	H-13	51,61,656
	Provisions	H-14	3,12,57,140
	Total current liabilities		19,81,02,482
	Total Liabilities		20,68,13,960
	Total Equity and Liabilities		89,60,66,116

Significant Accounting Policies

See accompanying notes to the financial statements

For and on behalf of the Board

S. R. Somani & Co.
Chartered Accountants

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

(Managing Director)
Moxesh K. Zota
(Din : 07625219)
8D, Lal Bungalow, Athwalines, Surat

CA. Lavkush Somani
Partner
M. No. 129473
Firm No. 110367W

Company Secretary
Ashvin Variya

Chief Financial Officer
Viral Mandviwala

Date : 30-05-2019
Place : Surat

CONSOLIDATED STATEMENT OF PROFIT & LOSS

For the year ended 31st March, 2019

Amount in ₹

	Particulars	Note No.	Year Ended 31st March, 2019
I.	Revenue from Operations	H-15	85,62,94,307
II.	Other Incomes	H-16	1,54,47,264
III.	Total Revenue		87,17,41,571
IV.	Expenses:		
	Cost of Materials Consumed:	H-17	11,51,00,078
	Purchases of Stock-in-Trade		52,76,35,052
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	H-18	(7,25,96,807)
	Employee Benefit Expenses	H-19	8,89,19,072
	Finance Costs	H-20	3,68,029
	Depreciation / Amortization and Depletion Expense	M-01 & M-02 & S-07	1,39,42,286
	Other Expenses	H-21	11,98,16,458
V.	Total Expenses		79,31,84,168
VI.	Profit/(loss) before exceptional items and tax (III-V)		7,85,57,402
	Exceptional items		
VII.	Profit/(loss) before tax		7,85,57,402
VIII.	Tax Expense:		
	(1) Current tax		2,32,42,539
	(1.1) I.T. & DD Tax Provision Created Short/ excess		2,33,582
	(2) Deferred Tax		4,02,849
IX.	Profit/ (Loss) for the Year		5,54,84,130
	Other Comprehensive Income		
	A (i) Items that will not be reclassified to Statement of profit and loss		(9,21,714)
	(ii) Income Tax relating to items that will not be reclassified to Statement of profit and loss		2,56,421
	B (i) Items that will be reclassified to Statement of profit and loss		1,483
	(ii) Income Tax relating to items that will be reclassified to profit and loss		(413)
	Other comprehensive income for the year, net of tax		(6,64,223)
X.	Total comprehensive income for the year (IX + X)		5,48,19,907
	Profit attributable to:		
	Owners of the parent		5,54,84,130
	Non-controlling interest		-
	Other comprehensive income attributable to:		
	Owners of the parent		(6,64,223)
	Non-controlling interest		-
	Earnings per equity share of face value of ₹ 10 each		
	(1) Basic (in ₹)		3.16
	(2) Diluted (in ₹)		3.16

Significant Accounting Policies

See accompanying notes to the financial statements

For and on behalf of the Board

S. R. Somani & Co.
Chartered Accountants

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

(Managing Director)
Moxesh K. Zota
(Din : 07625219)
8D, Lal Bungalow, Athwalines, Surat

CA. Lavkush Somani
Partner
M. No. 129473
Firm No. 110367W

Company Secretary
Ashvin Variya

Chief Financial Officer
Viral Mandviwala

Date : 30-05-2019
Place : Surat

CONSOLIDATED STATEMENT OF CHANGES OF EQUITY

For the year ended 31st March, 2019

I. Equity share capital

Particulars	Amount in ₹
As at March 31, 2018	17,54,33,520
Changes in equity share capital	-
As at March 31, 2019	17,54,33,520

II. Other Equity

Particulars	Reserves and surplus		Total ₹
	Securities premium reserve	Retained earnings	
As at April 01, 2017	-	12,61,95,849	12,61,95,849
Profit for the year	-	7,26,76,693	7,26,76,693
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	7,26,76,693	7,26,76,693
Increase in Securities Premium Reserve On issue of shares	36,57,00,000	-	36,57,00,000
Transactions with owners in their capacity as owners:	-	-	-
Final Dividend paid	-	(3,50,86,704)	(3,50,86,704)
Dividends distribution tax paid	-	(71,42,811)	(71,42,811)
As at March 31, 2018	36,57,00,000	15,66,43,027	52,23,43,027
Profit for the year	-	5,54,84,130	5,54,84,130
Other comprehensive income	-	(6,64,223)	(6,64,223)
Total comprehensive income for the year	-	5,48,19,907	5,48,19,907
Transactions with owners in their capacity as owners:	-	-	-
Final Dividend paid	-	(5,26,30,056)	(5,26,30,056)
Dividends distribution tax paid	-	(1,07,14,242)	(1,07,14,242)
As at March 31, 2019	36,57,00,000	14,81,18,636	51,38,18,636

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

For and on behalf of the Board

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

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

Company Secretary
Ashvin Variya

Chief Financial Officer
Viral Mandviwala

Date : 30-05-2019
Place : Surat

S. R. Somani & Co.
Chartered Accountants

CA. Lavkush Somani
Partner
M. No. 129473
Firm No. 110367W

NOTES TO FINANCIAL STATEMENT

NOTE # H-01

Corporate Information :

The Consolidated Financial Statements comprise financial statements of Zota Health Care Ltd. ("the Holding Company") and its subsidiary (collectively referred to as "the Group") for the year ended 31st March, 2019.

The Group is engaged in the Manufacturing & Trading in Pharmaceutical Products. The Group caters to both domestic and international markets.

NOTE # H-02

1. SIGNIFICANT ACCOUNTING POLICIES

1.1	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. The Company has incorporated wholly owned subsidiary company in Sri Lanka in the Financial year 2018-19, prior this Company does not have any wholly owned subsidiary company. So, accordingly no consolidated accounts have been prepared for the Financial year 2017-18.
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
1.2	Principles 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 recognised in the Foreign Currency Translation Reserve (FCTR).
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.
1.3	Summary of significant accounting policies These are set out under "Significant Accounting Policies" as given in the Company's standalone financial statements.

Signatures to Notes 1 to 22

For and on behalf of the Board

S. R. Somani & Co.
Chartered Accountants

(Whole Time Director)

Himanshu M. Zota

(Din : 01097722)

34, Ichhanath Umra,

Athwalines, Surat

(Managing Director)

Moxesh K. Zota

(Din : 07625219)

8D, Lal Bunglow, Athwalines, Surat

CA. Lavkush Somani

Partner

M. No. 129473

Firm No. 110367W

Company Secretary

Ashvin Variya

Chief Financial Officer

Viral Mandviwala

Date : 30-05-2019

Place : Surat

Note No. H-03

Particulars	As at 31st March, 2019 (₹)
Non-Current Investments	
Investments in Equity Instruments	100
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]	1,97,300
Other Non-Current Investments	
Axis Bank Fixed Deposit	15,59,18,720
Total	15,61,16,120

Note No. H-04

Particulars	As at 31st March, 2019 (₹)
Loans - Non-Current	
(Unsecured and Considered Good)	
Security Deposits	9,37,164
Others	
Loan to Employee	19,92,627
Total	29,29,791

Note No. H-05

Particulars	As at 31st March, 2019 (₹)
Inventories	
Raw Materials	2,23,71,714
Work-in-Progress	59,56,697
Finished Goods	23,02,092
Stock-in-Trade (in respect of goods acquired for trading)	28,36,23,202
Others	
Promotional, Packing and Stationery Material	1,08,70,214
Total	32,51,23,918

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 .

Note No. H-06

Particulars	As at 31st March, 2019 (₹)
Trade Receivables	
(Unsecured and Considered Good)	
Trade Receivables	22,09,64,038
Total	22,09,64,038

Note No. H-07

Particulars	As at 31st March, 2019 (₹)
Cash and Cash Equivalents	
Balance with Banks	1,67,28,306
Cash on Hand	1,79,301
Cash on Hand-SEZ	34,899
Total	1,69,42,506

Note No. H-08

Particulars	As at 31st March, 2019 (₹)
Loans	
(Unsecured and Considered Good)	
Others	3,43,80,949
Total	3,43,80,949

Note No. H-09

Particulars	As at 31st March, 2019 (₹)
Other Current Assets	
Prepaid Expenses	87,856
Balances with Govt. Authorities	10,69,475
Other Receivables	2,51,72,790
Total	2,63,30,122

Note No. H-10

Equity	As at 31st March, 2019 (₹)
Share Capital :	
Authorised Share Capital	
20000000 Equity Shares of Rs. 10/- each	
(Pre. Yr. 20000000 Equity Shares of Rs. 10/- each)	20,00,00,000
Issued, Subscribed and Paid up	
17543352 Equity Shares of Rs. 10/- each	
(Pre. Yr. 17543352 Equity Shares of Rs. 10/- each)	17,54,33,520
Total	17,54,33,520.00

A. Movements in equity share capital :

Authorised Shares	No. of Shares 31st March, 2019
Previous Year	2,00,00,000
Increase during the year	
Current Year	2,00,00,000

Issued, Subscribed and fully paid	No. of Shares 31st March, 2019
Number of shares at the beginning	1,75,43,352
Issued during the year	-
Number of shares at the end	1,75,43,352

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

Name	No. of Shares with Sharing Ratio	
	31st March, 2019	
	No. of Shares	%
Manukant C. Zota	2268693	12.93
Himanshu M. Zota	2319800	13.22
Ketan C. Zota	2165974	12.35
Jainam Share Consultants Pvt. Ltd.	1697995	9.68
Kamlesh R. Zota	1412074	8.05
Manisha K. Zota	937119	5.34
Anila K. Zota	546500	3.12

C. Aggregate number and class of shares allotted as fully paid up by way of bonus shares :

Year	Bonus Equity Shares (No.)
F.Y. 2009-2010	2080200
F.Y. 2010-2011	2092700
F.Y. 2011-2012	3324850
F.Y. 2012-2013	1994910
F.Y. 2013-2014	Nil
F.Y. 2014-2015	2393892
F.Y. 2015-2016	Nil
F.Y. 2016-2017	Nil
F.Y. 2017-2018	Nil
F.Y. 2018-2019	Nil

Note No. H-11

Sr. No.	Other Equity	As at 31st March, 2019 (₹)
a.	Securities Premium Reserve	36,57,00,000
b.	Retained earnings	14,81,18,636
	Total	51,38,18,636
a.	Securities Premium Reserve	
	As per last Balance Sheet	36,57,00,000
	Add: Equity Shares Issued	-
	Closing balance	36,57,00,000
b.	Retained earnings	
	Opening balance	15,66,43,027
	Profit for the year	5,54,84,130
	Other comprehensive income of the year	(6,64,223)
	Final dividend	(5,26,30,056)
	Dividend distribution tax	(1,07,14,242)
	Closing balance	14,81,18,636

Note No. H-12

Particulars	As at 31st March, 2019 (₹)
Provisions -Non-Current	
Gratuity Payable	75,64,955
Total	75,64,955

Note No. H-13

Particulars	As at 31st March, 2019 (₹)
Other Current Liabilities	
Statutory Liabilities	13,61,768
Other Payables	37,99,888
Total	51,61,656

Note No. H-14

Particulars	As at 31st March, 2019 (₹)
Provisions - Current	
Provision for Employee Benefits	79,07,968
Others	2,33,49,172
Total	3,12,57,140

Note No. H-15

Particulars	Year Ended 31st March, 2019 (₹)
Revenue From Operations	
Sale of Products	85,62,94,307
Total	85,62,94,307

Note No. H-16

Particulars	Year Ended 31st March, 2019 (₹)
Other Incomes	
Interest Income	1,40,67,643
PMRPY Income	5,66,368
Commission Income	6,17,694
Income From Damaged Goods	80,000
Other Non-Operating Income	
Duty Drawback Income	14,571
Foreign Exchange Profit/Loss	9,205
Product Development Charges	91,783
Total	1,54,47,264

Note No. H-17

Particulars	Year Ended 31st March, 2019 (₹)
Cost of Materials Consumed:	
Raw Materials	
Inventory at the beginning of the year	1,86,28,277
Add: Purchase Less Return	12,48,00,212
	14,34,28,489
Less: Inventory at the end of the year	2,83,28,411
Total	11,51,00,078

Note No. H-18

Particulars	Year Ended 31st March, 2019 (₹)
Changes In Inventories Of Stock-In-Trade	
Inventories (at commencement)	22,41,98,701
Inventories (at close)	29,67,95,507
Total	(7,25,96,807)

Note No. H-19

Particulars	Year Ended 31st March, 2019 (₹)
Employee Benefit Expenses	
Salaries, Wages and Bouns	3,48,71,729
Director's Remuneration	87,02,000
Contribution to Provident Fund and Other Funds	60,13,342
Staff Welfare Expenses	3,93,32,001
Total	8,89,19,072

Note No. H-20

Particulars	Year Ended 31st March, 2019 (₹)
Finance Costs	
Bank Charges	1,57,390
Interest On TDS	14,217
Interest On Security Deposits	1,96,273
Other Interest (CST Interest)	149
Total	3,68,029

Note No. H-21

Particulars	Year Ended 31st March, 2019 (₹)
Other Expenses	
Direct Expenses	
Freight On Purchases	8,10,424
Lab Testing Expenses	9,18,294
Lab Chemical Expenses	4,38,893
Packing Materials Expenses	34,40,596
Insurance on Purchase -Expense	2,254
Transporation Expense	1,16,04,686
Vat Expenses	359
GST Expenses	6,86,150
Power and Fuel Expenses	24,95,243
Factory Maintenance Expenses	10,49,277
Water Charges	1,15,541
Diesel Expense for Boiler	14,78,846
	2,30,40,564
Administrartive and General Expenses	
Audit and Consultancy Fees	5,00,000
Bad Debts Written Off	21,82,682
Clearing and Forwarding Charges	37,51,328
Computer Repairs and Maintenance Expenses	7,28,683
Professional Fess /Consultancy Charges	1,08,26,813
Cylinder Charges	3,79,961
Conferance Expenses	39,44,285
Commission Expenses	22,65,606
Diesel Expenses	1,74,041
Electricity Light Bill Expenses	14,43,021
Export Promotion Council - Membership Fees	10,000
Godown rent	76,80,231
Generator on Rent	25,000
Building Rent	9,36,000
Insurance Expenses	10,13,280
Legal Expense	1,56,751
Lodging and Boarding Expense	15,00,789
Membership Fees	11,800
Administrartive and General Expenses	
Municipal Tax	8,56,375
Office Equipment Maintenance	3,48,985
Office/ Factory Miscellaneous Expense	34,63,913
PF Fund Administration Charges	1,86,991
Post And Courier Charges	55,00,139
Printing and Stationery Expense	14,62,924
Product Approval Charges	3,73,200
Professional Tax	2,400
Security service charges	1,56,000
Service Charges	2,42,360
Shop Maintenance Expense	1,17,222
Software Subscription Exp	2,10,000
Telephone and Mobile Bill Expense	6,44,853
Trademark Expense	5,300
Travelling Expense	42,57,196
Website Renewal Charges	2,31,706

Charity and Donation Expense	19,32,000
GST Penalty	1,000
Vatav Kasar	13,44,506
	5,88,67,342
Selling and Distribution Expenses	
Advertisement Expense	1,33,02,285
Cash and Trade Discount	39,61,479
Commission on Sales	95,79,086
Freight on Sales	7,06,146
Promotional Expenses	1,01,94,019
Turnover Cash Discount	-
Sales Incentive	1,65,537
	3,79,08,551
Total	11,98,16,458

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2019

Amount in ₹

	Particulars	2018-19
A.	Cash Flow from Operating Activities	
	Net Profit Before Tax as per Statement of Profit and Loss	7,85,57,402
	Adjusted for :	-
	Exceptional Items	-
	Depreciation / Amortization and Depletion Expense	1,39,42,286
	Interest on Unsecured loan	1,96,273
	Interest on Term Loan	-
	Interest on Fixed Deposits	(1,40,15,516)
	Interest on GEB Deposits	(52,127)
	(Profit)/Loss on Sale/Discard of Assets	-
	Operating Profit before Working Capital Changes	7,86,28,318
	Adjusted for:	
	Trade Payables	(29,90,641)
	Provisions-Current Liabilities	(1,55,64,537)
	Borrowings - Current Liabilities	-
	Provisions - Non-Current	26,47,042
	Current Liabilities	21,24,493
	Trade Receivables	83,03,757
	Loans	1,39,94,883
	Inventories	(8,22,96,941)
	Other Current Assets	(1,40,97,568)
	Changes in Working Capital	(8,78,79,511)
	Cash Generated from Operations	(92,51,193)
	Taxes Paid	(2,32,19,700)
B.	Net Cash Flow from/(Used in) Operating Activities (A)	(3,24,70,893)
	Cash Flow from Investing Activities	
	Purchase of Intangible Assets	(1,51,72,461)
	Proceeds from disposal of Tangible Assets	-
	Decrease in Long Term Loans & Advances	1,45,478
	Interest on Fixed Deposits	1,40,15,516
	Interest on GEB Deposits	52,127
	Purchase of Tangible Assets	(1,60,65,855)
	Non-current Investments	10,52,75,770
C.	Net Cash Flow (Used in) Investing Activities (B)	8,82,50,574
	Cash Flow from Financing Activities	
	Proceeds from/(Repayment of) Long Term Borrowings	-
	Proceeds from Issue of Equity Share Capital	82,469
	Increase in Securities Premium Reserve	-
	Interest on Unsecured Loan	(1,96,273)
	Interest on Term Loan	-
	Dividend Paid	(5,26,30,056)
	Tax on Dividend	(1,07,14,242)
	Net Cash Flow from / (Used in) Financing Activities (C)	(6,34,58,102)
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(76,78,421)
	Opening Balance of Cash and Cash Equivalents	2,46,20,926
	Closing Balance of Cash and Cash Equivalents	1,69,42,505

As per our report of even date
For and on behalf of the Board

S. R. Somani & Co.
Chartered Accountants

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

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

CA. Lavkush Somani
Partner
M. No. 129473
Firm No. 110367W

Company Secretary
Ashvin Variya

Chief Financial Officer
Viral Mandviwala

Date : **30-05-2019**
Place : **Surat**

M-01 & M03

Property, plant and equipment

Particulars	Land	Buildings	Office Equipments	Furniture & Fixtures	Computers	Total	Capital Work-in-Progress
For Year Ended March 31, 2018							
Opening Gross Carrying Amount	85,93,108	1,46,30,510	41,72,341	38,20,717	53,35,202	3,65,51,878	1,50,00,142
Additions	-	1,22,68,503	15,98,665	28,05,965	11,91,283	1,78,64,416	14,59,127
Disposals	-	-	-	-	-	-	-
Capitalised /Transferred during the year							(1,60,98,597)
Closing Gross Carrying Amount as on 31.03.2018	85,93,108	2,68,99,013	57,71,006	66,26,682	65,26,485	5,44,16,294	3,60,672
Accumulated Depreciation							
Opening Accumulated Depreciation	-	44,05,933	20,20,244	31,79,883	42,62,372	1,38,68,432	-
Depreciation Charge during the year	-	2,90,635	2,95,512	1,25,507	4,32,501	11,44,156	-
Disposals	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	46,96,570	23,15,756	33,05,390	46,94,873	1,50,12,589	-
Net Carrying Amount As On 31.03.2018	85,93,108	2,22,02,443	34,55,250	33,21,292	18,31,612	3,94,03,705	3,60,672
For Year Ended March 31, 2019							
Opening Gross Carrying Amount	85,93,108	2,68,99,013	57,71,006	66,26,682	65,26,485	5,44,16,294	3,60,672
Additions	-	-	43,48,925	55,24,360	-	98,73,286	1,21,03,089
Disposals	-	-	-	-	-	-	-
Capitalised /Transferred during the year	-	-	-	-	-	-	98,73,286
Closing Gross Carrying Amount as on 31.03.2019	85,93,108	2,68,99,013	1,01,19,931	1,21,51,042	65,26,485	6,42,89,579	25,90,476
Accumulated Depreciation							
Opening Accumulated Depreciation	-	46,96,570	23,15,756	33,05,390	46,94,873	1,50,12,589	-
Depreciation Charge during the year	-	10,95,828	7,03,173	8,44,863	10,91,628	37,35,492	-
Disposals	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	57,92,398	30,18,929	41,50,253	57,86,501	1,87,48,081	-
Net Carrying Amount As On 31.03.2019	85,93,108	2,11,06,615	71,01,002	80,00,789	7,39,984	4,55,41,498	25,90,476

Intangible assets

Particulars	Brands/ Trademarks	Copyrights and Patents	Softwares	Others	Total	Intangible assets under development
For Year Ended March 31, 2018						
Opening Gross Carrying Amount	2,80,35,059	43,41,739	-	-	3,23,76,798	99,53,551
Additions	-	1,02,600	2,00,000	1,85,53,676	1,88,56,276	86,00,125
Disposals	-	-	-	-	-	-
Capitalised /Transferred during the year						1,85,53,676
Closing Gross Carrying Amount as on 31.03.2018	2,80,35,059	44,44,339	2,00,000	1,85,53,676	5,12,33,074	-
Accumulated Depreciation						
Opening Accumulated Depreciation	2,24,60,416	20,10,251	-	-	2,44,70,667	-
Depreciation Charge during the year	7,94,853	5,73,203	24,965	23,94,874	37,87,895	-
Disposals	-	-	-	-	-	-
Closing Accumulated Depreciation	2,32,55,269	25,83,454	24,965	23,94,874	2,82,58,562	-
Net Carrying Amount As On 31.03.2018	47,79,790	18,60,885	1,75,035	1,61,58,802	2,29,74,512	-
For Year Ended March 31, 2019						
Opening Gross Carrying Amount	2,80,35,059	44,44,339	2,00,000	1,85,53,676	5,12,33,074	-
Additions	4,15,761	9,52,967	8,70,400	-	22,39,128	1,29,33,333
Disposals	-	-	-	-	-	-
Capitalised /Transferred during the year	-	-	-	-	-	-
Closing Gross Carrying Amount as on 31.03.2019	2,84,50,820	53,97,306	10,70,400	1,85,53,676	5,34,72,203	1,29,33,333
Accumulated Depreciation						
Opening Accumulated Depreciation	2,32,55,269	25,83,454	24,965	23,94,874	2,82,58,562	-
Depreciation Charge during the year	14,04,749	6,72,784	1,28,607	41,82,957	63,89,097	-
Disposals	-	-	-	-	-	-
Closing Accumulated Depreciation	2,46,60,018	32,56,238	1,53,572	65,77,831	3,46,47,659	-
Net Carrying Amount As On 31.03.2019	37,90,802	21,41,068	9,16,828	1,19,75,845	1,88,24,544	1,29,33,333

Property, plant and equipment

Particulars	Land	Factory & Buildings	Plant & Equipments	Furniture & Fixtures	Electric Accessories	Office Equipment	Computer	Total	Capital work-in-progress
For Year Ended March 31, 2018									
Opening Gross Carrying Amount	73,50,000	1,34,99,530	5,01,20,510	34,47,100	37,60,230	11,71,491	15,13,212	8,08,62,072	-
Additions	-	-	9,05,155	1,33,144	-	-	3,500	10,41,799	-
Disposals	-	-	-	-	-	-	-	-	-
Capitalised /Transferred during the year									-
Closing Gross Carrying Amount as on 31.03.2018	73,50,000	1,34,99,530	5,10,25,665	35,80,244	37,60,230	11,71,491	15,16,712	8,19,03,871	-
Accumulated Depreciation									-
Opening Accumulated Depreciation	-	48,85,540	3,16,55,012	26,12,333	24,42,951	11,47,456	14,82,922	4,42,26,214	-
Depreciation Charge during the year	-	3,96,281	35,25,827	2,39,603	2,51,067	3,368	17,759	44,33,905	-
Disposals	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	52,81,821	3,51,80,839	28,51,936	26,94,018	11,50,824	15,00,681	4,86,60,119	-
Net Carrying Amount As On 31.03.2018	73,50,000	82,17,709	1,58,44,826	7,28,308	10,66,212	20,667	16,031	3,32,43,752	-
For Year Ended March 31, 2019									
Opening Gross Carrying Amount	73,50,000	1,34,99,530	5,10,25,665	35,80,244	37,60,230	11,71,491	15,16,712	8,19,03,871	-
Additions	-	7,01,933	22,85,960	8,68,349	18,398	-	88,126	39,62,766	39,62,766
Disposals	-	-	-	-	-	-	-	-	Nil
Capitalised /Transferred during the year	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount as on 31.03.2019	73,50,000	1,42,01,463	5,33,11,625	44,48,593	37,78,628	11,71,491	16,04,838	8,58,66,637	39,62,766
Accumulated Depreciation									-
Opening Accumulated Depreciation	-	52,81,821	3,51,80,839	28,51,936	26,94,018	11,50,824	15,00,681	4,86,60,119	-
Depreciation Charge during the year	-	3,78,050	30,09,837	2,02,662	2,03,207	13,723	10,218	38,17,697	-
Disposals	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	56,59,871	3,81,90,676	30,54,598	28,97,225	11,64,547	15,10,899	5,24,77,816	-
Net Carrying Amount As On 31.03.2019	73,50,000	85,41,592	1,51,20,949	13,93,995	8,81,403	6,944	93,939	3,33,88,821	-

Note No. H-22 Other Disclosures

1 Dividend

Particulars	31st March, 2019
Equity shares: Final dividend for the year ended March 31, 2019 - ₹ 1/- (March 31, 2018 - ₹ 3/-) per fully paid up Equity Share	1,75,43,352

2 Earnings Per Share

Particulars	2018-19
Profit for the year (Rupees)	5,54,84,130
Weighted Average No. of Equity Shares	1,75,43,352
Nominal value per share (Rupees)	10
Basic and Diluted Earnings per equity share of face value of ₹ 10 each	3.16

3 Related Party Disclosures

Sr. No.	Name	Relation	Amount (₹)	PAN	Nature of Transaction
1	Jatin A. Zota	Director Relatives	5,40,000	AACPZ8768Q	Salary
2	Niral M. Zota	Director Relatives	5,40,000	AABPZ1960H	Salary
3	Viren M. Zota	Director Relatives	5,40,000	AAEPZ7934J	Salary
4	Himanshu M. Zota	Director	6,75,500	AABPZ1961G	Commission
5	Kamlesh R. Zota	Director	6,75,500	AABPZ9457F	Commission
6	Manukant C. Zota	Director	6,75,500	AAAPZ7965K	Commission
7	Moxesh K. Zota	Director	6,75,500	AANPZ1370P	Commission
8	Jatin A. Zota	Director Relatives	10,60,000	AACPZ8768Q	Commission
9	Niral M. Zota	Director Relatives	10,60,000	AABPZ1960H	Commission
10	Viren M. Zota	Director Relatives	10,60,000	AAEPZ7934J	Commission
11	Himanshu M. Zota	Director	15,00,000	AABPZ1961G	Remuneration
12	Kamlesh R. Zota	Director	15,00,000	AABPZ9457F	Remuneration
13	Manukant C. Zota	Director	15,00,000	AAAPZ7965K	Remuneration
14	Moxesh K. Zota	Director	15,00,000	AANPZ1370P	Remuneration
15	Zota Jewel	Relative of Marketing Manager (Mr. Jatin Zota)	79,000	AAEPZ7563K	Promotional Expenses
16	Ashvin Bhagavanbhai Variya	Company Secretary	6,40,683	AQEPV4861E	Salary
17	Viral A. Mandviwala	CFO	5,93,926	AAAPZ7965K	Salary
18	Heli Ritesh Shah	Director Relatives	41,645	AAIPZ0123H	Salary
19	Mr. Egbunike Okechukwu Abel	Director in Company's WOS, Zota Healthcare Nig. Ltd (Incorporation of the same is under process)	1,29,235	Foreign resident, No PAN Available	Salary

4 Deferred Tax

Particulars	Amount (₹)
WDV As Per Companies Act.	11,32,78,672
WDV As Per Income Tax Act.	10,91,57,456
Difference in C/B of FA	41,21,216
Deferred Tax Liabilities Tax Rate@ 27.82%	11,46,522
Opening Liability	15,49,371
Closing Liability	11,46,522
Provided during the year	(4,02,849)

5 Fair value measurements

Financial instruments by category

Financial instruments by category	March 31, 2019		
	FVTPL	FVTOCI	Amortised cost
Financial assets			
Investments	-	-	15,61,16,120
Trade Receivables	-	-	22,09,64,038
Cash and Cash Equivalents	-	-	1,69,42,506
Other Financial Assets	-	-	3,43,80,949
Total financial assets	-	-	42,84,03,612
Financial liabilities			
Borrowings	-	-	-
Trade Payable	-	-	16,16,83,686
Other Financial Liabilities	-	-	-
Total financial liabilities	-	-	16,16,83,686

Fair value of financial assets and financial liabilities measured at amortised cost.	March 31, 2019	
	Carrying value	Fair value
Financial assets at amortised cost		
Fixed deposits	15,59,18,720	15,59,18,720
Financial assets at FVTPL		
Investments in equity instruments (unquoted)*	100	100
Zota Healthcare Nig. Ltd.	1,97,300	1,97,300

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 2018-19
Discount Rate (per annum)	7.70%
Expected Rate of Return	
Salary Escalation rate	9.00%
Retirement Age	60
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate
Employees attrition rate	5% at younger ages and reducing to 1% at older ages according to graduated scale

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:

Particulars	2018-19 Gratuity Amount in ₹
Liability at the beginning of the period	49,17,913
Interest Cost	3,78,680
Current Service Cost	17,38,473
Employees Contribution	-
Interest Guarantee	-
Benefits Paid	-
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	9,21,714
Liability at the end of the year	79,56,780

ii) Amount Recognised in the Balance Sheet

Particulars	2018-19 Gratuity Amount in ₹
Present Value of Benefit Obligation on 31-3-2019	79,56,780
Fair Value of Plan Assets on 31-3-2019	-
Net Liability / (Asset) recognised in Balance Sheet	79,56,780

iii) Expenses Recognised in the Income Statement

Particulars	2018-19 Gratuity Amount in ₹
Current Service Cost	17,38,473
Interest Cost on benefit obligation (net)	3,78,680
Past Service Cost	-
Expected Contribution	-
Gain / Losses on Curtailment and Settlement	-
Net Effect of Change in Foreign Exchange Rates	-
Expenses Recognised	21,17,153

iv) Expenses Recognised in Other Comprehensive Income (OCI) for current Period

Particulars	2018-19 Gratuity Amount in ₹
Actuarial changes arising from changes in financial assumptions	-
Actuarial changes arising from changes in demographic adjustments	-
Actuarial changes arising from changes in experience adjustments	9,21,714
Net (Income) / Expense for period	9,21,714

v) Maturity profile of defined benefit obligations

Projected Benefits Payable in Future Years From the Date of Reporting	31-03-2019 Amount in ₹
1st Following Year	3,91,825
2nd Following Year	2,09,648
3rd Following Year	2,02,415
4th Following Year	2,13,281
5th Following Year	2,63,258
6 to 10 years	26,04,493

vi) Sensitivity Analysis Gratuity Plan

Particulars	2018-19 Gratuity Amount in ₹
Projected Benefit Obligation on Current Assumptions	79,56,780
Delta Effect of +1% Change in Rate of Discounting	69,34,533
Delta Effect of -1% Change in Rate of Discounting	92,11,734
Delta Effect of +1% Change in Rate of Salary Increase	91,82,697
Delta Effect of -1% Change in Rate of Salary Increase	69,37,100
Delta Effect of +1% Change in Rate of Employee Turnover	78,95,332
Delta Effect of -1% Change in Rate of Employee Turnover	80,23,515

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. All known liabilities have been provided for in the books of accounts for the year under report.
8. Balances of depositors, sundry debtors, creditors and loans and advances are subject to confirmation and reconciliation.
9. The quantity and value of closing stock is certified by the management as true and correct.
10. Previous year's figures have been regrouped / recast wherever necessary to conform to current interim period's presentation.
11. 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:

Particulars	31st March, 2019 (₹)
Principal amount remaining unpaid	20,44,021
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	-

Note: i As at 31st March, 2018; the Company was not in a position to identify the amount of balances due to small-scale industrial (SSI) undertakings in absence of sufficient information from suppliers regarding their status as SSI undertakings.

12 Auditor's remuneration and expenses charged to profit and loss account are as under:

Particulars	31st March, 2019
As Auditors	5,00,000
In other capacities	-
Total	5,00,000

13 Managerial remuneration to directors charged to profit and loss account are as under:

Particulars	31st March, 2019
Director's Remuneration	87,02,000
Total	87,02,000

14 Value of Imports on CIF Basis :

Particulars	31st March, 2019
Import from SEZ unit (India)	-
Total	-

15 Value of Export on FOB Basis :

Particulars	31st March, 2019
Merchant Export by SEZ Unit	6,05,97,764
Export by SEZ Unit	12,01,74,971
Total	18,07,72,735

16 Expenditure in Foreign Currency

Particulars	31st March, 2019
Registration Charges	1,40,43,259
Professional & Consultancy fees	1,79,519
Total	1,42,22,778

17 Earning in Foreign Exchange at FOB value

Particulars	31st March, 2019
Earning	12,01,74,971
Total	12,01,74,971

Signatures to Notes 1 to 22

For and on behalf of the Board

S. R. Somani & Co.
Chartered Accountants

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

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

CA. Lavkush Somani
Partner
M. No. 129473
Firm No. 110367W

Company Secretary
Ashvin Variya

Chief Financial Officer
Viral Mandviwala

Date : **30-05-2019**
Place : **Surat**



Zota Healthcare Limited

CIN: L24231GJ2000PLC038352

Registered office : Zota House, 2/896, Hira Modi Street, Sagrampura, Surat-395002, Gujarat

Email: info@zotahealthcare.com

Website : www.zotahealthcare.com

Ph : +91-261-2331601

Tele Fax : 0261-2346415

ATTENDANCESLIP

Name of Member (s) : _____

Registered Address : _____

Folio No. : _____

*DP ID/ Client ID : _____

Number of Shares : _____

* Applicable to holders holding shares in demat/electronic form

I hereby record my attendance at Annual General Meeting of the Company held on Saturday, the 21st day of September, 2019 at 11:00 a.m. at The Southern Gujarat Chamber of Commerce & Industry, 1st floor, 'Samruddhi Hall', Makkai Pool, Nanpura, Surat – 395001, Gujarat

Shareholders Signature

Note:

1. Please fill this attendance slip and hand it over at the entrance of the Meeting Hall.
2. Members signature should be in accordance with the specimen signature in the Register of Members of the Company.

E-VOTING PARTICULARS

EVSN (E-VOTING SEQUENCE NUMBER)	USER ID	PAN/SEQUENCE NUMBER	DOB/DIVIDEND BANK DETAIL
190822057	Enter Folio No. or DP/Client ID	Refer e-voting instruction	Refer e-voting instruction



Zota Healthcare Limited

CIN: L24231GJ2000PLC038352

Registered office : Zota House, 2/896, Hira Modi Street, Sagrapura, Surat-395002, Gujarat

Email: info@zotahealthcare.com

Website : www.zotahealthcare.com

Ph : +91-261-2331601

Tele Fax : 0261-2346415

FORMMGT-11 PROXYFORM

[Pursuant to section 105(6) if the Companies Act, 2013 and rule 19(3) if the Companies (Management and Administration Rules, 2014)]

Name of Member (s) : _____

Registered Address : _____

E-mail Id : _____

Folio No. : _____

*DP ID/ Client ID : _____

*Applicable for holders holding shares in demat/ electronic mode

I/We, being the member(s) of _____ shares of the above named company, hereby appoint

1. Name: _____ Address: _____

E-mail ID: _____ Signature: _____ Or failing him

2. Name: _____ Address: _____

E-mail ID: _____ Signature: _____ Or failing him

3. Name: _____ Address: _____

E-mail ID: _____ Signature: _____

As my/our proxy to attend and vote (on a poll) for me/ us and my/our behalf at the 19th Annual General Meeting of the Company, to be held on Saturday, the 21st day of September, 2019 at 11:00 a.m. at The Southern Gujarat Chamber of Commerce & Industry, 1st floor, 'Samruddhi Hall', Makkai Pool, Nanpura, Surat – 395001, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr.No.	Resolution	For	Against
	Ordinary Resolution		
1	Adoption of Annual Accounts, Auditor's & Director's Report		
2	Declaration of Dividend @ 10%		
3	Re-appointment of Mr. Ketankumar Chandula Zota, as a director, retire by rotation		
4	Appointment of M/s Shivangi Parekh & Co., Chartered Accountant, as a statutory auditor		

	Special Resolution		
5	Appointment of Mrs. Bhumi Maulik Doshi, as an Independent Non-Executive Director of the Company		
6	Appointment of Mr. Vitrag Sureshkumar Modi, as an Independent Non-Executive Director of the Company		
7	Re-appointment of Mr. Kamlesh Rajnikat Zota, as a Whole-time Director of the Company		
8	Re-appointment of Mr. Himanshu Muktilal Zota, as a Whole-time Director of the Company		
9	Re-appointment of Mr. Manukant Chandulal Zota, as a Whole-time Director of the Company		
10	Appointment of Mr. Dhiren Prafulbhai Shah, as an Independent Non-Executive Director of the Company		
11	Appointment of Mrs. Jayshreeben Nileshkumar Mehta, as an Independent Non-Executive Director of the Company		
12	Approve Related Party Transactions		

Affix Re. 1
Revenue Stamp

Shareholders Signature

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

The instructions for shareholders voting electronically are as under:

- (i) The e-voting period begins on Wednesday, September 18, 2019 at 09.30 a.m. (IST) and ends on Friday, September 20, 2019 at 5.00 p.m. (IST). During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, September 13, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The Shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field. Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN of ZOTA HEALTH CARE LIMITED on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the changed login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

[illegible]

NOTES

[illegible]



