

June 14, 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: Monthly Business Update for the month of May, 2019

Ref: Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the captioned subject we, Zota Health Care Limited (the "Company") are hereby submitting Monthly Business Update for the month of May, 2019.

Kindly take the same on your record.

Thanking you,

Yours faithfully,

For Zota Health Care Limited



Ashvin Variya

Company Secretary & Compliance Officer

Place: Surat



Encl: a/a

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MONTHLY BUSINESS UPDATE



May 2019

From the Chairman's Desk

Dear shareholders and members of the investor community,

We are delighted to introduce Zota Health Care Limited's Investors Newsletter. The newsletter will provide you with an update on company's strategy, information about the progress and some recent developments. We intend to make it a regular publication for better communication with our shareholders. This document will also provide you regular updates of our retail pharmacy operations

Business Overview:

Zota Health Care is a Gujarat based pharmaceutical company primarily engaged in the business of marketing and manufacturing generic drugs, OTC products and prescription drugs. The product portfolio consists of 3000+ products including antibiotics, anti-malarials, analgesic, cardiovascular products, skin care products, nutraceutical products and ayurvedic products.

While marketing and manufacturing constitutes most of the business, the most recent project of low-cost generic pharmacy store under the brand name of DAVAINDIA, is the first step towards diversifying further.

The business can now be classified into 3 parts.

- 1) Marketing
- 2) Export
- 3) Retail Pharmacy Chain

Marketing:

Since its inception the company has been involved in marketing of drugs and OTC products under its brand name. This segment has always driven the company revenues single handedly and contributed around 72% to the top-line in 2019 as well. Almost all the sales in this segment are domestic. The process involves procuring finished dosages from formulation manufacturers and then marketing them under our brand names. We have 1000+ distributors spread across the country.

What will drive the performance?

The performance of the segment will depend on our ability to create ZHCL into a superior brand by undertaking various measures towards brand building. This will help us in adding more distributors and have higher penetration in existing markets.

Export:

The company manufactures around 250 finished dosage formulations (fdf) based

out of the factory in Surat (SEZ). Under the rules pertaining to SEZ the company can only export the fdf's manufactured in this plant. This segment contributed around 21% to the topline in 2019. The company has product approvals for exports in more than 22 countries with major exposure to African, Asian and CIS markets

What will drive the performance ?

The company is focusing on getting more product approvals in the already existing geographies and also trying to enter into new markets. With the manufacturing unit still operating at 25-30% capacity utilisation, there is a huge opportunity to grow without any capex requirement.

Retail Pharmacy Chain:

Davaindia is the most recent and aggressive project undertaken by ZHCL. Davaindia is a retail pharmacy chain selling generic medicines at a substantial markdown to other branded medicines. The company commenced the first store in October 2017 and since then it has rolled out 127 stores and contributed around 7% to the topline in 2019.

DAVAINDIA: Operational Model



Retail generic pharmacy chain:

Selling medicines at 30-90% discount



Product portfolio of 1,215+ SKUs:

With 70% Medicinal and 30% Ayurvedic, Cosmetic & OTC products



Franchise model:

Franchisees to get 1km radius



Promotion:

Zota will do all the promotion expenses



Tools:

Mobile App & AI based tools to update customer



Supply:

Supply chain shall exclusively be managed by DAVAINDIA



Cloud based dedicated software

for Retailer which reflect real time Data to the Company

Management Commentary.

In the meeting held on 10th May, 2019, the Board of Directors of the company have approved the migration of the company from SME platform to the main board of NSE.

Current Scale of Operations: DAVAINDIA

127

stores opened

73,850

number of customers served during the month of May, 2019

Rs. 124/-

Average wallet spends during the month of May, 2019

‘1,215+’

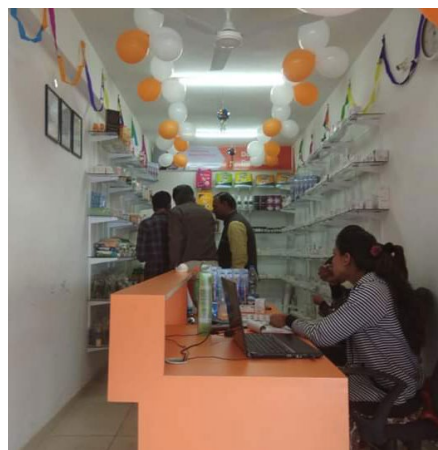
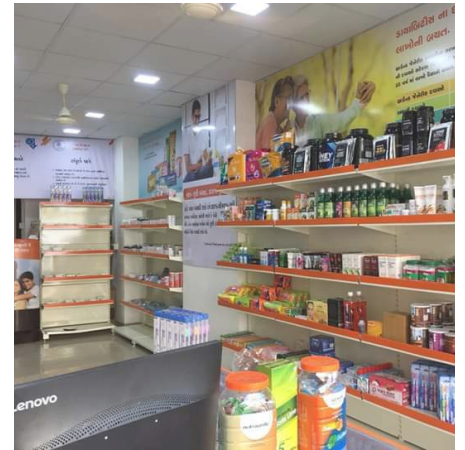
SKUs in product portfolio

‘38’

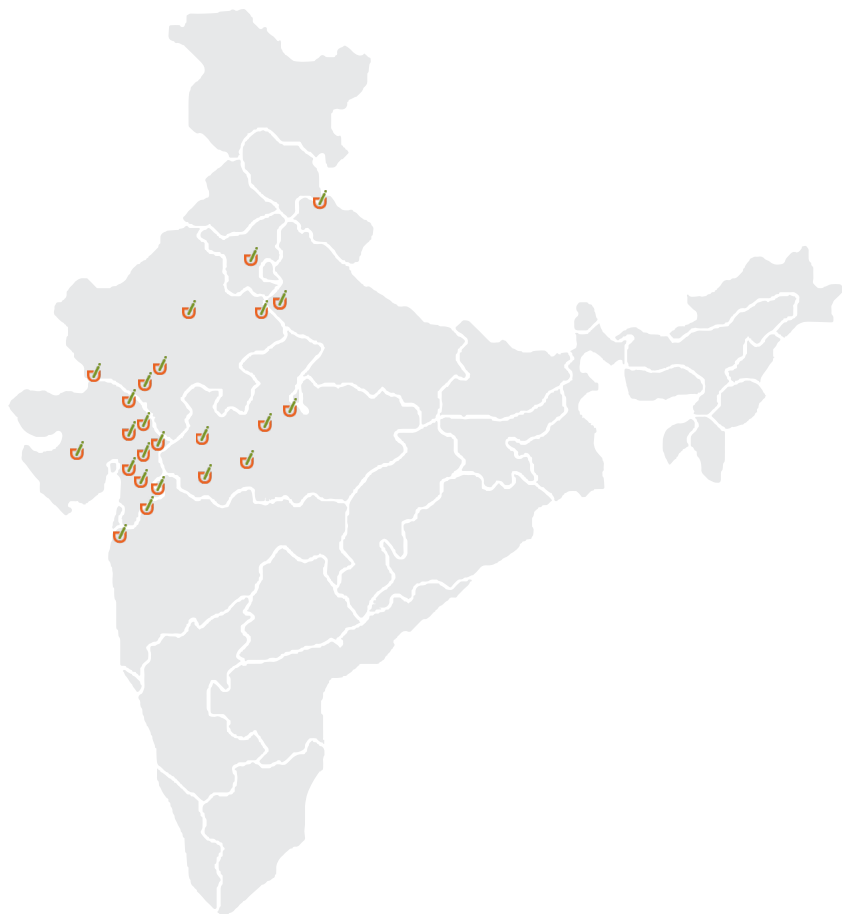
agreements signed, execution of the same are in under process and the same shall be opened soon

Major presence in:

Ahmedabad, Surat, Rajkot, Vadodara, Indore, Pune, Mumbai Jaipur and many more.



Our Presence: DAVAINDIA



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Disclaimer

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This presentation has been prepared on the basis of information and data available with the Company consider reliable. This presentation may not contain all the information that you may consider material. Any liability in respect of the content of or any omission from this presentation is expressly excluded.

Stakeholders are advised to compare the data provided in the presentation with the full financial results available on the website of the Company as well as on website of NSE Emerge.

This presentation contains "forward looking statement", including "future oriented financial information" and "financial outlook". This forward looking statement is based on management's current expectations and belief, and subject to uncertainty. Actual result may be vary from the material facts contained in this presentation due to changes in government policies, regulations, economics reforms, natural calamities, competition, technology, etc. Company is not under obligation to inform any update or alter in forward looking statement, whether as a result of any new information or future events

City	Opened Stores
Surat	16
Navsari	03
Kheda	02
Vadodra	03
Rajkot	13
Ahmedabad	12
Gandhi Nagar	04
Mehsana	04
Sabarkantha	03
Banaskantha	01
Indore	17
Jabalpur	03
Nagpur	06
Pune	12
Haryana	02
Firozabad	01
Jaipur	01
MP-Sagar	02
Vapi	03
Bharuch	01
Chikli	01
Bilimora	01
Ghaziabad	01
Dehradun	02
Mumbai	01
Bhopal	02
MP-Guna	01
Lucknow	01
MP- Dhar	01
Godhra	01
Latur	01
Gwalior	02
Valsad	01
Himmatnagar	01
Khandwa	01
Total	127