

October 27, 2023

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

Dear Sir/ Madam,

**Trading Symbol: ZOTA**

**Sub: Execution of Memorandum of Understanding for Acquisition of 56% stakes of the EVERYDAY HERBAL GROUP affiliated by license of Khadi and Village Industrial Commission, Government of India**

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

With reference to the captioned subject, we would like to inform you that **as a part of backward integration strategy** Zota Health Care Limited (the “Company”) has entered into a Memorandum of Understanding (“MOU”) with **EVERYDAY HERBAL BEAUTY CARE**, a Proprietorship Firm solely owned and run by Mr. Rajesh Kubadiya having REGP license granted by Khadi and Village Industrial Commission, Government of India, and **EVERYDAY HEALTH AND BEAUTY CARE**, a Proprietorship Firm solely owned and run by Ms. Ankita Arvind Kubadiya, having PMEGP license granted by Khadi and Village Industrial Commission, Government of India (hereinafter referred to as “**EVERYDAY HERBAL GROUP**”), the major terms & conditions of MOU amongst others includes:

- Formation of 2 (two) new subsidiary companies of the Company.
- The company shall acquire 56% stake in both newly incorporated companies, resulting both newly incorporated companies shall be subsidiaries of the Company.
- Transfer of the existing business of EVERYDAY HERBAL GROUP including but not limited to research and development, manufacturing, distribution, marketing and selling of herbal, ayurvedic, organic, cosmetics and FMCG products manufactured under ‘KHADI’ mark or logo with valid and approved REGP & PMEGP license granted by Khadi and Village Industrial Commission, Government of India into new companies.
- Transfer of all existing stocks, furniture & fixtures, open industrial land, other tangible and intangible assets including the existing manufacturing plant situated at Industrial Plot No.2, Survey No. 272 part, Opp. Railway Station, National Highway No. 8A, Samkhiyali, Tal: Bhachau, Kutch of EVERYDAY HERBAL GROUP to both newly incorporated subsidiaries.
- Transfer of existing licenses issued by Khadi and Village Industrial Commission in both newly incorporated subsidiaries respectively.

The details required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015 is annexed herewith as **Annexure-I**.

**Registered Office:**

Zota House, 2/896, Hira Modi Street,  
Sagrampura, Surat-395002 Ph: +91 261 2331601  
Email: [info@zotahealthcare.com](mailto:info@zotahealthcare.com)  
Web: [www.zotahealthcare.com](http://www.zotahealthcare.com)  
CIN: L24231GJ2000PLC038352

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

## Annexure – I

Particulars	Details
Name of the target entity, details in brief such as size, turnover etc	<p><b>EVERYDAY HERBAL BEAUTY CARE</b>, a Proprietorship Firm solely owned and run by Mr. Rajesh Kubadiya having REGP license granted by Khadi and Village Industrial Commission, Government of India, and <b>EVERYDAY HEALTH AND BEAUTY CARE</b>, a Proprietorship Firm solely owned and run by Ms. Ankita Arvind Kubadiya, having PMEGP license granted by Khadi and Village Industrial Commission, Government of India.</p> <p>Turnover of Group: Rs. 17.72 crore during FY 2022-23.</p> <p>Entire businesses of aforementioned both the entities will be transferred into the two new companies which will be subsidiaries of the Company.</p>
Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”	The subsidiary company(ies) once incorporated will be related party of the Company.
Industry to which the entity being acquired belongs	Personal care
Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	The proposed companies will be engaged in business of research and development, manufacturing, distribution, marketing and selling of herbal, ayurvedic, organic, cosmetics and FMCG products is manufactured under ‘KHADI’ mark or logo with valid and approved REGP and PMEGP license granted by Khadi and Village Industrial Commission, Government of India.
Brief details of any governmental or regulatory approvals required for the acquisition	N.A.
Indicative time period for completion of the acquisition	N.A.
Nature of consideration - whether cash consideration or share swap and details of the same;	Cash consideration by way of acquisition of Equity Shares
Cost of acquisition or the price at which the shares are acquired	N.A.
Percentage of shareholding / control acquired and / or number of shares acquired	The company shall acquire 56% of paid up share capital of both newly incorporated companies.
Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<p>EVERYDAY HERBAL GROUP is engaged in the business of research and development, manufacturing, distribution, marketing and selling of herbal, ayurvedic, organic, cosmetics and FMCG products since 2004 and manufacturing products under ‘KHADI’ mark or logo with valid and approved REGP &amp; PMEGP licenses granted by Khadi and Village Industrial Commission, Government of India. The Group has a presence in India only. During last three financial year the turnover of the Group was as follows:</p> <p>FY 2022-23 Rs. 17.72 crore  FY 2021-22 Rs. 11.51 crore  FY 2020-21 Rs. 9.82 crore</p>