



Zenith Healthcare Limited

26th
Annual Report

2019-2020

Zenith Healthcare Limited

TWENTY SIX ANNUAL GENERAL MEETING PROGRAMME

DATE : 29th SEPTEMBER, 2020
DAY : Tuesday
TIME : 10.30 A.M. to 12.30 P.M.

AGM THROUGH VC/ OAVM
EVEN OF COMAPNAY : 113459
<https://www.evoting.nsdl.com>
INSTRUCTION FOR REMOTE
EVOTING AND e-voting on PAGE 6, 7, & 8

NOTE TO SHAREHOLDERS:

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting Shareholders are requested to kindly bring their copy at the meetings.

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- (1) Board of Directors and Other Information
- (2) Notice
- (3) Board Report
- (4) Management Discussion & Analysis
- (5) Auditors' Report
- (6) Balance Sheet
- (7) Profit & Loss Account
- (8) Cash Flow Statement pursuant to Clause 32 of the Listing Agreement
- (9) Notes forming part of the Financial Statement
- (10) Schedules to the Balance Sheet & Profit and Loss Account with others Disclosers.

BOARD OF DIRECTORS

Shri Mahendra C. Raycha	Chairman & Managing Director
Shri Akshit Raycha	Joint Managing Director
Smt. Neela Raycha	Non Executive Director
Shri Atul Thakker	Non Executive Director
Shri Gaurang Vora	Independent Director
Shri Tejas Thakker	Independent Director
Shri Rajesh Thakker	Independent Director

COMPANY SECRETARY /COMPANY LAW CONSULTANT

Shri Mihir S. Shah	M/s. Kamlesh M. Shah & Co.,
174, Sunset Row	Practicing Company, Secretaries,
House, Opp. Navneet	801-A, Mahalay Complex,
Press, Gurukul Road,	C.G. Road, Navarangpura,
Ahmedabad- 380052	Ahmedabad – 380 009

BANKERS OF THE COMPANY

Punjab National Bank
State Bank of India
Union Bank of India
HDFC Bank Ltd.

STATUTORY AUDITORS

M/s. A R Pandhi & Associates
Chartered Accountants
Ahmedabad

INTERNAL AUDITORS

M/s. Tejas Somaiya & Associates.
Chartered Accountants
Ahmedabad

REGISTERED AND CORPORATE OFFICE

504, Iscon Elegance, Near Ananddham Jain Derasar,
Prahladnagar Cross Road, S. G. Road, Ahmedabad-380051.

REGISTRAR & SHARE TRANSFER AGENT

BIGSHARE SERVICES PVT. LTD.
1ST FLOOR, BHARAT TIN WORKS BUILDING,
OPP. VASANT OASIS, MAKWANA ROAD,
MAROL, ANDHERI (E), MUMBAI - 400 054

WORKS

388/34, Changodar Industrial Estate,
Sarkhej - Bavla Highway,
Changodar - 382 210

LISTING AT

Bombay Stock Exchange Ltd.

25th floor,
P.J. Towers,
Dalal Street, Fort,
Mumbai - 400 001

NOTICE

NOTICE is hereby given to the Members of Zenith Healthcare Limited that **26th** Annual General Meeting of the Members of the Company will be held on Tuesday, the 29th September, 2020 at 10.30 A.M. through video conferencing or other audio visual mode to transact the following business.

ORDINARY BUSINESS:

- (1) To receive, consider, approve and adopt the Financial Statement of Accounts including Audited Balance Sheet as at 31/3/2020 and the statement of Profit & Loss for the year ended on that date and the Report of the Board of Directors and Auditors thereon.
- (2) To appoint a Director in place of Mrs. Neela M. Raycha (DIN: 01258479), who retires by rotation and being eligible offers herself for re-appointment.
- (3) To Ratify an appointment of Messrs. A.R. Pandhi & Associates, Chartered Accountants (Firm Regn. No. 118057W), as a Statutory Auditor of the Company, who was appointed from the conclusion of the 25th Annual General Meeting of the Company until the conclusion of the 30th Annual General Meeting of the Company and to authorize the Board of Directors of the Company to fix their remuneration.

“RESOLVED THAT, in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013, or any amendment thereto or modification thereof, the ratification of re-appointment of Messrs. A.R. Pandhi & Associates, Chartered Accountants (Registration No. 118057W), as the Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting be and is hereby ratified.

“RESOLVED FURTHER THAT the Board of directors of the Company (including its Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be considered necessary, proper or expedient to give effect to this resolution.”

SPECIAL BUSINESS:

- (4) **To approve the re-appointment of Mr. Mahendra C. Raycha (DIN : 00577647) as a Managing Director of the Company**

To consider and if thought fit, to pass with or without modifications, the following Resolution as a Special Resolution:

RESOLVED that pursuant to provisions of Sections 196,197, 198 and 203 and all other applicable provisions, if any, of the Companies Act, 2013, (“the Act”) read with Schedule V to the Act and the Rules framed thereunder (including any statutory modification or re-enactment thereof, for the time being in force) and subject to such other consents and approvals, sanctions and permissions as may be necessary and subject to such modifications, variations as may be approved and acceptable to the appointee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Mahendra C. Raycha (DIN: 00577647) as a Managing Director of the Company for a period of 3 years with effect from April 01, 2020 with remuneration and other terms and conditions as mentioned below:

- a) Basic Salary of Rs.2,00,000/- per month and annual increments as may be decided by the Board of Directors.
- b) Commission as may be decided by the Board of Directors as at the end of the financial year in accordance with the provisions of the Act.
- c) Variable pay as per policy of the Company.
- d) Perquisites
 - i. Housing: the Company will provide residential accommodation with water, electricity, or pay House Rent Allowance as per its policy.

- ii. Furnishing: the Company will provide furniture and fixtures as per its policy.
 - iii. Medical reimbursement: the Company will reimburse medical expenses incurred as per its policy.
 - iv. Leave travel assistance: the Company will provide leave travel assistance for self and family once in a year as per its policy.
 - v. Personal accident insurance | Medical insurance: the Company will provide personal accident insurance and medical insurance as per its policy.
 - vi. Car: the Company will provide a car at its entire cost as per its policy.
 - vii. Car driver wages | Fuel | Maintenance: the Company will reimburse for car driver wages, fuel and maintenance as per its policy.
 - viii. Communication devices: the Company will provide a landline telephone at his residence and mobile telephone as per its policy.
- e) Retirals
- i. The Company will contribute towards Provident Fund and Superannuation Fund as per its policy.
 - ii. The Company will pay Gratuity as per its policy. The period worked under this contract will be in continuum of the service already considered under the policy.
 - ii. The Company will allow encashment of leaves | grant leaves as per its policy.

RESOLVED FURTHER that Mr. Mahendra C. Raycha shall be eligible for annual increment on salary not exceeding 20% of the then prevailing salary and performance incentive/ bonus, if recommended/ approved by the Nomination & Remuneration Committee/ Board of Directors.

RESOLVED FURTHER that the Board of Directors and the Nomination & Remuneration Committee of the Company and the Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things necessary to carry on the terms of this resolution.

Dated: August 28, 2020

Registered Office :

504, Iscon Elegance,
Nr. Ananddham Jain Derasar,
Prahladnagar Cross Road,
S.G. Road,
Ahmedabad – 380 015
CIN No. : L2431GJ1994PLC023574
Tel. No. : (91 079) 66168889/90/40095550
Fax No. : (91 079) 66168891
Email : mahendrazenith@hotmail.com
Website : www.zenithhealthcare.com

By Order of the Board
For, Zenith Healthcare Ltd

Sd/-
Mihir Satishkumar Shah,
Company Secretary

NOTES:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meeting of the company shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/ 2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/ OAVM.
2. An Explanatory statement pursuant to Section 102(1) of the Act, relating to Special Business to be transacted at the AGM is annexed hereto.
3. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meeting issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
4. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday September 23, 2020 to Tuesday, September 29, 2020** (both days inclusive).
5. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
6. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility to exercise their right to Vote on resolution purpose to be passed at the AGM by electronic means (e-voting). Members may cast their votes remotely, using an electronic voting system on the dates mentioned in this communication ('remote-evoting') will be provided by NSDL.
8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to members.
9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
10. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e- voting.
11. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.zenithhealthcare.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility during pre AGM and e-voting system during the AGM) i.e. www.evoting.nsdl.com.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every Member as part of their KYC. Members holding shares in electronic form are, accordingly, requested to submit their PAN to the Depository Participants with whom they maintain their Demat accounts. Members holding shares in physical form are requested to submit their PAN to the Company's Registrar and Share Transfer Agent, BIGSHARES SERVICES PVT. LTD.

13. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

14. Members holding shares in physical mode and who have not registered/updated their email address and mobile number with the Company are requested to register/update the same writing to the Company with details of folio number and attaching a self-attested copy of PAN card to the Company's Registrar Share Transfer Agent Bigshare Services Pvt. Ltd.

Members holding shares in dematerialized mode are requested to register/update their email address and mobile number with the respective Depository Participant(s).

15. The Annual Report 2019-20 of the Company circulated to the Members of the Company, will be made available on the Company's website at www.zenithhealthcare.com and also on the website of the Bombay Stock Exchange at www.bseindia.com.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on September 26, 2020 at 10:00 A.M. and ends on September 28, 2020 at 5:00 P.M. The remote e-voting will not be allowed after the aforesaid date and time and the remote e-voting module shall be disable by NSDL after expiry of the aforesaid period.

Weblink to access remote e-voting URL: <https://www.evoting.nsdl.com/>

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

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

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

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

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to kshah@yahoo.co.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to (Ms. Soni Singh) at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to mahendrazenith@hotmail.com

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to mahendrazenith@hotmail.com.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholder/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the **EVEN of Company i.e. 113459 which will be displayed on the screen after login.** Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Members seeking any information with regards to the accounts or any matter to be placed at the AGM, are requested to write placed to the Company on or before Monday September 21, 2020 through e-mail on mahendrazenith@hotmail.com. The same will be replied by the Company suitably.

Members are requested to carefully read all the Notes set out in the Notice of the AGM and in particular, instruction for joining the AGM, manner of casting vote through remote e-voting or through e-voting during the AGM.

BRIEF RESUME OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE 26th ANNUAL GENERAL MEETING

(Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Agenda Item No.	2
NAME OF DIRECTOR	Mrs. Neela Mahendra Raycha (DIN 01258479)
Date of Appointment	13.03.2001
Date of Birth	28.12.1962
Qualification and experience in specific functional area	She is Science Graduate and having expertise in Quality control and product development. Qualification : B.Sc. L.L.B.
Directorship held in other companies*	Ray Remedies Pvt. Ltd.
Membership / Chairmanships of Committee in other Public Companies	NIL
Relationships between directors <i>inter se</i>	Spouse of CMD & Mother of JMD
Shareholding of non-executive director	1261712

**ANNEXURE TO THE NOTICE
Explanatory Statement**

[Pursuant to Section 102(1) of the Companies Act, 2013]

The following explanatory statement sets out all material facts relating to various Business including Special Business of the accompanying Notice of the Annual General Meeting to be held on 26th September, 2019.

Item No. 4 : To approve the re-appointment of Mr. Mahendra C. Raycha (DIN 00577647) as a Managing Director of the Company

Mr. Mahendra C. Raycha has over more than 3 decade of rich business experience in leading and managing business across the India and globe to enhance performance. The current term of Mr. Mahendra C. Raycha came to an end on March 31, 2020. The Board of Directors at its meeting held on February 14, 2020 based on the recommendation of the Nomination and Remuneration Committee had approved the reappointment of Mr. Mahendra C. Raycha as a Managing Director of the Company for a period of 3 years with effect from April 01, 2020, subject to approval of shareholders, with a remuneration as detailed in the resolution.

The details of Mr. Mahendra C. Raycha as required under the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions are provided in Annexure - A to this Notice.

None of the Directors, Key Managerial Personnel and relatives thereof other than Mrs. Neela M. Raycha, Mr. Akshit M. Raycha and Mr. Atul Thakkar has any concern or interest, financial or otherwise, in the resolution at Item No. 4 of this Notice.

**ANNEXURE-A TO THE NOTICE
Explanatory Statement**

The Statement of disclosures pursuant to Secretarial Standard-2 on General Meetings and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is as under:

Agenda Item No.	4
NAME OF DIRECTOR	Mr. Mahendra C. Raycha (DIN 00577647)
Date of Appointment	01.04.2015
Date of Birth	05.10.1953
Qualification and experience in specific functional area	More than 3 decade of rich business experience. B.com, CA
Directorship held in other companies*	1. Zenith Life care Pvt. Ltd. 2. Zenith Medicine Pvt. Ltd. 3. Ray Remedies Pvt. Ltd.
Membership / Chairmanships of Committee in other Public Companies	NIL
Relationships between directors inter se	Neela M. Raycha (Non-Executive Director) – Wife Akshit M. Raycha (Joint Managing Director) – Son Atul M. Thakkar (Non-Executive Director) – Brother-In-law
Shareholding of Director	1. Mahendra Raycha – 6604000 2. Mahendra Raycha HUF - 5129500

Dated: August 28, 2020

Registered Office :
504, Iscon Elegance,
Nr. Ananddham Jain Derasar,
Prahlanagar Cross Road,
S.G. Road, Ahmedabad – 380 015
CIN No. : L2431GJ1994PLC023574

Tel. No. : (91 079) 66168889/90/40095550
Fax No. : (91 079) 66168891
Email : mahendrazenith@hotmail.com,
Website : www.zenithhealthcare.com

By Order of the Board
For, Zenith Healthcare Ltd

Sd/-
Mihir Satishkumar Shah,
Company Secretary

BOARD'S REPORT

To
The Members,

Your Directors are pleased to present 26th Annual Report and the company's audited financial statement for the financial year ended March 31, 2020.

FINANCIAL RESULTS: The Company's financial performance for the year ended March 31, 2020 is summarized below:
(Amount in Rs.)

Particulars	Year ended on 31st March 2020	Year ended on 31st March 2019
Revenue from Operations	119792557	98331966
Other Income	3001884	2055816
Total Revenue	122794441	100387782
Provision for Depreciation	2545392	2470036
Profit /(Loss) before Exceptional Item & Tax	5849638	1654916
Add: Exceptional Items	-	-
Profit/(Loss) Before Tax	5849638	1654916
Less: Provision for Tax	235000	320000
Add: Deferred Tax (Assets)/liabilities	(42015)	(30083)
Net Profit/(Loss) after Tax	5656653	1364999
Net Profit/(Loss) carried to Balance Sheet	5656653	1364999

YEAR UNDER REVIEW :

During the year under review, the Company has achieved revenue from operations to the tune of Rs. 122794441 against Rs. 100387782 in the previous year. The Profit of the year is Rs. 5656653 for the current year as against the Profit of Rs. 1364999 of the previous year.

TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

Rs. 5656653/- has been transferred to General Reserve during the year.

DIVIDEND

The Company has not recommended any dividend for current year.

IMPACT OF THE COVID-19

In the last month of FY 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers. The switch to work from home for employees was carried out seamlessly to work remotely and securely upto 31.03.2020. This response has reinforced customer and employee confidence in Zenith Healthcare Limited and many of them have expressed their appreciation and gratitude for keeping their businesses running under most challenging conditions.

Although there are uncertainties, Zenith Healthcare Limited as always involved in public service, started mass production of Sanitizers, Sanitizer Sprays and Wipes at a reasonable rate to serve the nation in these trying times. With its positive outlook, innovative business model and work commitment even in these uncertain time due to the pandemic, the Company is anticipating to navigate the challenges ahead and gain better momentum in the near future.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

Covid-19 pandemic is something that no one has planned for it,. As the lockdown started in last week of March, Our Financial Year 2019-20 had negligible effect of it and thereafter Q1 of Financial Year 2020-21, saw lockdown across India for almost more than 60 days.

As we had assumed that this will last long, our first priority was safety of our team. Our team has a ESIC cover since long. At the same time the Company had Insured our Team with Covid-19 Mediclaim coverage as per IRDA notification covered Covid cases.

Our Factory was operational after first week of April, 2020 due to essential supplies products. Supply chain and demand were hit from day one, and was worsening as days passed by. As a company we saw an opportunity in healthcare and wellness products, and thus launched 3 new products to cater the demand. Initial response of the new products was encouraging. We see new opportunity in this segment, which was untouched by the company. We are planning to launch new products in this segment and entering areas which are new for us.

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

EXPLANATION OR COMMENTS ON DISQUALIFICATIONS, RESERVATIONS, ADVERSE REMARKS OR DISCLAIMERS IN THE AUDITOR'S REPORTS

There have been no disqualifications, reservations, adverse remarks or disclaimers in the auditor's reports, requiring explanation or comments by the Board.

REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

INSURANCE

The Company has taken adequate insurance to cover the risks to its people, plants and machineries, buildings and other assets, profit and third parties.

RISK MANAGEMENT

Risk management is embedded in your company's operating framework. Your company believes that managing risk helps in maximizing returns. The company's approach to addressing business risk is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee. Some of the risks that the company is exposed to are:

➤ Commodity Price Risks

The Company is exposed to the risk of price fluctuation of raw material as well as finished goods. The company proactively manages these risks through forward booking, Inventory management and proactive vendor development practices. The Company's reputation for quality, product differentiation and service, coupled with existence of powerful brand image with robust marketing network mitigate the impact of price risk on finished goods.

➤ Regulatory Risks

The company is exposed to risks attached to various statutes and regulations including the company Act. The company is mitigating these risks through regular review of legal compliances carried out through internal as well as external compliance audits.

➤ Human Resources Risks

Retaining the existing talent pool and attracting new talent are major risks. The company has initiated various measures including rolling out strategic talent management system, training and integration of learning and development activities.

➤ Strategic Risks

Emerging businesses, capital expenditure for capacity expansion, etc., are normal strategic risk faced by the company. However, the company has well-defined processes and procedures for obtaining approvals for investments in new business and capacity expansion etc.

INTERNAL FINANCIAL CONTROL:

The Company has a good system of internal controls in all spheres of its activity. The internal control system is supplemented by effective internal audit being carried out by an external firm of Chartered Accountants. The Audit committee regularly reviews the findings of the internal auditors and effective steps to implement the suggestion / observation of the Auditors are taken and monitored regularly. In the opinion of the Board, an effective internal control system adequate to the size of the Company exists.

DEPOSITS:

Your Company has not accepted any deposits which fall under Chapter V and Section 73 to Section 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Particulars of loans given, investments made, guarantees and securities provided under section 186 of the Companies Act, 2013 are provided in the notes of Standalone Financial Statement. (Please refer to Note 4 and 5 to financial statement).

SUBSIDIARIES/ Joint Venture/ Associate Companies:

Company has no subsidiary/joint ventures/associate companies. As there are no subsidiaries, associates and joint ventures companies, no consolidated financial statements required to be given.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), the Directors of our Company confirm that:

- i) In the preparation of the annual accounts for the financial year ended 31st March 2020, the applicable accounting standards had been followed and that there are no material departures;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit / loss of the Company for the year under review;
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force) for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) The directors had prepared the annual accounts on a going concern basis;
- v) 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;
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

CORPORATE GOVERNANCE:

As per Regulation 15(2) of SEBI (Listing Obligation and Disclosures requirement) Regulation, 2015, Report on Corporate Governance is not applicable on the Company as the Company is not having the paid up share capital exceeding Rs. 10 crores and Net worth is exceeding Rs. 25 crores as on the last date of previous Financial Year.

CORPORATE SOCIAL RESPONSIBILITIES:

As the Company's net worth, turnover or net profits are below the limit prescribed under section 135 of the Companies Act 2013 and hence CSR is not applicable to your Company.

RELATED PARTIES TRANSACTIONS

All the related party transactions are being entered on arm's length basis, in ordinary course of business and in compliance with the applicable provisions of the Companies Act, 2013 and relevant Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There were no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

All the related party transactions are presented to the Audit Committee and the Board. Omnibus approval has been obtained from Audit Committee, Board of Directors and members for the transactions with the related parties.

Moreover your Directors draw your attention to Note to the financial statement which sets out related party disclosures.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Particulars of the contracts or arrangement with related parties referred into Section 188 (1) of the Companies Act, 2013, in prescribed Form AOC -2 is attached as "**Annexure - D**".

Necessary disclosures required under the Ind AS 24 have been made in Note No. 32 of the Notes to the Financial Statements for the year ended March 31, 2020.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of the Act and the Articles of Association of the Company, Mrs. Neela M. Raycha, Non-executive & Non independent director, (DIN: 01258479) will retire by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment. Pursuant to Regulation 17 of SEBI (LODR) Regulations, 2015, details of Directors retiring by rotation is provided under explanatory statement of the Notice of the Annual General Meeting

The Board of directors, on the recommendations of the Nomination and Remuneration Committee (NRC), had re-appointed Mr. Mahendra C. Raycha (DIN: 00577647) as a Managing Director w. e. f. April 01, 2020 for a further period of 5 years or upto his age of 70 years whichever is earlier subject to special resolution to be passed by the Shareholders at the AGM.

All Independent Directors (IDs) have given declaration that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Prashant R. Gupta, has been appointed as Chief Financial Officer of the Company by the Board with effect from May 14, 2019 due to resignation of Mr. Mital Natwarlal Shah (former Chief Financial Officer w.e.f. 14th May, 2019).

Mr. Mihir S. Shah, has been appointed as Company Secretary and Compliance Officer of the Company by the Board with effect from February 09, 2016.

COMPOSITION OF BOARD OF DIRECTORS AND ITS COMMITTEES:

The Board of Directors has an optimum combination of Executive and Non-Executive Directors and Independent directors in accordance with the provisions of the Act. The composition of the Board of Directors of the company as on 31st March, 2019 is as under:

Sl. No.	Name	Designation	Executive/ Non Executive
1.	Mr. Mahendra C. Raycha	Chairman & Managing Director	Executive
2.	Mr. Akshit Raycha	Joint Managing Director	Executive
3.	Mrs. Neela Raycha	Non Independent	Non Executive
4.	Mr. Atul Thakkar	Non Independent	Non Executive
5.	Mr. Gaurang Vora	Independent Director	Non Executive
6.	Mr. Rajesh Thakkar	Independent Director	Non Executive
7.	Mr. Tejas Thakkar	Independent Director	Non Executive

04 (Forth) Board meetings and an AGM were held during the year. The details of Board Meetings are given below:

Date of meeting	No. of directors present
30/05/2019	7
13/08/2019	7
26/09/2019 (AGM)	5
13/11/2019	7
13/02/2019	7
26/05/2020 (Ind. Director)	Cancelled due to lock-down

AUDIT COMMITTEE:

During the year the company has reconstituted its Audit Committee. The Composition of Committee is as under:

Sl. No.	Name	Designation	Position in Committee
01	Mr. Gaurang Vora	Independent Director	Chairman
02	Mr. Tejas Thakkar	Independent Director	Member
03	Mr. Atul Thakkar	Non Executive Director	Member

The composition of committee inter alia meets with the requirement of Section 177 of the Companies Act, 2013

FUNCTIONS AND POWERS OF AUDIT COMMITTEE:

The Committee shall have discussions with the auditors periodically about internal control systems, the scope of audit including observation of the auditors and review of financial statement before their submission to the Board and discuss any related issue with internal and statutory auditors and the management of the company.

In discharging the function of the Audit Committee, the committee shall have the authority to investigate into any matter in relating to any terms specified in Section 177 or referred to it by the Board.

RESPONSIBILITY OF THE COMMITTEE:

The Committee may assign any matter of importance nature relating to the accounts, finance, taxation, inspection and investigation from time to time and may require submitting a report to the Board on such matters within the stipulated time.

The committee on any matter relating to financial management including audit report shall submit a report to the Board from time to time.

The Board has accepted all the recommendation made by the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE:

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel, Senior Management and other employees;
- To formulate the criteria for evaluation of performance of independent directors and the board of directors;
- To devise a policy on diversity of board of directors;
- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- To determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- To recommend to the board, all remuneration, in whatever form, payable to senior management.
- To review HR Policies and Initiatives.

The Committee shall, while formulating the policy, ensure the following:

- 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, KMP 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.

The Composition of Committee is as under:

Sl. No.	Name	Designation	Position in Committee
01	Mr. Rajesh Thakkar	Independent Director	Chairman
02	Mr. Gaurang Vora	Independent Director	Member
03	Mr. Tejas Thakkar	Independent Director	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

The existing Investor Grievance Committee has been reconstituted and re-named as Stakeholders Relationship Committee. The composition of the Committee is in accordance with the Companies Act, 2013. The Composition of the Committee is as under:

Sl. No.	Name	Designation	Position in Committee
01	Mr. Tejas Thakkar	Independent Director	Chairman
02	Mr. Gaurang Vora	Independent Director	Member
03	Mr. Atul Thakkar	Non Executive Director	Member

Basic Responsibilities of the Committee:

- Considering and resolving the grievance of shareholders of the Company with respect to transfer of shares, non receipt of annual report etc.
- Ensuring expeditious share transfer process in line with the proceedings of the Share Transfer Committee.
- Evaluating performance and service standards of the Registrar & Share Transfer Agent of the Company.
- Providing guidance and making recommendation to improve service levels for investors.
- Complaints status for the period 01-04-2019 to 31-03-2020

Number of complaints received	Number of complains pending	Number of complains resolved
0	0	0

DETAILS OF THE MEETING AND ITS ATTENDANCE ARE GIVEN AS UNDER:

	Audit Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee
No. of Meetings held			
Attendance			
Mr. Guarang Vora	4	2	4
Mr. Rajesh Thakkar	-	2	4
Mr. Tejash Thakkar	4	2	4
Mr. Atul Thakkar	4	-	-

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders Relationship Committee.

Various aspects of the Board's functioning were evaluated such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

STATEMENT OF DECLARATION BY AN INDEPENDENT DIRECTOR(S)

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and sub-regulation (8) of Regulation of 25 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors have complied with the Code of Conduct for Independent Directors prescribed in Schedule IV of the Companies Act, 2013.

EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in the form MGT-9 attached as a part of this Director's Report as "Annexure - C".

REMUNERATION TO DIRECTORS:

The remuneration paid to Directors, Non Executive Directors and Independent Directors are disclosed in the Extract to the Annual Return i.e. **MGT – 9** as **Annexure C** to the Board Report.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Vigil Mechanism or 'Whistle Blower Policy' for directors, employees and other stakeholders to report genuine concerns has been established. The Audit committee reviews the functioning of the Whistle Blower mechanism on a quarterly basis. Due to changes in SEBI (Prohibition of Insider Trading) Regulations, 2015.

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.

SHARE CAPITAL & EMPLOYEE STOCK OPTION ETC:

The paid up share Capital of the Company is Rs.537.39 Lacs. During the year there are no issue of equity shares with differential rights, no issue of sweat equity shares, no issue of employee stock options and no provision of money by company for purchase of its own shares by employees or by trustees for the benefit of the employees, the details required to be given under various rules issued under the Companies Act 2013 is NIL.

RECONCILIATION OF SHARE CAPITAL AUDIT:

As stipulated by the SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted share capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total Issued and Paid-Up Share Capital of the Company. This audit is carried out every quarter. The audit, inter alia, confirms that the Listed and Paid-Up Share Capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and the total number of shares in physical form.

SECRETARIAL AUDITOR:

In terms of Section 204 of the Companies Act, 2013, the Board of Directors of your Company has appointed M/s. Kamlesh M. Shah & Co., Practicing Company Secretaries, Ahmedabad as a Secretarial Auditor to conduct an Audit of secretarial records and compliances, for the financial year ending on March 31, 2020.

The Secretarial Audit Report for the financial year ended on March 31, 2020 is annexed herewith as **Annexure-F** to this report and the same does not contain any qualification, reservation or adverse remarks.

AUDITORS AND AUDITORS REPORT:

M/s. A.R. Pandhi & Associates, Chartered Accountants, Ahmedabad (FRN: 118057W) are the statutory auditors of the Company for the year as per the Section 139 of the Companies Act, 2013

There are no specific qualifications, reservation or adverse remark or disclaimer made by the statutory auditors in their auditor's report.

The Company has received a certificate from M/s. A.R. Pandhi & Associates, Chartered Accountants confirming their eligibility to continue as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and the Rules framed thereunder. They have also confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI as required under the provisions of Regulation 33 of the Listing Regulations.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company believes that a strong internal control framework is necessary for business efficiency, management effectiveness and safeguarding assets. The Company has a well-defined internal control system in place, which is designed to provide reasonable assurance related to operation and financial control. The Management of the Company is responsible for ensuring that Internal Financial Control has been laid down in the Company and that controls are adequate and operating adequately.

The audit scope, reporting framework is defined in charter of the Internal Audit, which is approved by the Audit Committee of the Board of Directors. The Internal Auditors evaluates the efficacy and adequacy of internal control system, its compliance with operating systems and policies of the Company and accounting procedures at all the locations of the Company. Based on the report of the Internal Auditors, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are placed before the Audit Committee of the Board. The Internal Audit also continuously evaluates the various processes being followed by the Company and suggests value addition, to strengthen such processes and make them more effective.

A STATEMENT UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Prevention of sexual harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Your Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made there under. Your Company has constituted an Internal Complaints Committee to handle all clearing and forwarding Agency where our employees are working and Manufacturing site.

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

- a. number of complaints filed during the financial year : Nil
- b. number of complaints disposed of during the financial year :Nil
- c. number of complaints pending as on end of the financial year :Nil

PARTICULARS OF EMPLOYEES AND OTHER RELATED DISCLOSURES:

The Company has no employee drawing the remuneration of Rs.5 Lacs p.m or Rs.60 Lacs p.a.

However the information required pursuant to Section 197 read with Rule, 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, has been provided in **Annexure-E**.

In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Secretarial Department at the Regd. Office of the Company.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board meetings and Annual General Meetings.

Listing of Shares:

The Company's Equity Shares are at present listed at Bombay Stock Exchange Limited. The Equity Shares of the Company are freely tradable on at BSEs and trading thereof have not been suspended at any time during the year under review. The Company has been regularly and timely making all compliances of the various clauses of the Listing Agreement and SEBI Regulations from time to time. The Company has duly paid the annual Listing Fees of the Stock Exchange for and up to the financial year ending on 31.03.2020.

ISIN of the Company : INE812B01026

Share Transfer System

Share transfers are registered and returned within a period of 15 days from the date of receipt, provided documents are correct and valid in all respect. Thereby the average time taken in transfer of shares is 15 days. The depositories directly transfer the dematerialized shares to the beneficiaries.

DISCLOSURE REGARDING MAINTENANCE OF COST RECORDS

Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time is not applicable to your company hence, your Company is not required to maintain cost records.

Post-employment benefit plans:

Gratuity for employees in India is as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for the number of years of service. Company will pay the Gratuity payable as and when due.

Acknowledgment:

Your Directors wish to place on record their deep sense of gratitude to Banks for their continued support and cooperation. Our sincere thanks are also due to our esteemed customers, suppliers and finally to employees of the Company for their untiring efforts and commitment to their duties.

Place: Ahmedabad
Date: August 28, 2020

**By Order of the Board
For, Zenith Healthcare Ltd.
Sd/-
Akshit M. Raycha
Joint Managing Director
DIN 03039859**

**By Order of the Board
For, Zenith Healthcare Ltd.
Sd/-
Mahendra C. Raycha
Chairman & Managing Director
DIN 00577647**

Annexure B to Board Report –
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT GO

Information regarding conservation of energy, technologies absorption and foreign exchange earnings and outgo are given as under:-

POWER AND FUEL CONSUMPTION

[A] ELECTRICITY	CURRENT 2019-2020	PREVIOUS 2018-2019
Purchased		
Total Units	106576	93686
Total Amount Rs.	899729	760888
Rate per Unit Rs.	8.44	8.12
Through Diesel Generation		
Total Units	3905	1696
Total Amount Rs.	50614	39500
Rate per Unit Rs.	12.96	23.29
[B] Technology Absorption, Adaption & Innovation	NIL	NIL

CONSERVATION OF ENERGY:

The Company continued to accord high priority to the conservation of energy through reduction of consumption, the company will continue to endeavor to conserve energy and use it more efficiently.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Description	Amount in Rs.
Foreign Exchange Earned	
Sale of Finished Goods	69492259
Services	-
Total	69492259
Foreign Exchange Outgo	
Foreign Travelling Expenses	-
Inspection & Product Registration Fees	1377268
Others of USD	-
Total	1377268

Annexure C to Board Report –

Form No. MGT -9
Extract of Annual Return –
as on Financial Year ended 31st March, 2020.

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

i)	CIN	L24231GJ1994PLC023574
ii)	Registration Date	November 15, 1994
iii)	Name of the Company	Zenith Healthcare Limited
iv)	Category / sub Category of the Company	Company Limited by shares / Indian Non-Government Company
v)	Address of Regd. Office and Contact details	Registered Address :- 504, Iscon Elegance, Prahladnagar Cross Road, Nr. Ananddham Jain Derasar, S. G. Road, Ahmedabad: 380051 Tel: (91 079) 66168889/90/40095550 Fax No. : (91 079) 66168891 Email:mahendrazenith@hotmail.com website: www.zenithhealthcare.com
vi)	Whether listed Company	Yes
vii)	Details of Stock Exchange where Shares are Listed :	Script Code
	Bombay Stock Exchange	530665
viii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Bigshare Services Private Limited 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (E), Mumbai- 400 054. Tel No : +91 2262638200, Fax: + 9122 62638299 Email Id : info@bigshareonline.com Website : www.bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Pharmaceutical products	99611730	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sl. No.	Name and Address of the Company.	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
	NIL	NIL	NIL	NIL	NIL

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year-April 1, 2019				No. of Shares held at the end of the year – March 31, 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group ²									
(1)	Indian									
(a)	Individuals / Hindu Undivided Family	13001529	189500	13191029	24.55	13001529	189500	13191029	24.55	-
(b)	Central Government / State Government (s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	2252550	-	2252550	4.19	2252550	-	2252550	4.19	-
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	i. Trust	-	-	-	-	-	-	-	-	-
	ii. Directors Relatives	-	-	-	-	-	-	-	-	-
	Sub-Total (A) (1)	15254079	189500	15443579	28.74	15254079	189500	15443579	28.74	-
(2)	Foreign									
(a)	Non-Resident Individuals /	-	-	-	-	-	-	-	-	-
(b)	Other-Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks/ FI	-	-	-	-	-	-	-	-	-
(e)	Any other	-	-	-	-	-	-	-	-	-
	Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter (A)= (A) (1) + (A) (2)	15254079	189500	15443579	28.74	15254079	189500	15443579	28.74	-
(B)	Public Shareholding									
(1)	Institutions									
(a)	Mutual Funds	-	211000	211000	0.39	-	211000	211000	0.39	0
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
(f)	Financial Institution/Banks	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
(i)	Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (B) (1)	-	211000	211000	0.39	-	211000	211000	0.39	-
(2)	Central Government/	-	-	-	-	-	-	-	-	-

	State Government(s)/ President of India									
(3)	Non-institutions									
(a)	Bodies Corporate	2447708	621500	3069208	5.71	2124907	621500	2746407	5.11	(0.60)
(b)	Individual	-	-	-	-	-	-	-	-	-
	i. Individual share capital upto Rs. 1 Lacs	17714827	7539650	25254477	46.99	18185991	7498650	25684641	47.80	0.80
	ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh.	4365029	3631000	7996029	14.88	4334299	3631000	7965299	14.82	(0.06)
(c)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-
(e)	Any Others	-	-	-	-	-	-	-	-	-
	i) Trust	-	-	-	-	-	-	-	-	-
	ii)Hindu Undivided Family (HUF)	976428	-	976428	1.82	977276	-	977276	1.82	0.00
	iii)Clearing Member	176665	-	176665	0.33	102016	-	102016	0.19	(0.14)
	iv) Non Resident Indians (NRI)	2660	175000	177660	0.33	-	175000	175000	0.33	(0.00)
	v) Non Resident Indians (REPAT)	232522	-	232522	0.43	257350	-	257350	0.48	0.05
	vi) Non Resident Indians (NON REPAT)	187932	-	187932	0.35	162932	-	162932	0.30	(0.05)
	vii) Directors Relative	-	-	-	-	-	-	-	-	-
	viii) Employee	-	13500	13500	0.03	-	13500	13500	0.03	-
	ix) Overseas Bodies Corporates	-	-	-	-	-	-	-	-	-
	x) Unclaimed Suspense Account	-	-	-	-	-	-	-	-	-
	xi) IEPF	-	-	-	-	-	-	-	-	-
(f)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2) & (3)	26103771	11980650	38084421	70.87	26144771	11939650	38084421	70.87	-
	Total Public Shareholding (B)= (B)(1)+(B)(2)+B(3)	26103771	12191650	38295421	71.26	26144771	12150650	38295421	71.26	-
	TOTAL (A)+(B)	41357850	12381150	53739000	100	41398850	12340150	53739000	100	0
(C)	Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	Grand Total (A)+(B)+(C)	41357850	12381150	53739000	100	41398850	12340150	53739000	100	0

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year – April 1, 2019			Shareholding at the end of the year – March 31, 2020			% Change in Share holding 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	Mahendra C. Raycha	6604000	12.29	0	6604000	12.29	0	-
2	Mahendra C. Raycha HUF	5129500	9.55	0	5129500	9.55	0	-
3	Zenith Life Care Pvt. Ltd.	1996550	3.72	0	1996550	3.72	0	-
4	Neela Mahendra Raycha	1261712	2.35	0	1261712	2.35	0	-
5	Ray Remedies Pvt. Ltd.	256000	0.48	0	256000	0.48	0	-
6	Raycha Akshit Mahendra	189817	0.35	0	189817	0.35	0	-
7	Ashwin M. Thakker	4500	0.01	0	4500	0.01	0	-
8	Atul Cholera	500	0.00	0	500	0.00	0	-
9	Ashwin Cholera	500	0.00	0	500	0.00	0	-
10	Divyesh Shah	500	0.00	0	500	0.00	0	-
	Total	15443579	28.74	0	15443579	28.74	0	0.00

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

Sl. No.		Shareholding at the beginning of the year – April 1, 2019		Cumulative Shareholding during the Year – March 31, 2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
01	At the beginning of the year	15443579	28.74	15443579	28.74
02	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	-		-	
03	At the End of the year	15443579	28.74	15443579	28.74

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)(as on 31.03.2020) :

Sl. No.	Name of the Shareholder	Shareholding at Beginning the Financial Year – April 1, 2019		Cumulative Shareholding During the Financial Year	
		No. of Shares	% of Total paid up Share Capital of the Company	No. of Shares	% of Total paid up Share Capital of the Company
1.	SHARPLINE TRADING CO. PVT. LTD.				
	At the Beginning of the Year	1766450	3.29%	1766450	3.29%
	At the End of the Year	1766450	3.29%	1766450	3.29%
2.	HARSHA JHAVERI				
	At the Beginning of the Year	1180000	2.20%	1180000	2.20%
	At the End of the Year	1180000	2.20%	1180000	2.20%
3.	PRAVEEN JAMMULA				
	At the Beginning of the Year	632657	1.18%	682130	1.18%
	Sold on April 12, 2019	34235	0.07%	598422	1.11%
	At the End of the Year	598422	1.11%	598422	1.11%
	NISHA ASHISH TEKWANI				

4.	At the Beginning of the Year At the End of the Year	615000 615000	1.14% 1.14%	615000 615000	1.14% 1.14%
5.	CHANDA TULSIRAM TEKWANI At the Beginning of the Year At the End of the Year	510000 510000	0.95% 0.95%	510000 510000	0.95% 0.95%
6.	ASHISH TUSILRAM TEKWANI At the Beginning of the Year At the End of the Year	500000 500000	0.93% 0.93%	500000 500000	0.93% 0.93%
7.	JAY JASH INV & FIN PVT LTD At the Beginning of the Year At the End of the Year	450000 450000	0.84% 0.84%	450000 450000	0.84% 0.84%
8.	LALBHAI FINANCE LTD. At the Beginning of the Year At the End of the Year	437500 437500	0.81% 0.81%	437500 437500	0.81% 0.81%
9.	ACHYUT SECURITIES PVT. LTD. At the Beginning of the Year At the End of the Year	418500 418500	0.78% 0.78%	418500 418500	0.78% 0.78%
10.	TULSIRAM KHANCHAND TEKWANI At the Beginning of the Year At the End of the Year	400000 400000	0.74% 0.74%	400000 400000	0.74% 0.74%

v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	For Each of the Directors and KMP Name	Shareholding at the beginning of the year		Changes in shareholding			Cumulative Shareholding during the year		
		No. of Shares	% of total shares of the company	Date	Increase/ Decrease in Shareholding	Reason	No. of Shares	% of total shares of the company	
1	Mr. Mahendra C. Raycha	6604000	12.29	1.4.2019					
		No change during the year							
		6604000	12.29	31.3.2020			6604000	12.29	
2	Mr. Atul Thakkar	500	0.00	1.4.2019					
		No change during the year							
		500	0.00	31.3.2020			500	0.00	
3	Mr. Gaurang Vora	0	0	1.4.2019					
		No change during the year							
		0	0	31.3.2020			0	0	
4	Mr. Tejash D. Thakkar	0	0	1.4.2019					
		No change during the year							
		0	0	31.3.2020			0	0	
5	Mrs. Neela M. Raycha	1261712	2.35	01.04.2019					
		No change during the year							
		1261712	2.35	31.3.2020			1261712	2.35	
6	Mr. Rajeshkumar M. Thakkar	0	0	1.4.2019					
		No change during the year							
		0	0	31.3.2020			0	0	
7	Mr. Akshit M. Raycha	189817	0.35	1.4.2019					
		No change during the year							
		189817	0.35	31.3.2020			189817	0.35	
10	Mr. Mihir Shah	0	0	1.4.2019					
		No change during the year							
		0	0	31.3.2020			0	0	
11	Mr. Prashant Gupta-CFO	0	0	1.4.2019					
		No change during the year							
		0	0	31.3.2020			0	0	

vi) INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	200463	-	-	200463
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	200463	-	-	200463
Change in Indebtedness during the financial year	-	-	-	-
Addition	1901371	-	-	1901371
Reduction	(2101834)	-	-	(2101834)
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

i) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:
(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Managing Director	Joint Managing Director	Total Amount
		Mr. Mahendra Raycha	Mr. Akshit Raycha	
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1200000	1500000	2700000
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	-as % of Profit	-	-	-
	-Other (Specify)	-	-	-
5	Others Please specify	-	-	-
	Total (A)	1200000	1500000	2700000
	Ceiling as per the Act			

B. Remuneration to other directors:
(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mrs. Neela Raycha	Mr. Gaurang Vora	Mr. Rajesh Thakkar	Mr. Atul Thakkar	Mr. Tejash Thakkar	
1.	Independent Directors	0	0	0	0	0	0
	For attending board / committee meetings	0	0	0	0	0	0
	Commission	0	0	0	0	0	0
	Other, please specify	0	0	0	0	0	0
	Total (1)	0	0	0	0	0	0
2.	Other Non-Executive Directors	0	0	0	0	0	0
	For attending board/ committee meetings	0	0	0	0	0	0
	Commission	0	0	0	0	0	0
	Other, please specify	0	0	0	0	0	0
	Total (2)	0	0	0	0	0	0
	Total (B)=(1+2)	0	0	0	0	0	0
	Total Managerial Remuneration	0	0	0	0	0	0

C. Remuneration To Key Managerial Personnel Other Than MD / Manager / WTD
(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Prashant Gupta – CFO	Mr. Mihir Shah- Company Secretary*	
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	248829	227500	476329
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-		-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-		-
2	Stock Option	-		-
3	Sweat Equity	-		-
4	Commission	-		-
	-as % of Profit	-		-
	-Other (Specify)	-		-
5	Others Please specify	-		-
	Total (C)	248829	227500	476329

(viii) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	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	NIL	NIL	NIL	NIL	NIL
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS	NIL	NIL	NIL	NIL	NIL
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT	NIL	NIL	NIL	NIL	NIL
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Annexure D to the Directors' Report
Form No. AOC - 2

(Pursuant to clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of Contracts / Arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain Arm's Length Transactions under third proviso thereto.

1. Details of Contract or Arrangements of Transactions not at arm's length price: Nil
2. Details of Material Contracts or Arrangement or Transactions at Arm's Length Basis

Name(s) of the Related Party and Nature of Relationship (a)	Nature of Contracts /Arrangements /Transactions (b)	Duration of the Contracts /Arrangements /Transactions (c)	Salient Terms of the Contracts or Arrangements or Transactions including the Value (in ₹), if any (d)	Date(s) of Approval by the Board, (e)	Amount Paid as Advances, if any (f)
Ray Remedies Pvt. Ltd. (Common Director)	Job Charges Material Sale Expenses Sales Rent Paid Rent Income Purchase	NOT APPLICABLE	22787 212418 22952 120000 18000 187650	The transactions were considered, reviewed and approved by the Board in the immediately next Board Meeting subsequent to the transactions.	The Company has paid / received advances for the said transactions as & when deemed appropriate by both the parties mutually.
Raxin Healthcare (CMD is a Partner as Karta of HUF)	Job Charges Material Pur. Material Sales Expenses Sales	NOT APPLICABLE	78633 103210 1242922 74840	The transactions were considered, reviewed and approved by the Board in the immediately next Board Meeting subsequent to the transactions.	The Company has paid / received advances for the said transactions as & when deemed appropriate by both the parties mutually.

ANNEXURE-E
STATEMENT OF DISCLOSURE OF REMUNERATION
UNDER SECTION 197 OF THE COMPANIES ACT 2013 AND RULE 5(1) OF THE COMPANIES
(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. PARTICULARS OF REMUNERATION:

Ratio of remuneration of each Executive Director to the median remuneration of Employees of the Company for the financial year 2019-20, the percentage increase in remuneration of Chairman & Managing Director, Executive Directors, Company Secretary and CFO during the financial year 2019-20:

Sr.	Name of Director/ KMP	Designation	Ratio of Remuneration of each director to median remuneration of employees	Percentage (%) increase in Remuneration
1	Mahendra C. Raycha	Chairman and Managing Director	1:7.84	Nil
2	Akshit M. Raycha	Joint Managing Director	1:9.80	25%
3	Prashant R. Gupta	Chief Financial Officer	1:1.61	15.82
4	Mihir S. Shah	Company Secretary	1:1.49	16.67

Note:

a) The Non-Executive Directors of the Company are entitled for sitting fees. The detail of remuneration of Non-Executive Directors is governed by the Nomination and Remuneration Policy. The ratio of remuneration and percentage increase for Non-Executive Directors remuneration is therefore not considered for the purpose above.

S.N.	Particulars	Details
1	% increase in the median remuneration of employee in the financial year 2019-20	12.02%
2	Total number of permanent employees on the rolls of the Company as on 31st March, 2019 (on standalone basis)	45
3	The median remuneration of employees of the Company during the year under review.	Rs. 1.53 Lakhs
4.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	<p>The average percentile increase in the remuneration of all employees was 25 % for the FY 2019-20.</p> <p>The average percentile increase in the remuneration of Managerial Personnel was 12.5% for the FY 2019-20.</p> <p>The comparison of increase in average percentiles between employees and Managerial was 12.5%. The average increase in the remuneration of both, the managerial and employees was determined based on the overall performance of the Company. Further the criteria for remuneration of employees is based on the internal evaluation of key performance areas while the remuneration of the managerial personnel is based on the remuneration policy as recommended by the Nomination and Remuneration Committee and approved by the board of directors.</p>

The Company affirms remuneration is as per the Remuneration Policy of the Company.

B. PARTICULARS OF EMPLOYEES:
RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014
i. Particulars of top Ten Employee in terms of remuneration drawn

Sr. No.	Name & Designation of Employee	Remuneration Received (Rs. in Lakhs)	Nature of Employment	Qualifications	Experience	Date of Commencement of Employment	Age	Name of Previous Employment	% of Equity Shares held	Relative of Director or Manager
1	Mahendra C. Raycha	12	Permanent	B.Com, C.A.	35	01/01/1995	67	-	12.29	Managing Director
2	Akshit M. Raycha	15	Permanent	B.Com, MBA	10	29/10/2010	32	-	0.35	Son of Managing Director
3	Arunbhai D. Padhiyar	4.46	Permanent	B.Sc	13	01/03/2007	46	Relish Pharmaceuticals Ltd.	NIL	NA
4	Pramod G. Thakur	3.22	Permanent	B. Sc	26	01/09/2012	55	Brussels Laboratories Pvt. Ltd.	NIL	NA
5	Tanmoy Mukharjee	2.74	Permanent	H.S.C.	5	01/05/2015	37	Raxin Healthcare	NIL	NA
6	Mital N. Shah	2.73	Permanent	B.Com	8	01/05/2012	52	Haledew Remedies	NIL	NA
7	Jitendra Rathod	2.47	Permanent	B.Com	15	06/12/2005	42	Endaver Instrument Pvt. Ltd.	NIL	NA
8	Prashant R. Gupta	2.46	Permanent	B.Com	12	18/03/2009	35	First	NIL	NA
9	Mihir S. Shah	2.28	Permanent	M.Com, LLB & ACS	4	09/02/2016	32	First	NIL	NA
10	Chirag K. Patel	2.25	Permanent	B.com	8	28/06/2012	31	Naresh J. Patel & Co.	NIL	NA

ii. Employees who are employed throughout the year and in receipt of remuneration aggregating Rs.1,02,00,000/- or more per year: Nil

iii. Employees who are employed part of the year and in receipt of remuneration aggregating Rs. 8,50,000/- per month: Nil

Place: Ahmedabad
Date: August 28, 2020

By Order of the Board
For, Zenith Healthcare Ltd.
Sd/-
Akshit M. Raycha
Joint Managing Director
DIN 03039859

By Order of the Board
For, Zenith Healthcare Ltd.
Sd/-
Mahendra C. Raycha
Chairman & Managing Director
DIN 00577647

Annexure F to Board Report –

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020
[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,
ZENITH HEALTHCARE LIMITED
CIN: L24231GJ1994PLC023574

I/we have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices followed by **ZENITH HEALTHCARE LIMITED** (Hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and on that basis; we are expressing our opinion thereon.

Based on my/our verification of the records of **ZENITH HEALTHCARE 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/We hereby report that in my/our opinion, the company has, during the audit period covering **the financial year ended on 31st March 2020** complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliances mechanism in place to the extent , in the manner and subject to the reporting made hereinafter:

I/We have examined the books, papers, minute books, forms and returns filed and record maintained by **ZENITH HEALTHCARE LIMITED (CIN: L24231GJ1994PLC023574)** for the financial year ended on **31.03.2020** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulations) 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 regulation made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings : **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
- (v) The following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(NO APPLICABLE FOR THE YEAR UNDER REVIEW)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
 - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **NOT APPLICABLE FOR THE YEAR**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
- (vi) As stated in the **Annexure – A** – all the laws, rules, regulations are applicable specifically to the company.
- (vii) No other major corporate events occurred during the year and various compliances made by the Company with applicable Laws, Rules, Regulations, Listing Regulations etc.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and applicable w.e.f 1st day of July 2015 or any amendment, substation, if any, are adopted by the Company and are complied with.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

During the period under review the Company has complied with the provision of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

UDIN : A008356B000345550

I/We further report that

The board of directors of the company is duly constituted with proper balance of executive directors, non-executive directors, independent directors and woman director. 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 and with intimation to stock exchanges(s).

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 or with consent of directors at a shorter notice, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I 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 compliances with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the company has not incurred any specific event / action that can have a bearing on the company's compliance responsibilities in pursuance of the above referred laws, rules, regulations, guideline, standards, etc. except the Issue and allotment of bonus equity shares for which the company has duly complied with the necessary provisions thereof.

Place: Ahmedabad

Date: 16th June, 2020

UDIN : A008356B000345550

**FOR KAMLESH M. SHAH & CO.,
PRACTICING COMPANY SECRETARIES**

Sd/-

(KAMLESH M. SHAH)

PROPREITOR

ACS: 8356, COP: 2072

ANNEXURE-A**Securities Laws**

1. All Price Sensitive Information was informed to the stock exchanges from time to time
2. All investors complains directly received by the RTA & Company is recorded on the same date of receipts and are resolved within reasonable time.

Labour Laws

1. All the premises and establishments have been registered with the appropriate authorities.
2. The Company has not employed any child labour/ Bonded labour in any of its establishments.
3. Provisions with related to Compliance PF/ESI/Gratuity Act are applicable to Company.

Environmental Laws

As the Company is engaged in the manufacturing activities, the Environmental law as are applicable to it and it has properly complied with such provisions to the extent applicable.

Taxation Laws

The company follows all the provisions of the taxation and Income Tax Act, 1961 and filing the returns at proper time with Income tax department and all other necessary departments.

Place: Ahmedabad

Date: 16th June, 2020

UDIN : A008356B000345550

**FOR KAMLESH M. SHAH & CO.,
PRACTICING COMPANY SECRETARIES**

Sd/-

(KAMLESH M. SHAH)

PROPREITOR

ACS: 8356, COP: 2072

ANNEXURE-B

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial record 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 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.
7. We have relied on Management Representation Letter provided by the Company before issuing this Report to the Company.

Place: Ahmedabad

Date: 16th June, 2020

UDIN : A008356B000345550

**FOR KAMLESH M. SHAH & CO.,
PRACTICING COMPANY SECRETARIES**

SD/-

(KAMLESH M. SHAH)

PROPREITOR

ACS: 8356, COP: 2072

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)

The Members,
ZENITH HEALTHCARE LIMITED
Ahmedabad-51, Gujarat

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Zenith Healthcare Limited bearing CIN: L65923GJ1994PLC021479 and having its registered office at 504, Iscon Elegance, Prahlad Nagar Cross Road Nr. Anand Dham Jain Derasar, S. G. Road, Ahmedabad 380051, Gujarat, India (hereinafter referred to as 'the Company'), produced before us 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 our opinion and to the best of our 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 us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Disqualified Under Section 164 of Companies Act, 2013	Deactivation of DIN Due to Non Filing of DIR 3 KYC
1	Mahendra Chatrabhuj Raycha	00577647	N.A.	N.A.
2	Neela Mahendrabhai Raycha	01258479	N.A.	N.A.
3	Akshit Mahendra Raycha	03039859	N.A.	N.A.
4	Rajeshkumar Manubhai Thakkar	00055910	N.A.	N.A.
5	Gaurang Girdharlal Vora	01157447	N.A.	N.A.
6	Tejas Dilipkumar Raycha	01157506	N.A.	N.A.
7	Atul Mansukhlal Thakkar	01157384	N.A.	N.A.

Ensuring the eligibility of 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.

Place: Ahmedabad

Date: 16th June, 2020

UDIN: A008356B000345451

FOR KAMLESH M. SHAH & CO.,
PRACTICING COMPANY SECRETARIES

Sd/-

(KAMLESH M. SHAH)
PROPREITOR
ACS: 8356, COP: 2072

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

As per Clause 34(2) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report, is appended to this report.

(A) INDUSTRY STRUCTURE DEVELOPMENT AND OUTLOOK :

The Company operates in the single Business Segment of Manufacturing of Pharmaceutical formulations in the forms of Tablets, Capsules, Oral liquid and Injectable. Industry is expected to achieve average annual growth.

(B) PARTICULARS OF EMPLOYEES

There was no employee drawing salary in excess of limits described under Section 134 of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014.

(C) OPPORTUNITIES, THREATS, RISKS & CONCERNS :

Very high competition from large and small and new comers in the Pharma field it is very difficult to stand in stable position. As Government issued revised new DPCO and control the Prices of more than 650 products, many products of our Company are covered under DPCO so may affect the working of the Company. The management has added some products in the products mix and Company has also obtained their plant Registration in the Country Kenya, Nigeria and Uzbekistan and few products got registered and other products Registration process are pending hence management have confidence that in near future Company may achieve export revenues in addition to domestic revenues.

(D) INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY :

The Company has a good system of internal controls in all spheres of its activity. The internal control system is supplemented by effective internal audit being carried out by an external firm of Chartered Accountants. The Audit committee regularly reviews the findings of the internal auditors and effective steps to implement the suggestion / observation of the Auditors are taken and monitored regularly. In the opinion of the Board, an effective internal control system adequate to the size of the Company exists.

(E) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECTS TO OPERATIONAL PERFORMANCE :

The management is very much hopeful for bright future of the company as the products of the company enjoys very good reputation in the market as well as with the doctors. The sales team of the company always updates the management and accordingly the management change the products mix as per trend of the market. Here, management would like to inform that due to heavy competition from the large phrama companies as well as new companies entry in the market, the sales and margin has been decreased substainally but few products are registered in Nigeria and export orders are started so in near future Company may get handsome export business.

(F) CAUTIONARY STATEMENT :

Statements in the Management Discussion and analysis describing the Company's position and expectation may be "Forward Looking Statements" within the meaning of applicable securities laws & regulations. Actual results could differ materially from those expressed or implied Important factors that could make, among other, economic conditions affecting demand / supply and price conditions in the market in which the Company operates, in the Government regulations, Tax Laws and other statutes and incidental factors.

PLACE : AHMEDABAD
DATE : 29.06.2020

On Behalf of Board of Directors
of Zenith Healthcare Limited

Sd/-
(Akshit M. Raycha)
Joint Managing Director
DIN 03039859

On Behalf of Board of Directors
of Zenith Healthcare Limited

Sd/-
(Mahendra Raycha)
Chairman & Managing Director
DIN 00577647

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF ZENITH HEALTHCARE LIMITED

Report on the Financial Statements

1. We have audited the accompanying standalone financial statements of **ZENITH HEALTHCARE LTD** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including other Comprehensive Income), Cash Flow Statement and the statement of Changes in Equity for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made there under.
5. We conducted our audit of standalone Ind AS Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and of the Statement of Profit and Loss, of the profit (including other comprehensive income) for the year ended on that date; and of the Cash Flow Statement, of the cash flows and changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in terms of Section 143 (11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the **Annexure-A**, a statement on the matters specified in paragraph 3 and paragraph 4 of the Order, to the extent applicable.

10. As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on March, 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31.03.2020 from being appointed as director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure-B**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has not any pending litigations on its financial position in its standalone Ind AS financial statements.
 - ii. In our opinion and as per the information and explanations provided to us, the Company has not entered into any long term contracts including derivative contracts, requiring provisions, under the applicable law or Accounting Standards, for material foreseeable losses, and
 - iii. There has not been any occasion during the year under report to transfer any sums to the Investor Education and Protection Fund and thus the question of delay in transferring such sums does not arise.

**PLACE : AHMEDABAD
DATE : 29.06.2020**

**For, A.R. Pandhi & Associates.
Chartered Accountants
Firm No. 118057 W
Sd/-
[Ajay R. Pandhi]
Proprietor
Membership No. 102616
UDIN : 20102616AAAIE3446**

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 1 under the heading of "Report on other legal and regulatory requirements" of our report of even date.

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, the fixed assets have been physically verified by the management during the year according to a phased program designed by the Company to cover all the items, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, fixed assets have been physically verified by the management during the year and according to the information and explanations given to us, no material discrepancies have been noticed on such verification.
 - (c) The title deeds of immovable properties as disclosed in Note No. 3 on in fixed assets to the Financial Statements, are held in the name of Company as at Balance sheet date.
- ii. In our opinion and according to the information and explanations given to us, physical verification of inventories has been conducted at reasonable intervals by the management during the year and discrepancies noticed on verification between the physical stocks and book records were not material having regard to the size of the Company.
- iii. The Company has not granted any secured or unsecured loans to Companies, Firms, LLP or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans or given any guarantee or provided any security or made any investment to any parties covered under Section 185 of the Act. The Company has not advanced any loans or given guarantees or provided any security or made investments pursuant to the provisions of Section 186 of the Companies Act, 2013.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and Rules framed there under, with regard to the deposits accepted from the public are not applicable to the Company.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules prescribed by the Central Government for the maintenance of cost records under Sub-section (1) of Section 148 of the Companies Act, 2013 for the business activities carried out by the Company, and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however made a detailed examination for the same with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given by the management and the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other statutory dues, if any.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty etc. were outstanding as at March 31, 2020 for a period of more than six months from the date they became payable.
 - (c) According to the information and explanations given to us, there are no dues of income tax, service tax, value added tax, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not taken any long term loan and borrowings from any banks or financial institutions or government. The Company has not issued any Debentures.
- ix. To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
- x. To the best of our knowledge and belief, during the course of our examination of the books and records of the Company, carried out with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across of any instances of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year nor we have been informed of any such case by the management.
- xi. To the best of our knowledge and belief and according to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not Nidhi Company and the Nidhi Rules, 2014 are not applicable to it; the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. To the best of our knowledge and belief and according to the information and explanations given to us, all the transactions with related parties are in compliance with the provisions of Section 177 and Section 188 of the Act, wherever applicable. The details

of related party transactions have been disclosed in the Financial Statements, as required under Accounting Standards and specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.

- xiv. The Company has not made any preferential allotment or Private placement of Shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the order are not applicable to the Company.
- xv. To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its Directors or persons connected with them. Consequently, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. According to the nature of business of the Company, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Consequently, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**For, A.R. Pandhi & Associates.
Chartered Accountants
Firm No. 118057 W
Sd/-
[Ajay R. Pandhi]**

**PLACE : AHMEDABAD
DATE : 29.06.2020**

**Proprietor
Membership No. 102616
UDIN : 20102616AAAIE3446**

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 10 (f) under the heading of "Report on other legal and regulatory requirements" of our report of even date.

Report on the Internal Financial Controls under clause (i) of Sub-section 3 of Section 143 of the Act.

1. We have audited the Internal Financial Controls over financial reporting of Zenith Healthcare Limited ("the Company") as on March 31, 2020 in conjunction with our audit of the under the heading of "Report on other legal and regulatory requirements" of our report of even date. Ind As Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's Internal Financial Controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over financial reporting and the Standards on Auditing, deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all the material respects.
4. Our audit involves performing procedure to obtain audit evidences about the adequacy of the Internal Financial Control Systems over financial reporting and their operating effectiveness. Our audit of Internal Financial Control Systems over financial reporting includes obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS Financial Statements, whether due to fraud or error.
5. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Control Systems over financial reporting.

Meaning of Internal Financial Control Systems over Financial Reporting

6. A Company's Internal Financial Control Systems over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles. A Company's Internal Financial Control Systems over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that the transactions are recorded as necessary to permit preparations of standalone Ind AS financial statements in accordance with the Generally Accepted Accounting Principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and Directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, use or disposition of the Company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Control Systems over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate Internal Financial Control Systems over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Control Systems over financial reporting issued by the Institute of Chartered Accountants of India.

For, A.R. Pandhi & Associates.
Chartered Accountants
Firm No. 118057 W
Sd/-
[Ajay R. Pandhi]

PLACE : AHMEDABAD
DATE : 29.06.2020

Proprietor
Membership No. 102616
UDIN : 20102616AAAIE3446

BALANCE SHEET AS AT 31ST MARCH, 2020

(Amount in Rupees)

PARTICULARS	NOTE NO.	AS AT 31-03-2020		AS AT 31-03-2019	
I. ASSETS					
1. Non-Current Assets					
(a) Property, Plant and Equipment	3	16938222		16153007	
(b) Capital work-in-progress	3.1	1650000		-	
(c) Intangible Assets	3.2	21075		24539	
(d) Financial Assets					
(i) Investment	4	29531		28919	
(ii) Loan & Advances	5	500000		589296	
(iii) Other	-	-		-	
(e) Deferred Tax Assets	6	3077595		3035580	
(f) Other Non-Current Assets	7	1689265		2299985	
			23905688		22131326
2. Current Assets					
(a) Inventories	8	20018725		23000207	
(b) Financial Assets					
(i) Investment	4	-		-	
(ii) Trade Receivable	9	10206558		9145556	
(iii) Cash & Cash Equivalents	10	5541901		5709430	
(iv) Bank & Balance	11	18793667		4272461	
(v) Loans & Advances	5	60996		22075	
(vi) Other Financial Assets	12	-		-	
(c) Other Current Assets	7	6863467		5285746	
Sub Total – (Current Assets)			61485314		47435475
Total (Assets)			85391002		69566801
B. EQUITY AND LIABILITIES					
1. Shareholder's Funds					
(a) Share Capital	13	53739000		53739000	
(b) Other Equity	14	10274456		4255837	
Sub Total (Shareholder's Fund)			64013456		57994837
2. Non-Current Liabilities					
(a) Financial Liabilities					
(i) Borrowing	15	-		-	
(ii) Other Financial Liabilities	16	-		-	
(c) Provisions	17	-		-	
(d) Deferred Tax Liabilities	18	-		-	
Sub Total (Non-Current Liabilities)					
3. Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	15	-		200000	
(ii) Trade Payable	19	17010760		8666224	
(b) Other-Current Liabilities	20	1216553		489700	
(c) Provisions	17	3150233		2216040	
Sub Total (Current Liabilities)			21377546		11571964
Total (Equity and Liabilities)			85391002		69566801

The accompanying Notes form an integral part of the Standalone Balance Sheet. This is the Standalone Balance Sheet referred to in our report of even date.

For and on behalf of the Board of Directors

For A.R. PANDHI & ASSOCIATES

 Chartered Accountants
 Firm No.118057W

Ajay R. Pandhi

 Proprietor
 Membership No.102616

PLACE : AHMEDABAD
DATE : 29.06.2020
PRASHANT GUPTA

CFO

MIHIR SHAH

Company Secretary

MAHENDRA C. RAYCHA

Chairman & Managing Director

AKSHIT M. RAYCHA

Joint Managing Director

PLACE : AHMEDABAD
DATE : 29.06.2020

Statement of PROFIT & LOSS for the year ended 31ST MARCH 2020 (Amount in Rupees)

PARTICULARS	NOTE NO	AS AT 31-03-2020		AS AT 31-03-2019	
I. Revenue from operations	21		119792557		98331966
II. Other Income	22		3001884		2055816
Total revenue (I + II)			122794441		100387782
II. Expenses					
(a) Cost of Materials Consumed	23		55631777		62259653
(b) Purchase of Traded Goods	24		13654012		9974601
(c) Changes in Inventories	25		4317380		(5540108)
(d) Employees Benefit Expense	26		12136301		10861908
(e) Finance Cost	27		67524		37296
(f) Depreciation and Amortization Expense	3		2545392		2470036
(g) Other Expenses	28		28592417		18669480
Total Expenses			116944803		98732866
III. Profit/(Loss) before Exceptional items and tax (I-II)			5849638		1654916
IV. Exceptional items			-		-
V. Profit for the year before before Tax (III-IV)			5849638		1654916
VI. Tax Expense					
(i) Current Tax			235000		320000
(ii) Deferred Tax (Assets)/liabilities			(42015)		(30083)
VII. Net Profit/(Loss) for the year			5656653		1364999
VIII. Other Comprehensive Income					
(i) Other Comprehensive income for the year			-		282000
Total Comprehensive income for the year			-		1646999
IX. Earning per Equity Share :	30				
Basic			0.105		0.031
Diluted			0.105		0.031

The accompanying Notes form an integral part of the Standalone Statement of Profit & Loss. This is the Standalone Statement of Profit & Loss. Referred to in our report of even date.

For and on behalf of the Board of Director

For A.R. PANDHI & ASSOCIATES
Chartered Accountants
Firm No.118057W
Ajay R. Pandhi
Proprietor
Membership No.102616

PLACE : AHMEDABAD
DATE : 29.06.2020

PRASHANT GUPTA
CFO

MIHIR SHAH
Company Secretary

MAHENDRA RAYCHA
Chairman & Managing Director

AKSHIT RAYCHA
Joint Managing Director

PLACE : AHMEDABAD
DATE : 29.06.2020

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	(Amount in Rupees)				
	Equity Share Capital [Refer Note 13]	Other Equity –Reserves & Surplus-Refer Note No. 14	Share Premium Account	General Reserve	Retained Earnings
As at 31st March, 2019	53739000	-	163541	4091848	57994389
Profit/(Loss) for the Year				5656653	5656653
"Other Comprehensive Income (Net of Tax) -Remeasurements on Post-employment "Defined Benefit Plans"	-	-	-	362415	362415
Total Comprehensive Income for the Year	-	-	-	362415	362415
Transactions with Owners in their Capacity as Owners:					
Final Dividend on Equity Shares for the Financial Year 2019-20 (Refer Note 41(b))	-	-	-	-	-
Dividend Distribution Tax on Above	-	-	-	-	-
Transfer from Retained Earnings	-	-	-	-	-
As at 31st March, 2020	53739000	-	163541	10110916	64013457

The accompanying Notes form an integral part of the Standalone Statement of Changes in Equity.
This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For A.R. PANDHI & ASSOCIATES
Chartered Accountants
Firm No.118057W
Ajay R. Pandhi
Proprietor
Membership No.102616

PRASHANT GUPTA
CFO

MAHENDRA RAYCHA
Chairman & Managing Director

MIHIR SHAH
Company Secretary

AKSHIT RAYCHA
Joint Managing Director

PLACE : AHMEDABAD
DATE : 29.06.2020

PLACE : AHMEDABAD
DATE : 29.06.2020

CASH FLOW STATEMENT
For the Year Ended March 31, 2020
(Amount in Rupees)

Particulars	For the Year ended on 31st March 2020	For the Year ended on 31st March 2019
A. Cash flow from Operating activities		
Profit for the financial year (Profit Before Tax)	58,49,637	16,54,916
Adjustments for:		
Tax on profit	2,37,853	
Depriciation and amortisation	25,45,393	24,70,036
Finance Cost	67,524	37,295
Operating Profit before Changes in Operating Assets and Liabilities	87,00,407	41,62,247
Changes in Operating Assets and Liabilities		
Increase/(Decrease) in trade payables	83,44,536	(35,90,737)
Increase/(Decrease) in Provisions	9,34,193	5,89,538
Increase/(Decrease) in Other Current Liabilities	7,26,853	1,23,200
(Increase)/Decrease in Inventories	29,81,483	(77,22,205)
(Increase)/Decrease in Trade Receivable	(10,61,002)	51,88,106
(Increase)/Decrease in other Current assets	(15,77,721)	-
(Increase)/Decrease in Loans & Advances	(38,921)	10,43,106
(Increase)/Decrease in other non-current assets	7,00,016	-
Exceptional Items	-	-
Finance Cost	(67,524)	(37,296)
Previous Year (Short) / Excess I.T	1,24,113	-
Income Tax (MAT)	(2,35,000)	(3,20,000)
Cash Generating from operating activities	1,08,31,026	(47,26,288)
Net Cash from Operating Activities	1,95,31,433	(5,64,041)
Investing activities		
Proceeds of disposal of fixed assests	-	-
(Increase)/Decrease in other non-current assets	(612)	(416)
Proceeds of disposal of Investments	-	-
(Purchase)/Sale of fixed assests	(49,77,144)	(5,30,659)
(Purchase)/Sale of investments	-	-
Net cash used in investing activities	(49,77,756)	(5,31,075)
Increase/(Decrease) in Short Term Borrowing	(2,00,000)	2,00,000
Total Short Term Borrowing	(2,00,000)	2,00,000
Total of Proceeds of disposal of fixed assets	(51,77,756)	(3,31,075)
Net cash used in investing activities	1,43,53,677	(8,95,116)
Net (decrease)/Increase in cash and cash equivalents	1,43,53,677	(8,95,116)
Cash and cash equivalents at beginning of year	99,81,891	1,08,77,007
Cash and cash equivalents at end of year	2,43,35,568	99,81,891

The above Standalone Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7, 'Statement of Cash Flow'.

The accompanying Notes form an integral part of the Standalone Cash Flow Statement.

This is the Standalone Cash Flow Statement referred to in our report of even date.

For and on behalf of the Board of Directors

For A.R. PANDHI & ASSOCIATES

Chartered Accountants

Firm No.118057W

AJAY R. PANDHI

Proprietor

Membership No.102616

PRASHANT GUPTA

CFO

MIHIR SHAH

Company Secretary

MAHENDRA RAYCHA

Chairman & Managing Director

AKSHIT RAYCHA

Joint Managing Director

PLACE : AHMEDABAD

DATE : 29.06.2020

PLACE : AHMEDABAD

DATE : 29.06.2020

Notes to Standalone Financial Statements for the year 31st March, 2020**Note 1 COMPANY INFORMATION**

The company is based in Ahmedabad and is primarily involved in trading and manufacturing of pharmaceutical products.

Note 2 SIGNIFICANT ACCOUNTING POLICIES adopted by the Company in the preparation and presentation of the Accounts: -**(a) BASIS OF PREPARATION OF FINANCIAL STATEMENT**

The financial statements have been prepared in accordance with Indian Accounting Standards [Ind AS] notified under the Companies [Indian Accounting Standards] Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013.

(b) ACCOUNTING ESTIMATES

The preparation of the financial statements in conformity with Ind AS and relevant Provisions of the Act, requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/ materialized.

(c) INVENTORIES

Inventories are valued at lower of cost or Net Realisable value

- (i) FIFO Method.
- (ii) Cost of inventories have been computed to include all costs of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(d) CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASH FLOW STATEMENT)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(e) CASH FLOW STATEMENT

Cash flows are reported using the "Indirect Method" as set out in the Accounting Standard 3 and presents the cash flow by operating, investing and financial activities of the Company.

(f) PRIOR PERIOD AND EXCEPTIONAL ITEMS

- (i) All identifiable items of Income and Expenditure pertaining to prior period are accounted through "Prior Period Expense Account".
- (ii) Exceptional items are generally non-recurring items of income/profit and expenses/loss within profit and loss from Ordinary activities, which are of such nature or incident at these disclosures is relevant to explain the performance of the Company for the year.

(g) DEPRECIATION METHOD, ESTIMATED USEFUL LIVES AND RESIDUAL VALUES

Depreciation is calculated on a pro-rata basis using the WDV method to allocate their cost, net of their estimated residual values, over their estimated useful lives in accordance with Schedule II to the Act. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the item.

Estimated useful lives of the assets are taken as per Schedule II of the Companies Act 2013, which is broadly defined as under:-

- Buildings - 60 years
- Plant and Equipments - 40 years
- Furniture and Fixtures 10 years
- Vehicles - 10 years
- Office Equipments - 6 years

(h) INTANGIBLE ASSETS

Intangible assets (Computer Software) has a finite useful life and are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

Computer Software

Software for internal use, which is primarily acquired from third-party vendors is capitalised. Subsequent costs associated with maintaining such software are recognised as expense as incurred. Cost of software includes license fees and cost of implementation/system integration services, where applicable.

Amortisation Method and Period

Computer software are amortised on a pro-rata basis using the straight-line method over their estimated useful life of 5 years, from the date they are available for use. Amortisation method and useful lives are reviewed periodically at each financial year end.

(i) REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

OTHER OPERATING REVENUES

Export entitlements (arising out of Duty Drawback) are recognised when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Company and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds. There is no Royalty Income.

(j) FIXED ASSETS

- (i) Fixed assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation.
- (ii) Expenditure on accounts of modification/alteration in plant and machinery, which increases the future benefit from the existing asset beyond its previous assessed standard of performance, is capitalized.

(k) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are recorded at the exchange rate prevailing on the date of such transactions. Conversion Rate Foreign currency monetary assets and liabilities are reported using the closing rate. Gains and losses arising on account of difference in foreign exchange rates on settlement / translation of monetary assets and liabilities on the closing date are recognized in the Statement of Profit and Loss.

(l) INVESTMENTS

- (j) Long-term Investments are stated at cost. Provision for diminution in the value of long-term Investments is made only if such a decline is other than temporary in the opinion of the management.
- (iii) Non-Current investment are carried at the lower of cost and quoted/fair value, computed category wise.

(m) EMPLOYEE BENEFITS

- (i) **Provident Fund and Pension Fund:** Contribution to provident and pension fund maintained with the Provident fund authorities is charged to Profit & Loss account on accrual basis.
- (ii) **Gratuity:** Gratuity liability as on 31st March, 2020 has been determined by the actuarial valuation. Difference of such liability has been provided for in these accounts.
- (iii) **Leave Encashment:** The Company has policy to make payment of unutilised leaves every year as per rules of the applicable Act.
- (iv) **Other Employee Benefits:** Other Employee Benefits such as bonus etc. are accounted for on accrual basis.

(n) BORROWING COSTS

No Borrowing Outstanding as at end of the year, Company is temporally using OD against FDR facility only.

(o) RELATED PARTY TRANSACTIONS

Disclosure of transactions with Related Parties, as required by Ind AS and relevant provision Companies Act, 2013 "Related Party disclosures" has been set out in a separate note forming part of this schedule.

(p) LEASES

The Company's significant leasing arrangements are in respect of operating leases for office premises, stores & godown. The leasing arrangements ranging between 11 months and five years are generally, and are usually Renewable by mutual consent on agreed terms. The aggregate lease rentals payable are charged as rent including lease rentals.

(q) EARNING PER SHARE**(i) Basic Earnings per Share**

Basic earnings per share is calculated by dividing: -

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

(ii) Diluted Earnings per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:-

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(r) INCOME TAX

The income tax expense 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, unused tax credits and to unused tax losses.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

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

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

Current and deferred tax are recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(s) IMPAIRMENT OF FIXED ASSETS

The carrying amount of assets, other than inventories, is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

The impairment loss is recognized whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in the uses, which is determined, based on the estimated future cash flow discounted to their present values. All impairment losses are recognized in the profit and loss account.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognized in the profit and loss account.

(t) PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurements are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in notes. Contingent assets are neither recognized nor disclosed in the financial statements.

(u) ACCOUNTING OF CLAIMS

- (i) Claims received are accounted at the time of received return goods and damaged and expiry goods.
- (ii) Claims raised by Government authorities regarding taxes and duties, which are disputed by the Company, are accounted based on legality of each claim. Adjustments, if any, are made in the year in which disputes are finally settled.

(v) Miscellaneous Expenditure

Preliminary expenses and pre-operative expenses are amortized over a period of 10 years.

(w) Expenses

Material known liabilities are provided for and on the basis of available information / estimates with the Management. Whenever external evidences for expenses are not available, the management has taken care of proper authorization of such expenses.

- (x) The Company has a branch at Kolkata, for that, the Company maintains separate books of accounts which are being kept at the registered office. At the end of the year, the accounts are merged with the H.O. accounts. The same have been audited by the Statutory Auditors of the Company.

Note 3 NOTES ON ACCOUNT

1. Previous year figures have been re-grouped and rearranged wherever necessary for proper presentation of accounts.
2. Sundry debit and credit balances of loans and advances are subject to confirmation and Bank Balances as per reconciliation, if any. As per view precaution of actual and realizable value has been taken care of.
3. As informed to us, there are no contingent liabilities as on Balance Sheet Date.
4. Auditors Remuneration relating to audit works is provided at the end of year.
5. As informed to us there are no estimated amounts of contracts remaining to be executed on Capital Amount.
6. The Company has not disposed off any Fixed Assets during the year.
7. As certified by the Directors all amounts in the Balance Sheet relating to Sundry Creditors, Unsecured Loans, Deposits, Loans and advances are shown at net realizable value or net payable as the case may be.
8. As certified by Company that it has received written representation from all the Directors, That Companies in which they are Directors had not defaulted in terms of section 164 (2) of the Companies Act, 2013, and that representation of Directors taken in Board that Director is disqualified from being appointed as Director of the Company.
9. Income in Foreign Currency is Rs. 6,94,92,259/-.
10. Expenditure in Foreign Currency is Rs. 13,77,268/-.
11. Particulars of licensed Capacity or Production Capacity is 50 Million Tablets/Months/Shift and 10 Million Capsules/Months/Shift and Liquid 1 Million Bottles/Months/Shift.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020
3. Property, Plant and Equipment
(Amount in Rupees)

Particulars	Land	Building	Plant & Equipments	Electrification		R & D Equipments	Furniture and Fixtures		Vehicles	Office Equipments		Total
				H.O.	Branch		H.O.	Branch		H.O.	Branch	
Property, Plant & Equipment												
Gross Carrying amount												
Carrying amount as at 1st April, 2018	800900	16494213	23994825	3207050	20901	1034932	4280510	162730	6191965	2223259	40300	58451585
Additions	-	52100	383500	-	-	-	-	-	-	86059	-	521659
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount	800900	16546313	24378325	3207050	20901	1034932	4280510	162730	6191965	2309318	40300	58973244
Accumulated Depreciation		11572684	16638755	2671536	12922	895857	3515732	94520	2922520	2000110	27306	40351942
Depreciation charge during the year	-	467039	1035657	109158	2192	22007	187362	16896	506262	118793	2929	2468295
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	12039723	17674412	2780694	15114	917864	3703094	111416	3428782	2118903	30235	42820237
Net Carrying Amount as at 01 st April, 2018	800900	4921529	7356070	535514	7979	139075	764778	68210	3269445	223149	12994	18099643
Net Carrying Amount as at 31st March, 2019	800900	4506590	6703913	426356	5787	117068	577416	51314	2763183	190415	10065	16153007
Gross Carrying amount												
Carrying Amount as at 01st April, 2019	800900	16546313	24378325	3207050	20901	1034932	4280510	162730	6191965	2309318	40300	58973244
Additions	-	-	305600	-	-	2284775	190450	-	63918	451456	30945	3327144
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount	800900	16546313	24683925	3207050	20901	3319707	4470960	162730	6255883	2760774	71245	62300388
Accumulated Depreciation	-	12039723	17674412	2780694	15114	917864	3703094	111416	3428782	2118903	30235	42820237
Depreciation charge during the year	-	423429	938299	92369	1589	264254	191120	14395	445595	161384	9495	2541929
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	-	12463152	18612711	2873063	16703	1182118	3894214	125811	3874377	2280287	39730	45362166
Net Carrying Amount as at 01 st April, 2019	800900	4506590	6703913	426356	5787	117068	577416	51314	2763183	190415	10065	16153007
Net Carrying Amount as at 31st March, 2020	800900	4083161	6071214	333987	4198	2137589	576746	36919	2381506	480487	31515	16938222

NOTE NO. 3.1 CAPITAL WORK-IN-PROGRESS

PARTICULARS	AMOUNT IN RUPEES
Carrying Amount at the Beginning of the Year	-
Addition During the Year @	1650000
Capitalised During the Year	-
Carrying Amount at the end of the Year	1650000
@ Includes following costs incurred in the course of construction of an item of Property, Plant and Equipment:	-

NOTE NO. 3.2 INTANGIBLE ASSETS

PARTICULARS	AMOUNT IN RUPEES
Gross Carrying	
Carrying Amount amount as at 01 st April, 2018	157500
Additions -	9000
Disposals -	-
Closing Gross Carrying Amount	166500
Accumulated Depreciation as at 01st April, 2018	140180
Additions	1781
Disposal	-
Closing Accumulated Depreciation	141961
Net Carrying Amount as at 01 st April, 2018	17320
Net Carrying Amount as at 01st April, 2019	24539
Gross Carrying Amount as at 01st April, 2019	166500
Additions -	-
Disposals -	-
Closing Gross Carrying Amount	166500
Accumulated Depreciation as at 01st April, 2019	141961
Additions -	3464
Disposals -	-
Closing Accumulated Depreciation	145425
Net Carrying Amount as at 01st April, 2019	24539
Net Carrying Amount as at 31st March, 2020	21075

NOTE NO. 4 INVESTMENT

(Amount in Rupees)

Particulars	Face Value	Number of Shares	As At 31.03.2020	AS At 31.03.2019
NON-CURRENT INVESTMENT				
(A) Quoted Investment	2	35	576	576
- HDFC Bank Ltd.	10	1440	16500	16500
- IDBI Bank Ltd.	10	1200	5000	5000
- Devika Proteins Ltd.			22076	22076
Total			7455	6843
(B) Unquoted Investment				
- N.S.C.				
TOTAL			29531	28919
Market Value of Quoted Shares Rs. 92,265/-				
CURRENT INVESTMENT			-	-

NOTE NO. 5 LOAN & ADVANCES

(Amount in Rupees)

Particulars	As At 31.03.2020	AS At 31.03.2019
Non-Current		
Unsecure Loans		
Sandhya Vivek Hundlani	500000	589296
Total	500000	589296
Current		
Unsecure Loans		
Zenith Medicine Pvt. Ltd.	(15800)	6594
Zenith Lifecare Pvt. Ltd.	35671	-
Kavita Sarkar	20000	7481
IMA Malda Branch	-	8000
Om Engineers	21125	-
Total	60996	22075

NOTE NO. 6 DEFERRED TAX ASSETS

(Amount in Rupees)		
Particulars	As At 31.03.2020	AS At 31.03.2019
Opening	3035580	3005497
Additional Deferred Tax Assets (Liabilities)	42015	30083
Disposal Deferred Tax Assets (Liabilities)	-	-
Closing Balance		
Total	3077595	3035580

NOTE NO. 7 OTHER ASSETS

(Amount in Rupees)		
Particulars	As At 31.03.2020	AS At 31.03.2019
Non-Current		
Unsecured, Considered Good		
Balance with Government Authorities	1395952	2006672
Prepaid/Advance for Expenses	-	-
Security Deposit	293313	293313
Other	-	-
Total	1689265	2299985
Current Assets		
Unsecured, Considered Good		
Advance of Employee	270582	298233
Export Entitlements Receivable & Duty Draw Back	2066722	2078999
Advance Income Tax Paid (Including TDS)	1884873	1035865
Other	2641290	1872649
Total	6863467	5285746

NOTE NO. 8 INVENTORIES

(Amount in Rupees)		
Particulars	AS AT 31-03-2020	AS AT 31-03-2019
Raw Materials	6375601	5302643
Packing Materials	4560088	4624464
Finished Goods	4398102	4033977
Stock In Trade	1109299	6756129
Work In Progress	1142065	176740
Laboratory Chemicals	-	-
Finished Goods (Branch in Kolkata)	1607698	1337505
Finish Goods (GST)	-	-
In Active Materials	825872	768749
Total	20018725	23000207

NOTE NO. 9 TRADE RECEIVABLE

(Amount in Rupees)		
Particulars	AS AT 31-03-2020	AS AT 31-03-2019
Unsecured Considered Goods	9361863	8050687
Other Considered Doubtful	844695	1094869
Total	10206558	9145556

NOTE NO. 10 CASH & CASH EQUIVALENTS

(Amount in Rupees)		
Particulars	AS AT 31-03-2020	AS AT 31-03-2019
Balance with Banks		
-Fixed Deposit with Maturing More than 12 months	5488591	5387654
Cash on Hand		
-Cash	8140	92889
- Petty Cash	8234	14370
- Cash (Kolkata Branch)	36936	214517
Total	5541901	5709430

NOTE NO. 11 BANK BALANCE

(Amount in Rupees)		
Particulars	AS AT 31-03-2020	AS AT 31-03-2019
In Current Accounts	18793667	4272461
Total	18793667	4272461

NOTE 12 FINANCIAL ASSETS
(Amount in Rupees)

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
N.S.C. Branch-Kolkata	-	-
Total	-	-

NOTE 13 EQUITY SHARE CAPITAL
(Amount in Rupees)

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
AUTHORISED SHARES 110000000 Equity Shares of Re. 1/- each	110000000	110000000
Total	110000000	110000000
ISSUED, SUBSCRIBED & FULLY PAID-UP SHARES 53739000 Equity Share of Rs. 1/- each Fully paid	53739000	53739000
Total	53739000	53739000
Total		

The Reconciliation of the Number of Shares Outstanding as at March 31, 2020 and March 31, 2019 is Set out Below

PARTICULARS	AS AT 31-03-2020		AS AT 31-03-2019	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
Equity Shares	53739000	53739000	53739000	53739000
Shares Outstanding at the Beginning of the Year				
Add. : NIL	0.00	0.00	0.00	0.00
Less : NIL	0.00	0.00	0.00	0.00
Shares Outstanding at the End of the year	53739000	53739000	53739000	53739000

(b) Terms/ Rights attached to Equity Shares

The company has only one class of equity shares having par value of Rs. 1/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company.

(c) Details of shareholders holding more than 5% shares in the company

Name of Shareholder	AS AT 31-03-2020		AS AT 31-03-2019	
	Number of Shares	% holding	Number of Shares	% holding
Mahendra Chatrabhuj Raycha	6604000	12.29	6604000	12.29
Mahendra Chatrabhuj Raycha H.U.F.	5129500	9.55	5129500	9.55

NOTE 14 OTHER EQUITY
(Amount in Rupees)

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
Reserves and Surplus	137089	137089
General Reserve	10215	10215
Amalgamation Reserve	16237	16237
Retained Earning [Refer (i) below]	10110915	4092296
Total	10274456	4255837
(i) Retained Earnings		
Opening Balance	4091847	2726848
Add. Net Reversed (IT, TDS & MAT)	362415	-
Add. Profit/(Loss) for the year	5656653	1364999
Total	10110915	4091847

NOTE 15 BORROWING
(Amount in Rupees)

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
Non-Current Liabilities Borrowing	-	-
Current Liabilities Borrowing	-	200000
Total	-	200000

NOTE 16 OTHER FINANCIAL LIABILITIES
(Amount in Rupees)

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
Other Financial Liabilities	-	-
Total	-	-

NOTE 17 PROVISIONS
(Amount in Rupees)

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
Non-Current Liabilities		
Provisions	-	-
Current Liabilities		
Provision for Salary	542012	402057
Provision for Bonus	512350	529860
Provision for Gratuity	732825	363554
Provision for Professional Tax	112388	68250
Gram Panchayat Tax	-	-
Provision for E.S.I. & P.F.	-	-
TDS Payable	271365	122083
Provision for Income Tax 2010-11	16150	16150
Provision for Income Tax (MAT)	215000	215000
Provision for Income Tax 2018-19 (TDS)	-	155187
Provision for Income Tax 2019-20	235000	320000
Provision for Income TDS 2019-20	375469	-
Provision for GST	72850	23899
Provision for Leave Encashment	64824	-
Total	3150233	2216040

NOTE 18 DEFERRED TAX LIABILITIES
(Amount in Rupees)

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
Deferred Tax Liabilities	-	-
Total	-	-

NOTE 19 TRADE PAYABLE
(Amount in Rupees)

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
(i) Trade Payable for Goods	7200823	5414982
(ii) Trade Payable for Expense	5240497	2905362
(iii) Trade Payable for Capital Goods	-	90760
Total Outstanding Dues of Micro & Small Enterprise	4569440	255120
Total	17010760	8666224

NOTE 20 OTHER CURRENT LIABILITIES
(Amount in Rupees)

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
From Buyers	1216553	489700
Total	1216553	489700

NOTE 21 REVENUE FROM OPERATION
(Amount in Rupees)

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
(i) Sale of Products		
Domestic Sale	57390675	59167061
Export Sale	61382021	37678529
(ii) Return Goods	(1025547)	(31412)
(iii) MEIS Licenses Sales	2045408	1517788
Total	119792557	98331966

NOTE 22 OTHER INCOME
(Amount in Rupees)

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
Direct Income		
Sale of Services	101420	138209
Profit From Kolkata Branch	278410	-
Duty Draw Back Income	773225	784931
Indirect Income		
Interest on Income Tax Refund	4339	-
Term Deposit with Bank	490669	433934
Kasar & Discounts	-	186439
Dividend Income	700	455
Rent	18000	18000
Gain on Exchange Rate Fluctuation	635090	470844
Other Interest Income	-	12500
Interest on NSC	612	869
Other Misc. Income	-	9635
Rate Difference	699419	-
Total	3001884	2055816

NOTE 23 COST OF MATERIALS CONSUMED
(Amount in Rupees)

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
Opening Stock	10695856	8989705
Add.: Purchase	56697482	63965804
Less : Closing Stock	11761561	10695856
Total	55631777	62259653

NOTE 24 PURCHASE OF TRADED GOODS
(Amount in Rupees)

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
Net Purchase of Trading Stock	13654012	9974601
Total	13654012	9974601

NOTE 25 CHANGES IN INVENTORIES
(Amount in Rupees)

Particulars	AS AT 31-03-2020		AS AT 31-03-2019	
Closing Stock				
Trading Stock	1109299		6756129	
Finished Goods	4398102		4033977	
Work-in-Process	1142065	6649466	176740	10966846
Opening Stock				
Trading Stock	6756129		1688841	
Finished Goods	4033977		2777741	
Work-in-Process	176740	10966846	960156	5426738
Total		4317380		(5540108)

NOTE 26 EMPLOYEES BENEFIT EXPENSES
(Amount in Rupees)

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
Salaries, Wages and Bonus	6895985	6156035
Director Remuneration	2700000	2400000
Contribution to P.F./ESIC/Gratuity	1184305	1126689
Man Power Expenses	1313666	1148072
Staff Welfare Expenses	36221	31112
Gujarat Labour ware Fund	6124	-
Total	12136301	10861908

NOTE 27 FINANCE COST
(Amount in Rupees)

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
Interest on Borrowing (against FDR)	5782	2185
Bank Commission & Charges	61742	35111
Total	67524	37296

NOTE 28 OTHER EXPENSES
(Amount in Rupees)

Particulars	AS AT 31-03-2020		AS AT 31-03-2019	
A. MANUFACTURING EXPENSES				
(i) Power and Fuel (Factory)	961440		782997	
(ii) Manufacturing Expenses	1138370		676106	
(iii) Water Charges	12060		52897	
(iv) Repairs and Maintenance-Machinery	1452970		807478	
(v) Inward Freight	88157		73777	
(vi) Factory Expenses	1541598		473991	
TOTAL		5194595		2867246
B. ADMINI. & SELLING & DISTRIBUTION EXPS.				
(i) Insurance	162451		286072	
(ii) Diesel & Petrol	666591		682619	
(iii) Rent Including Lease Rentals	1020000		1020000	
(iv) Repairs & Maintenance	509972		399771	
(v) Rate & Taxes	648496		516622	
(vi) Communications Expenses	50715		82591	
(vii) Printing & Stationery Expenses	181164		115498	
(viii) Traveling Expenses	414101		488041	
(ix) Freight & Forwarding Expenses	2079432		608652	
(x) Sales Commission	11750025		6664173	
(xi) Breakage & Expiry	532973		354333	
(xii) Business Promotion Expenses	507906		560151	
(xiii) Legal & Professional Expenses	487845		561679	
(xiv) Payment to Auditors	62500		62500	
(xv) Miscellaneous Expenses	1686497		1019040	
(xvi) Bad Debts Provisions	818851		496055	
(xvii) Key Management Insurance Exps.	830900		830911	
(xviii) Profit/(Loss) A/C of Branch	-		313009	
(xix) Input Reversal GST	43114		47509	
(xx) Product Permission & Registration	688129		436848	
(xxi) Security Charges	256160		256160	
Total		23397822		15802234
Total		28592417		18669480

NOTE 29 EXPENDITURE IN FOREIGN CURRENCY

PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019
Travelling Expenses	-	223977
Inspection & Plant Registration Fees	1377267	957024
Others Expenses (Bank Charges)	-	5153
Total	1377267	1186154

NOTE 30 EARNINGS PER EQUITY SHARE

Particulars	AS AT 31-03-2020	AS AT 31-03-2019
(A) Basic		
(i) Number of Equity Shares at the Beginning of the Year	53739000	53739000
(ii) Number of Equity Shares at the End of the Year	53739000	53739000
(iii) Weighted Average Number of Equity Shares Outstanding during the Year	53739000	53739000
(iv) Face Value of Each Equity Share (Re.) 1/- each	1	1
(v) Profit after Tax Available for Equity Shareholders Profit for the Year	5656653	1646999
(vi) Basic Earnings per Equity Share (Re.)[(v)/(iii)]	0.105	0.031
(B) Diluted		
(i) Dilutive Potential Equity Shares		
(ii) Diluted Earnings per Equity Share (Re.) [Same as (A)(vi) above]	0.105	0.031

NOTE 32 RELATED PARTY DISCLOSURES

Related Parties with whom transactions have taken place during the year:

1. Associate Entities	-
2. Entities in which Key Management Personnel have a significant influence	Ray Remedies Pvt. Ltd., Raxin Healthcare
3. Key Management Personnel and their relatives	1. Mahendra C. Raycha 2. Akshit M. Raycha 3. Neela M. Raycha

Related Party Transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Sr. No.	Nature of Payments	Key Management Personnel	Relative of Key Management Personnel	Entities Key Management Personnel have influence
1.	Remuneration	2700000		-
2.	Office Rent	-	900000	-
3.	Material Purchase	-	-	290860
4.	Material Sales/Expenses	-	-	1553132
5.	Job Charges	-	-	101420
6.	Godown Rent	-	-	138000

For A.R. PANDHI & ASSOCIATES

Chartered Accountants

Firm No.118057W

Ajay R. Pandhi

Proprietor

Membership No.102616

PLACE : AHMEDABAD

DATE : 29.06.2020

PRASHANT GUPTA

CFO

MIHIR SHAH

Company Secretary

MAHENDRA C. RAYCHA

Chairman & Managing Director

AKSHIT M. RAYCHA

Joint Managing Director

PLACE : AHMEDABAD

DATE : 29.06.2020

NOTE 34 OTHER DISCLOSURES

- (a) Sundry Creditors, Receivables, Loans and Advances and liabilities etc. for which confirmations are yet to be received. Provision for doubtful debts, if any, in respect of above and the consequential adjustments, arising out of reconciliation will be made at the appropriate time.
- (b) In the opinion of the Management and to the best of their knowledge and belief the value under the head of Current and Non Current Assets (other than fixed assets and non current investments) are approximately of the value stated, if realized in ordinary course of business, except unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.
- (c) The Company's significant leasing arrangements are in respect of office. The aggregate lease rental payable is charged to Profit and Loss Account as Rent in Schedule 5.
- (d) The Leasing arrangements, which are cancelable at any time between 11 months to 5 years and usually Renewable by mutual consent on mutually agreeable terms.
- (e) Prior period adjustments expenses include: CST of Rs. 646096/-
- (f) Balance Confirmations/ Statements for some of the inactive Bank Accounts have not been received. Request of the same have been placed with the bank and consequential adjustment if any on account of the same will be made as and when the statements are received.
- (g) Provision for likely sales returns, expiry and damaged products are debited to profit & loss account as and when actual returns/claims received by the Company.