September 21, 2026

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

**Trading Symbol: ZOTA**

**Subject: Annual General Meeting Notice – Response to Proxy Advisory Firm**

Dear Sir/Madam,

We, Zota Health Care Limited (the "Company"), acknowledge receipt of the email from Institutional Investor Advisory Services (IiAS) dated September 18, 2026, received at 10:57 A.M. (IST); the proxy advisory in their report attached therein dated September 16, 2026 have set out AGAINST voting recommendations in the following proposed resolutions to be passed in the Annual General Meeting (AGM) to be held on September 28, 2026:

1. To re-appoint Mr. Moxesh Ketanbhai Zota (DIN: 07625219) as the Managing Director of the Company.
2. To approve the remuneration payable to Mr. Ketankumar Chandulal Zota (DIN: 00822594), Non-Executive Chairman of the Company.
3. To approve the related party transactions with respect to payment of remunerations or salary to Directors and Senior Marketing Manager of the Company.
4. To approve material related party transaction(s) between the Company and M/s Everyday Herbal Beauty Care Limited, Subsidiary of the Company.

In order to ensure that shareholders as well as IiAS have an intact understanding of material facts, we wish to clarify as follows:

**Resolution No.: 1, 2 & 3**

In the explanatory statement of the Notice of AGM, we have stated the experience of Mr. Moxesh Ketanbhai Zota, Managing Director of the Company, and Mr. Ketankumar Chandulal Zota, Non-executive Chairman of the Company, both being Promoter Directors, under the head of "brief profile".

We would like to clarify that the Promoter Directors (which includes Mr. Ketankumar Chandulal Zota, Non-executive Chairman, Mr. Moxesh Ketanbhai Zota, Managing Director of the Company, Mr. Himanshu Muktilal Zota, Mr. Kamlesh Rajanikant Zota and Mr. Viren Manukant Zota, Whole-time Directors of the Company), are the founder Directors and Promoters of the Company, and carries over 30 years of experience in the pharmaceutical and healthcare sector. The Promoter Directors have been associated with the Company since its inception and possess knowledge and experience concerning the Company's business, operations, industry environment and long-term business strategy. Their continued involvement provides the Company with continuity of leadership and preserves valuable business over the years.

Further, the remuneration structure has been determined in accordance with the applicable statutory framework and the terms placed before the shareholders. Taking into account the industry in which the Company operates, size of the Company, experience, skills, expertise and responsibilities that is being handling by the Promoter Directors, the remuneration payable to them is equivalent with the remuneration packages paid in the peer companies.

Further, the Board of Directors of the Company have fixed the upper cap limit for the cumulative remuneration to be paid to them including all perquisites and allowances, if any, in a single financial year, which shall not exceed an upper cap limit of Rs. 12.00 crores in aggregate and this capping have been fixed till the end of financial year 2030.

The actual quantum of remuneration payable to them is minimal if compared with the Company's turnover. The remuneration represents only a small proportion of the scale of operations and is commensurate with the responsibilities undertaken by the Promoter Directors. As per the audited financial statements of the Company, the consolidated revenue from operations recorded an impressive growth of 83.86% YoY in FY26 and 62% YoY in FY25. Further, with increase in the turnover of the Company, the remuneration to be payable to the Promoter Directors would remain within the cap of Rs. 12.00 crores in aggregate; even when the actual remuneration to be payable to the Promoter Directors in proportion to the turnover exceeds the cap.

In the advisory report, it is said that "*having five promoter directors on the Board (of which four are executive) and three family members in office of profit is excessive for the size and operations of the company – it also deters from attracting external talent into the Company*." Further, as per the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has proper combination of Directors on the Board viz., 1 (One) Non-executive Chairman, 5 (Five) Executive Directors and 6 (Six) Independent Directors.

The Company has sought to maintain an appropriate balance between promoter representation, continuity of business knowledge and independent professional oversight. The Company has Independent Directors, Group Chief Executive Officer, Executive Director and Senior Management Personnels of the Company, who provide an external perspective on matters placed before the Board, while the Promoter Directors contribute their longstanding knowledge of the industry, Company's business and operations.

The treatment of such remuneration as related party transaction is on account of the status that Promoter Directors are related parties. The said transactions have been duly considered and approved by the Audit Committee of the Company consisting of Independent Directors only. The nature, terms, tenure, remuneration parameters and other material information of the respective transactions have been duly disclosed to the shareholders. The Company has placed the relevant proposals before the shareholders for better transparency and with adequate information to enable the shareholders to make an informed and independent decision.

**Resolution No.: 4**

M/s Everyday Herbal Beauty Care Limited ("EHBCL"), Subsidiary of the Company, is engaged in manufacturing, wholesale and retail trading and marketing of cosmetic, ayurvedic and OTC products under the brand name "Khadi India". EHBCL is also operating retail chain under the brand name "All Day Stores" (ADS) through Company Owned Company Operated (COCO) model. The ADS format has been designed to offer consumers a wide and value-driven range of personal care, household essentials, cosmetics, OTC, ayurvedic, Surgical and nutraceutical products, all offered under All Day's own range of private-label products. The Company ("Zota") holds 87.78% stake in EHBCL.

Further, the Davaindia vertical of Zota contributes to around 27% of its total revenue from sales of OTC products, which are majorly manufactured by EHBCL. At the present stage of development of EHBCL,

EHBCL does not have sufficient internal financial resources to independently fund the investments and working-capital requirements.

In view of the same, EHBCL requires financial assistance to undertake its business activities, while Mr. Rajesh Vanechand Kubadiya, founder Director of the Company, plays a pivotal role in overseeing of the Company's day-to-day operations and handling of all the functions regarding the Plant of the Company. He, being an individual minority shareholder, does not have the same financial capacity or ability to provide the required support.

Zota, on the other hand, being a majority shareholder and the holding Company, has stepped in to provide such support and has considered it commercially appropriate to provide financial assistance, supply-chain management support and arrangements relating to sale and purchase of goods and services, to provide EHBCL with the operational infrastructure and financial capacity required for developing its business. This is a commercial decision taken by Zota in the interest of EHBCL and in furtherance of Zota's own substantial economic interest in EHBCL and overall revenue generation of the Company.

Whilst the Company remains committed to transparency, the Board remains bound by its fiduciary duties to act in the best interests of the Company and all its shareholders.

A copy of the aforesaid response is also available on the website of the Company i.e. www.zotahealthcare.com.

This is for your information and record.

Thanking you,

Yours faithfully,
For **Zota Health Care Limited**

Ashvin Bhagavanbhai Variya
Digitally signed by Ashvin Bhagavanbhai Variya
Date: 2026.09.21 18:26:18 +05'30'

**Ashvin Variya**
**(Group Company Secretary & Compliance Officer)**

**Place:** Surat