ZENLABS ETHICA LIMITED

33rd ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2026

About Zenlabs

ZENLABS ETHICA LIMITED *is a WHO–GMP certified pharmaceutical firm headquartered in* ***Chandigarh****. It operates across Trading and distribution of diversified pharmaceutical formulations under multiple divisions (Zenlabs, Coles Pharma, Mega Star), servicing both domestic and key international markets including Southeast Asia. A part of the Preet Remedies Group, the company benefits from a robust contract manufacturing infrastructure.*

The Company continues to focus on expanding its product reach and strengthening its market presence through strategic alliances, enhanced distribution capabilities, and consistent quality compliance under WHO–GMP norms. With a strong presence in Southeast Asian markets and a growing domestic footprint, Zenlabs Ethica Limited is positioned to leverage its diversified product portfolio and distribution strength to drive long-term growth.

ZENLABS ETHICA LIMITED

33rd ANNUAL REPORT

2025-2026

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33rd ANNUAL GENERAL MEETING

Date Tuesday, 29th September, 2026

Time 12.00 P.M.

Location Plot No.194-195, 3rd Floor, Industrial Area, Phase II, Ram Darbar, Chandigarh-160002, India.

ZENLABS ETHICA LIMITED

CORPORATE INFORMATION AS ON 31.03.2026

BOARD OF DIRECTORS

MR. SANJEEV SINGAL
Managing Director & Chief Executive Officer (CEO)

Mr. SANJAY DHIR
Whole Time Director (Executive Director)

Mrs. HIMJYOTI
Non-Executive Director

Mr. ANURAG MALHOTRA
Independent Director

Mr. KULDEEP SINGH
Independent Director

Mr. ADARSH SHARMA
Chief Financial Officer

Mr. NIKUNJ GOEL
Company Secretary and Compliance Officer (Appointed on 29.05.2026)

STATUTORY AUDITORS
M/s. N KUMAR CHHABRA & CO., CHARTERED ACCOUNTANTS, CHANDIGARH (Registration No.000837N)

SECRETARIAL AUDITORS
JASPREET DHAWAN & ASSOCIATES, COMPANY SECRETARIES
CP NO. 8545
H. No. 705, Phase- 10, Sector- 64, Mohali- 160062, Punjab

REGISTRAR & TRANSFER AGENT
BIGSHARE SERVICES PVT. LTD
Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400093

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NOTICE TO MEMBERS

NOTICE IS HEREBY GIVEN THAT THE 33rd (THIRTY THIRD) ANNUAL GENERAL MEETING (AGM) OF THE ZENLABS ETHICA LIMITED WILL BE HELD ON TUESDAY, THE 29th DAY OF SEPTEMBER, 2026 AT 12:00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT PLOT NO. 194-195, 3RD FLOOR, INDUSTRIAL AREA, PHASE II, RAM DARBAR, CHANDIGARH-160002, INDIA TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

ITEM NO. 1	**TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026 TOGETHER WITH THE REPORT OF THE BOARD OF DIRECTORS AND THE STATUTORY AUDITORS THEREON**

To consider and if thought fit, pass the following resolutions as an Ordinary Resolution:

"**RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026 (including the Balance Sheet as at March 31, 2026; Statement of Profit and Loss; Cash Flow Statement for the year ended March 31,2026; along with summary of significant accounting policies and the accompanying notes forming an integral part of the financial statements) along with the Report of the Board of Directors and the Statutory Auditors' Report thereon, as placed before the members, be and are hereby, received, considered and adopted."

ITEM NO. 2	**TO RE-APPOINT MR. SANJAY DHIR (DIN: 02452461), WHO RETIRES BY ROTATION IN TERMS OF SECTION 152 (6) OF THE COMPANIES ACT, 2013 AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT**

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013,Mr. Sanjay Dhir (DIN:02452461), Whole Time Director of the Company, who retires by rotation and being eligible for reappointment, be and is hereby, re-appointed as Director of the Company."

ITEM NO. 3	**TO RE-APPOINT M/S N. KUMAR CHHABRA & CO., CHARTERED ACCOUNTANTS, AS THE STATUTORY AUDITORS OF THE COMPANY IN ACCORDANCE WITH THE PROVISIONS OF SECTION 139 OF THE COMPANIES ACT, 2013**

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactments thereof for the time being in force), and based on recommendation of the Audit Committee and the Board of Directors of the Company, M/s. N Kumar Chhabra & Co., Chartered Accountants (FRN: 000837N) be and are hereby re-appointed as Statutory Auditors of the Company, for a term of 5 (five)consecutive years i.e. from F.Y.- 2026-27 to 2030-2031 up to the conclusion of the Annual General Meeting to be held in the year 2031 on such remuneration as may be approved by the Audit committee /Board of Directors from time to time.

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SPECIAL BUSINESS:

ITEM NO. 4	**TO AMEND THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY IN ACCORDANCE WITH THE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER**

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

"RESOLVED THAT pursuant to the provisions of Sections 4 and 13 and other applicable provisions, if any, of the Companies Act, 2013, read with the rules made thereunder, and subject to such approvals, consents and permissions as may be required, the consent of the members of the Company be and is hereby accorded for alteration of the Object Clause, i.e., Clause III of the Memorandum of Association of the Company, in the following manner:

To substitute the existing Clause III (B) of the Memorandum of Association with the following:

(1) To receive contract amount in foreign currencies & repatriate the amount outside India.

(2) To do all or any of the acts or things as mentioned in the main objects either as principals, contractors or otherwise and either alone or in conjunction with others.

(3) To remunerate any firm, person or body corporate rendering services to the Company, including without limitation, in relation to the promotion or formation of the Company, either by cash payment or by allotment to him or them of shares and securities of the Company as paid -up in full or in part or otherwise

(4) To pay all costs, charges and expenses incurred or sustained in or about the formation, registration, promotion, incorporation, establishment and advertisement of the Company or which the Company shall consider to be preliminary including contracts entered into by the Company.

(5) To enter into contracts or arrangements or other dealings for more efficient conduct of the business of the Company or any part thereof and also to enter into any arrangement with any Government or Authorities or any persons or companies that may seem conducive to the main objects of the Company.

(6) To buy, sell, repair, alter, improve, exchange, let on hire, import, export and deal in all works, plant, machinery, tools, appliances, apparatus, products, materials, substances, articles and things capable of being used in any business which the Company is competent to carry on, or which may be required by any customer or person having dealings with the Company or which may seem capable of being profitably dealt with in connection therewith and to manufacture, experiment with, render marketable and otherwise deal in all products and services incidental to any of the businesses carried on by the Company.

(7) To lease, sub-lease, hire, purchase, license or otherwise acquire and/or sell, dispose of, construct, alter, modify, develop or otherwise deal in any properties, shades, offices, guest houses, employee accommodation, godowns, or other structures for housing and carrying on the businesses of the Company or for its employees, clients or other persons or for any other persons or for any other purpose as the Board of Directors may think expedient for the benefit of the Company.

(8) To enter into, undertake and execute contracts or other arrangements with any parties for any transactions, including the provision and supply or use of materials, machinery, equipment, articles or other products and/or services necessary for or otherwise required for or incidental to carrying out the objectives of the Company.

(9) To recruit, train and develop staff, organize seminars, training programs and conferences for employees, customers and the general public.

(10) To recruit, train and develop a pool of technical, managerial and administrative personnel including staff, employees, agents, for the Company or any subsidiary, affiliate or group companies or any other company, firm or other person, particularly where such companies, firms or persons are engaged in any business related to the business of the Company.

(11) To employ, engage, appoint, retain or otherwise procure, suspend or terminate the services of professionals, consultants, engineers, design consultants, technicians, legal and financial advisors, or other experts and to imbibe innovation and modern management techniques in the functioning and businesses of the Company.

(12) To retrench, lay-off, suspend, terminate the appointment of or dismiss executives, managers, assistants, support staff and other employees and to remunerate them at such rates as may be thought fit.

(13) To adopt such means of making known the articles, goods, products, appliances Manufactured or dealt in or processes and services provided by, or at the disposal of the Company, as well as properties, assets and effects of the Company as may seem expedient, in particular by advertising in the press and through billboards, hoardings, motion pictures, by broadcasting, telecasting or by publication of books, periodicals and any other material convenient to the Company, by participating in trade fairs, exhibitions and by granting prizes, rewards and donations.

(14) To acquire, and possess the whole or part of the business assets, property, goodwill, rights and liabilities of any persons, society, association or company carrying on any business.

(15) To appoint dealers, sub-dealers, agents, sub-agents, distributors, sole selling agents, sole concessionaries, either in India or any place in India, for the efficient conduct of the business of the Company, and remunerate them for their services.

(16) To take and/or provide discounts or to approve other terms of payment or credit in relation to any sums owing to or due from the Company and to impose or agree to pay any interest thereon or to write off any such sums or parts thereof.

(17) To pay for any property or rights acquired, either in cash, against debentures, or in fully or partly paid shares, or by the issue of securities, or by providing services and generally in such terms as may be determined and agreed upon.

(18) To carry on research and development activities on all aspects related to the business and objects of the Company.

(19) To undertake all types of technical, economic, and financial investigations and aid or assist or enter into partnership with any institution, university, company, partnership, firm or person or persons conducting such research or study and to subsidize, endow and assist workshops, libraries, meetings, lectures, and conferences and do such other acts to generally encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered to assist any of the businesses of the Company.

(20) To identify projects, project ideas, to prepare profiles, project reports, and undertake market research, feasibility studies, pre-investment studies and investigation of industries on a micro and/or macro level and to render appropriate services, to identify scope and potential for economic and industrial development in any particular geographical area or location whether in India or abroad.

(21) To acquire from any person, firm or body corporate, whether in India or elsewhere, technical information, know -how, processes, engineering, manufacturing and operating data, plans, lay-outs and blue-prints useful for the design, manufacture, erection and operation of plant and machinery, required for any of the businesses of the Company and to pay remuneration thereof in any currency by way of lump-sum or installments or fees or royalties.

(22) To develop and/or furnish to any person, firm or body corporate whether in India or elsewhere, technical information, know-how, processes, engineering, manufacturing and operating data, plans, lay-outs and blue-prints useful for the design, manufacture, erection and operation of plant and machinery, required for any of the businesses of the Company and to obtain remuneration thereof in any currency by way of lump-sum or installments or fees or royalties or through any other arrangement.

(23) To apply for, purchase, or otherwise acquire, protect or prolong any patent, design, concessions, trademarks, copyrights, conferring an exclusive or non-exclusive or limited right of use, or any secret or other information and/or systems, processes of the Company or which the Company may develop or acquire or propose to develop or acquire.

(24) To apply for, purchase or otherwise acquire brand names/service marks for the products manufactured and the services rendered by the Company, from any company, firm, or other person anywhere in the world, particularly international brand names/ service marks of the Company's holding or group companies.

(25) To expend money for improving or seeking to improve any patents, rights, inventions, discoveries, or information and/or systems, processes of the Company or which the Company may develop or may acquire or propose to develop or acquire.

(26) To use, exercise, develop, sell, assign, grant licenses or otherwise turn to account the property, rights and information so acquired.

(27) To establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension, superannuation, provident, welfare and education funds and trusts for the benefit of any person who is or was at any time in the employment or service of the Company or any subsidiary or affiliate of the

Company, or who is or was at any time a director of the Company or of any such other company as aforesaid and the spouse, family and dependants of any such person.

(28) To provide for the welfare of employees or ex-employees of the Company and their spouses or the dependants of such persons by grant of money, pensions, allowances, bonus or other payments or by contributing to other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other assistance as the Company may think fit.

(29) To purchase, hire or use all kinds of vehicles including cars, heavy transport vehicles, and aircraft, for the purpose of transportation of equipment, materials, employees and managerial personnel or for any other purpose.

(30) To acquire and hold one or more memberships or membership privileges in stock/security exchanges, commodity exchanges, clearing houses in any other trade or service associations which memberships, or membership privileges are likely in any manner to facilitate the conduct of the Company's business.

(31) To purchase, take on lease, exchange, mortgage, charge, hypothecate, encumber, hire or otherwise acquire or dispose of any moveable or immoveable property including lands, buildings, and flats of any description in India or elsewhere.

(32) To purchase, take on lease, exchange, mortgage, charge, hypothecate, encumber, or otherwise acquire or dispose of any other rights and privileges which the Company may think fit, and in particular of shares, debentures, or securities of any other company and to give any warranties in connection therewith as the Company shall think fit.

(33) To deal in, sell, mortgage, let out or otherwise dispose of the businesses, undertaking or all or any of the property and assets for the time being of the Company, or any part thereof, for such consideration and on such terms, as the Company thinks fit, particularly for shares, debentures, or securities of any other company and to give any warranties in connection therewith as the Company shall think fit.

(34) To promote, invest or assist any companies for the purpose of acquiring all or any of the property, rights and liabilities of such companies, which may seem beneficial to the Company.

(35) To enter into joint venture, partnership, or any other arrangement for joint working in business, sharing profits or for co-operation or for mutual assistance or form, promote, subsidize and assist companies and partnerships of all kinds with any person, firm or company or to acquire or carry on any other business (whether manufacturing or otherwise) auxiliary to the business of the Company or connected therewith or which may seem to the Company capable of being conveniently carried on in connection with the above, or calculated directly or indirectly to enhance the value of or render more profitable any of the Company's property or to amalgamate with any person, firm or company carrying on or about to carry on any business or transaction included in the objects of the Company or any other similar business, in India or abroad.

(36) To open accounts with any bank or financial institution and to draw make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, hundies, bills of lading, warrants, debentures and such other negotiable or transferable instruments of all types and to buy the same.

(37) Subject to the provisions of the Companies Act, 2013 including the rules and regulations made therein and the directions issued by Reserve Bank of India to borrow, raise or secure the payment of money or to receive money as loan, at interest for any of the objects of the company and at such time or times as may be expedient, by promissory notes, bills of exchange, hundies, bills of lading, warrants or such other negotiable instruments of all types or by taking credit in or opening current accounts or over-draft accounts with any person, firm, bank or company and whether with or without any security or by such other means, as may deem expedient and in particular by the issue of debentures or debenture stock, perpetual or otherwise and in security for any such money so borrowed, raised or received and of any such debentures or debenture stock so issued, to mortgage, pledge or charge the whole or any part of the property and assets of the Company both present and future, including its uncalled capital, by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as may seem expedient and to purchase, redeem or pay off such securities provided that the Company shall not carry on the business of banking within the meaning of the Banking Regulation Act, 1949.

(38) To advance money not immediately required by the Company or give credit to such persons, firms or companies and on such terms with or without security as may seem expedient and in particular to customers of and such others having dealings with the Company and to give guarantees or securities of any such persons, firms, companies as may appear proper or reasonable provided that the Company shall not carry on the business of banking, within the meaning of Banking Regulation Act, 1949.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to take such steps and to do all such other acts and deeds as it may deem

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fit and appropriate as may be necessary to settle any question, difficulty or doubt that may arise in regard to the said resolution."

On behalf of the
Board For **ZENLABS ETHICA LIMITED**

Sd/-

Date: September 02, 2026 **Nikunj Goel**
Place: Chandigarh **Company Secretary and Compliance Officer**

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NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and such proxy need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

   The instrument of proxy as enclosed with the notice, in order to be effective, should be deposited at the registered office of the Company not less than Forty-Eight (48) hours before the commencement of the Meeting. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions/ authority, as applicable.

2. During the period beginning 24 hours before the time fixed for the commencement of the Annual General Meeting and until the conclusion of the meeting, a member would be entitled to inspect the proxies lodged during the business hours of the company provided that not less than three days of notice in writing is given to the company.

3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the 33rd Annual General Meeting of the Company as set out in the Notice is annexed hereto.

4. A statement giving the details pursuant to regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on the General Meeting issued by the Institute of Company Secretaries of India, in respect of Directors seeking re appointment at the Annual General Meeting are also annexed hereto.

5. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote during the meeting.

6. All documents referred to in the notice along with Register of Directors and Key Managerial Personnel & Shareholding and Register of Contracts and Arrangements in which Directors are interested are open for inspection by the members at the registered office of the Company during the Annual General Meeting.

7. Members seeking any information with regard to the financial statements or any matter to be placed at the meeting are requested to write to the Company, at least ten (10) days before the meeting through e-mail on zenlabsethicaltd2019@gmail.com, and the same will be suitably replied by the Company.

8. Pursuant to section 113 of the Companies Act, 2013 corporate/ institutional members intending to appoint their authorized representatives to attend the AGM on its behalf and to vote through remote e voting are requested to send (in advance), scanned copy (PDF/JPG Format) of a duly certified copy of the relevant board resolution/ letter of authority/ power of attorney, together with the respective specimen signatures of those representative(s), to the scrutinizer through email to nitikagoel178@gmail.com with a copy marked to zenlabsethicaltd2019@gmail.com.

9. Green initiative: members who have not registered their email address are requested to register their email address to receive all communication from the company electronically.

10. The Securities and Exchange Board of India (SEBI) has mandated the submission of permanent account number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant (DP) with whom they are maintaining their Demat Account. Member holding the shares in physical form can submit their PAN to the RTA.

11. In accordance with the aforesaid MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 issued by Securities Exchange Board of India (collectively referred to as "SEBI Circulars"), the Notice of the 33rd Annual General Meeting along with the Annual Report for financial year 2025-26 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories.

    If your e-mail address is not registered with the Company/ Depositories, you may receive the Notice of the 33rd Annual General Meeting along with the Annual Report for financial year 2025-26 by completing the process for registration of e-mail address as under:

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I. Those shareholders who have registered/not registered their e-mail address or registered an incorrect e-mail address and mobile numbers including address and bank details may please contact and validate/update their details with the Depository Participant in case of shares held in electronic form and with M/s. Bigshare Services Private Limited, Registrar & Share Transfer Agent of the Company ("RTA") in case the shares are held in physical form.

II. Shareholders who have or registered an incorrect email address and in consequence the Annual Report, Notice of AGM and e-voting notice could not be serviced, may also temporarily get their email address and mobile number registered with the Company's RTA, by clicking the link: www.Bigshareonline.com for sending the Annual Report, Notice of AGM and e-voting notice.

12. Members can avail of the facility of nomination in respect of shares held by them in physical form, if any, pursuant to Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form SH-13 in duplicate, duly filled in, to the R&T agent at the below mentioned address. The prescribed form in this regard may also be obtained from the R&T agent. Members holding shares in electronic form are requested to contact their Depository Participants directly for recording their nomination.

The Company's Registrars & Transfer Agents for its share registry is M/s Bigshare Services Private Limited Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai 400093, Maharashtra, INDIA.

13. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.

a. **For shares held in electronic form**: to their Depository Participants (DPs)
b. **For shares held in physical form:** to the Company/Registrar and Transfer Agents (RTA) in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025.

14. Members may note that the Notice of the 33rd Annual General Meeting along with the Annual Report for financial year 2025-26 will also be available on website of the Company on the weblink https://zenlabsethica.com, website of the Stock Exchanges i.e., BSE Limited at www.bseindia.com and on the website of the CDSL evoting@cdsl.co.in.

15. Non-resident Indian shareholders are requested to inform about the following to the Company and its Share Transfer Agent or the concerned depository Participant, as the case may be, immediately of:
a) The change in the residential status on return to India for permanent settlement.
b) The particulars of the NRE Account with a Bank in India, if not furnished earlier.

16. Entry to the venue will be strictly regulated by the attendance slip which is annexed to the proxy form. Members are requested to produce the attendance slip duly signed along with photo identity proof i.e., PAN Card / Aadhar Card/ Driving License / Passport Copy, if any, at the entrance of venue.

17. Members, who hold shares in:
a. Multiple DE-MAT accounts and/ or
b. One or more folios in physical form are advised to consolidate their holdings in single DE-MAT account.

18. Members are requested to correspond with RTA for all matters relating to shareholding in the Company.

19. The shareholders can also access the Annual Report 2025-26 of the Company circulated to the Members of the Company and other information about the Company on Company's website, i.e., www.zenlabsethica.com

20. Members are requested to come and occupy their seats at least 15 minutes before commencement of 33rd Annual General Meeting. Due to security reasons, note that briefcase/ bags/eatables/electronic gadgets such as a mobile, laptop, camera, etc., will NOT be allowed along with members/proxies in the 33rd Annual General Meeting venue during meeting hours. In case any member/proxy brings electronic gadgets or other items mentioned above the same has to be deposited with security outside the 33rd AGM venue at the owners' risk.

21. Members who are holding shares in identical order of names in more than one folio are requested to write to the Company requesting the Company to consolidate their holdings in one folio.

22. As per Section 118(10) of the Companies Act, 2013 read with the Secretarial Standards for General Meeting Issued by Institute of Company Secretaries of India "**NO GIFTS, GIFT COUPONS OR CASH IN LIEU OF GIFTS SHALL BE DISTRIBUTED TO MEMBERS AT OR IN CONNECTION WITH THE 33rd ANNUAL GENERAL MEETING**".

23. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN to the RTA of the Company.

24. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or of staying abroad or demise of any member as soon as possible. Members are also advised not to leave their Demat accounts dormant for long. Periodical statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified.

25. The attendance slip and route map showing prominent landmark is annexed to the notice. The route map has been uploaded on the website of the Company.

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

In compliance with Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Regulation 44 of the Listing Regulations, and in terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to "e-voting Facility Provided by Listed Entities", the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by the Central Depository Services (India) Ltd (CDSL) all the resolutions set forth in this Notice. The facility for voting will also be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM.

Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are annexed to the Notice.

(i) The voting period begins on 26th September, 2026 at 09:00 A.M and ends on 28th September, 2026 at 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd September, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you

	can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for Remote e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on “Shareholders” module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

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5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on “SUBMIT” tab.

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

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

(ix) Click on the EVSN (260902078) for the ZENLABS ETHICA LIMITED on which you choose to vote.

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

(xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

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

(xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

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

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

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

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- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; zenlabsethicaltd2019@gmail.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like 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 Company/RTA email id.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, AVP, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 21 09911

On behalf of the Board
For ZENLABS ETHICA LIMITED

Sd/-
Nikunj Goel
Company Secretary & Compliance Officer

Date: 02nd September, 2026
Place: Chandigarh

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM 3: TO RE-APPOINT M/S N. KUMAR CHHABRA & CO., CHARTERED ACCOUNTANTS, AS THE STATUTORY AUDITORS OF THE COMPANY IN ACCORDANCE WITH THE PROVISIONS OF SECTION 139 OF THE COMPANIES ACT, 2013

The Members at the 28th Annual General Meeting ('AGM') of the Company held on September 30, 2021, had approved appointment of N. KUMAR CHHABRA & CO, Chartered Accountants (Firm Registration No. 000837N), as the Statutory Auditors of the Company to hold office from the conclusion of the 28th AGM till the conclusion of the 33rd AGM of the Company to be held in the year 2026.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company ('Board') has, based on the recommendation of the Audit Committee, proposed the reappointment of M/s N. KUMAR CHHABRA & CO., as the Statutory Auditors of the Company, for the second consecutive term of five years from the conclusion of 33rd AGM till the conclusion of 38th AGM of the Company to be held in the year 2031, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

M/s N. KUMAR CHHABRA & CO. have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141 of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

The Board of Directors, upon the recommendation of the Audit Committee, has approved an audit fee of Rs. 4 lakhs (Rupees Four Lakhs Only), for the financial year 2026-27. The audit fee for the remaining tenure shall be determined in the subsequent years, based on the recommendation of the Audit Committee and approval of the Board. In addition to audit services, the Company may engage the Statutory Auditors for the issuance of various certificates required under applicable statutory regulations, certifications mandated by banks or other statutory authorities, and for other audit-related and permissible non audit services, in accordance with the relevant provisions of applicable laws and regulations. The remuneration for such services shall be mutually agreed upon and approved by the Board of Directors in consultation with the Audit Committee.

Considering the scale of operations, established reputation, and proven track record of M/s N. KUMAR CHHABRA & CO., the Board of Directors is of the opinion that the firm is well-qualified and suitably equipped to be appointed as the Statutory Auditors of the Company.

No Director/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution. The Board accordingly recommends the Resolution for the approval of Members.

ITEM 4: TO AMEND THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY IN ACCORDANCE WITH THE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER

The Company proposes to alter the Object Clause, i.e., Clause III of the Memorandum of Association ("MOA"), by amending the existing clause III (B) of the Memorandum of Association objects.

The existing clause III (B) of the Memorandum of Association shall be substituted with the following objects:

(1) To receive contract amount in foreign currencies & repatriate the amount outside India.

(2) To do all or any of the acts or things as mentioned in the main objects either as principals, contractors or otherwise and either alone or in conjunction with others.

(3) To remunerate any firm, person or body corporate rendering services to the Company, including without limitation, in relation to the promotion or formation of the Company, either by cash payment or by allotment to him or them of shares and securities of the Company as paid -up in full or in part or otherwise

(4) To pay all costs, charges and expenses incurred or sustained in or about the formation, registration, promotion, incorporation, establishment and advertisement of the Company or which the Company shall consider to be preliminary including contracts entered into by the Company.

(5) To enter into contracts or arrangements or other dealings for more efficient conduct of the business of the Company or any part thereof and also to enter into any arrangement with any Government or Authorities or any persons or companies that may seem conducive to the main objects of the Company.

(6) To buy, sell, repair, alter, improve, exchange, let on hire, import, export and deal in all works, plant, machinery, tools, appliances, apparatus, products, materials, substances, articles and things capable of being used in any business which

the Company is competent to carry on, or which may be required by any customer or person having dealings with the Company or which may seem capable of being profitably dealt with in connection therewith and to manufacture, experiment with, render marketable and otherwise deal in all products and services incidental to any of the businesses carried on by the Company.

(7) To lease, sub-lease, hire, purchase, license or otherwise acquire and/or sell, dispose of, construct, alter, modify, develop or otherwise deal in any properties, shades, offices, guest houses, employee accommodation, godowns, or other structures for housing and carrying on the businesses of the Company or for its employees, clients or other persons or for any other persons or for any other purpose as the Board of Directors may think expedient for the benefit of the Company.

(8) To enter into, undertake and execute contracts or other arrangements with any parties for any transactions, including the provision and supply or use of materials, machinery, equipment, articles or other products and/or services necessary for or otherwise required for or incidental to carrying out the objectives of the Company.

(9) To recruit, train and develop staff, organize seminars, training programs and conferences for employees, customers and the general public.

(10) To recruit, train and develop a pool of technical, managerial and administrative personnel including staff, employees, agents, for the Company or any subsidiary, affiliate or group companies or any other company, firm or other person, particularly where such companies, firms or persons are engaged in any business related to the business of the Company.

(11) To employ, engage, appoint, retain or otherwise procure, suspend or terminate the services of professionals, consultants, engineers, design consultants, technicians, legal and financial advisors, or other experts and to imbibe innovation and modern management techniques in the functioning and businesses of the Company.

(12) To retrench, lay-off, suspend, terminate the appointment of or dismiss executives, managers, assistants, support staff and other employees and to remunerate them at such rates as may be thought fit.

(13) To adopt such means of making known the articles, goods, products, appliances Manufactured or dealt in or processes and services provided by, or at the disposal of the Company, as well as properties, assets and effects of the Company as may seem expedient, in particular by advertising in the press and through billboards, hoardings, motion pictures, by broadcasting, telecasting or by publication of books, periodicals and any other material convenient to the Company, by participating in trade fairs, exhibitions and by granting prizes, rewards and donations.

(14) To acquire, and possess the whole or part of the business assets, property, goodwill, rights and liabilities of any persons, society, association or company carrying on any business.

(15) To appoint dealers, sub-dealers, agents, sub-agents, distributors, sole selling agents, sole concessionaries, either in India or any place in India, for the efficient conduct of the business of the Company, and remunerate them for their services.

(16) To take and/or provide discounts or to approve other terms of payment or credit in relation to any sums owing to or due from the Company and to impose or agree to pay any interest thereon or to write off any such sums or parts thereof.

(17) To pay for any property or rights acquired, either in cash, against debentures, or in fully or partly paid shares, or by the issue of securities, or by providing services and generally in such terms as may be determined and agreed upon.

(18) To carry on research and development activities on all aspects related to the business and objects of the Company.

(19) To undertake all types of technical, economic, and financial investigations and aid or assist or enter into partnership with any institution, university, company, partnership, firm or person or persons conducting such research or study and to subsidize, endow and assist workshops, libraries, meetings, lectures, and conferences and do such other acts to generally encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered to assist any of the businesses of the Company.

(20) To identify projects, project ideas, to prepare profiles, project reports, and undertake market research, feasibility studies, pre-investment studies and investigation of industries on a micro and/or macro level and to render appropriate services, to identify scope and potential for economic and industrial development in any particular geographical area or location whether in India or abroad.

(21) To acquire from any person, firm or body corporate, whether in India or elsewhere, technical information, know - how, processes, engineering, manufacturing and operating data, plans, lay-outs and blue-prints useful for the design, manufacture, erection and operation of plant and machinery, required for any of the businesses of the Company and to pay remuneration thereof in any currency by way of lump-sum or installments or fees or royalties.

(22) To develop and/or furnish to any person, firm or body corporate whether in India or elsewhere, technical

information, know-how, processes, engineering, manufacturing and operating data, plans, lay-outs and blue-prints useful for the design, manufacture, erection and operation of plant and machinery, required for any of the businesses of the Company and to obtain remuneration thereof in any currency by way of lump-sum or installments or fees or royalties or through any other arrangement.

(23) To apply for, purchase, or otherwise acquire, protect or prolong any patent, design, concessions, trademarks, copyrights, conferring an exclusive or non-exclusive or limited right of use, or any secret or other information and/or systems, processes of the Company or which the Company may develop or acquire or propose to develop or acquire.

(24) To apply for, purchase or otherwise acquire brand names/service marks for the products manufactured and the services rendered by the Company, from any company, firm, or other person anywhere in the world, particularly international brand names/ service marks of the Company's holding or group companies.

(25) To expend money for improving or seeking to improve any patents, rights, inventions, discoveries, or information and/or systems, processes of the Company or which the Company may develop or may acquire or propose to develop or acquire.

(26) To use, exercise, develop, sell, assign, grant licenses or otherwise turn to account the property, rights and information so acquired.

(27) To establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension, superannuation, provident, welfare and education funds and trusts for the benefit of any person who is or was at any time in the employment or service of the Company or any subsidiary or affiliate of the Company, or who is or was at any time a director of the Company or of any such other company as aforesaid and the spouse, family and dependants of any such person.

(28) To provide for the welfare of employees or ex-employees of the Company and their spouses or the dependants of such persons by grant of money, pensions, allowances, bonus or other payments or by contributing to other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other assistance as the Company may think fit.

(29) To purchase, hire or use all kinds of vehicles including cars, heavy transport vehicles, and aircraft, for the purpose of transportation of equipment, materials, employees and managerial personnel or for any other purpose.

(30) To acquire and hold one or more memberships or membership privileges in stock/security exchanges, commodity exchanges, clearing houses in any other trade or service associations which memberships, or membership privileges are likely in any manner to facilitate the conduct of the Company's business.

(31) To purchase, take on lease, exchange, mortgage, charge, hypothecate, encumber, hire or otherwise acquire or dispose of any moveable or immoveable property including lands, buildings, and flats of any description in India or elsewhere.

(32) To purchase, take on lease, exchange, mortgage, charge, hypothecate, encumber, or otherwise acquire or dispose of any other rights and privileges which the Company may think fit, and in particular of shares, debentures, or securities of any other company and to give any warranties in connection therewith as the Company shall think fit.

(33) To deal in, sell, mortgage, let out or otherwise dispose of the businesses, undertaking or all or any of the property and assets for the time being of the Company, or any part thereof, for such consideration and on such terms, as the Company thinks fit, particularly for shares, debentures, or securities of any other company and to give any warranties in connection therewith as the Company shall think fit.

(34) To promote, invest or assist any companies for the purpose of acquiring all or any of the property, rights and liabilities of such companies, which may seem beneficial to the Company.

(35) To enter into joint venture, partnership, or any other arrangement for joint working in business, sharing profits or for co-operation or for mutual assistance or form, promote, subsidize and assist companies and partnerships of all kinds with any person, firm or company or to acquire or carry on any other business (whether manufacturing or otherwise) auxiliary to the business of the Company or connected therewith or which may seem to the Company capable of being conveniently carried on in connection with the above, or calculated directly or indirectly to enhance the value of or render more profitable any of the Company's property or to amalgamate with any person, firm or company carrying on or about to carry on any business or transaction included in the objects of the Company or any other similar business, in India or abroad.

(36) To open accounts with any bank or financial institution and to draw make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, hundies, bills of lading, warrants, debentures and such other negotiable or transferable instruments of all types and to buy the same.

(37) Subject to the provisions of the Companies Act, 2013 including the rules and regulations made therein and the directions issued by Reserve Bank of India to borrow, raise or secure the payment of money or to receive money as

loan, at interest for any of the objects of the company and at such time or times as may be expedient, by promissory notes, bills of exchange, hundies, bills of lading, warrants or such other negotiable instruments of all types or by taking credit in or opening current accounts or over-draft accounts with any person, firm, bank or company and whether with or without any security or by such other means, as may deem expedient and in particular by the issue of debentures or debenture stock, perpetual or otherwise and in security for any such money so borrowed, raised or received and of any such debentures or debenture stock so issued, to mortgage, pledge or charge the whole or any part of the property and assets of the Company both present and future, including its uncalled capital, by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as may seem expedient and to purchase, redeem or pay off such securities provided that the Company shall not carry on the business of banking within the meaning of the Banking Regulation Act, 1949.

(38) To advance money not immediately required by the Company or give credit to such persons, firms or companies and on such terms with or without security as may seem expedient and in particular to customers of and such others having dealings with the Company and to give guarantees or securities of any such persons, firms, companies as may appear proper or reasonable provided that the Company shall not carry on the business of banking, within the meaning of Banking Regulation Act, 1949.

The alteration of the Object Clause of the MOA requires the approval of the members of the Company by way of a Special Resolution pursuant to Sections 4 and 13 and other applicable provisions of the Companies Act, 2013, read with the rules made thereunder, and subject to such approvals, consents and permissions as may be required.

The Board of Directors, at its meeting held on Wednesday, 2nd of September, 2026, considered and approved the proposal for alteration of the Object Clause of the MOA and recommends the Special Resolution set out at Item No. 4 of the accompanying Notice for approval of the members.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their respective shareholding, if any, in the Company.

The documents referred to in the accompanying Notice, including the existing and proposed MOA, shall be available for inspection by the members in accordance with the applicable provisions of the Companies Act, 2013.

The Board recommends the Special Resolution for approval by the members.

THE DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT, PERTAINING TO THE ITEM NO. 2 OF THE NOTICE

DETAILS OF DIRECTOR SEEKING SHAREHOLDERS APPROVAL FOR APPOINTMENT PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

Name	Mr. Sanjay Dhir
Directors Identification Number (DIN)	02452461
Date of Birth	19/02/1971
Age	55 Years
Original Date of Appointment	11/08/2016
Education Qualification	Bachelors in Pharmacy
Experience/ Experience in special functional area	Mr. Sanjay Dhir has extensive experience in leading operations of large organizations and possess expertise in developing and implementing business strategies for the company. Further, he possesses deep understanding of Consumer behaviour in diverse environments and conditions pertaining to core business areas of the Company. Having more than 20 years of experience in Pharmaceuticals Industries.
Terms and conditions of appointment/ re-appointment.	Mr. Sanjay Dhir retires by rotation at the ensuing Annual General Meeting in accordance with the provisions of Section 152 of the Companies Act, 2013, and, being eligible, offers himself for re-appointment.
List of Directorship held in other Companies.	Holds Directorship in 5 Companies:- 1. QUIXOTIC PHARMA PRIVATE LIMITED 2. PREET REMEDIES LIMITED 3. OASIS PHARMA AND PHYTOMOLECULES PRIVATE LIMITED

Relationship with other Directors, Managers and KMPs	He is husband of Mrs. Himjyoti, Director and Promoter of the Company.
No. of Board Meetings attended during Financial Year 2025-26	5
Chairmanships/Memberships of the Committee of the Board of Directors of the Company	Member of Audit Committee.
Chairmanships/Memberships of the Committee of the Board of Directors of other Public Limited Companies including Listed Companies	Nil
Listed Entities from which the director has resigned in the past 3 years.	Nil
No. of shares held in the Company	857728

On behalf of the Board
For ZENLABS ETHICA LIMITED

Sd/-
Nikunj Goel
Company Secretary & Compliance Officer

Date: 02ND September, 2026
Place: Chandigarh

<u>**Board's Report**</u>

Dear Shareholders,

The Board of Directors is pleased to present the 33rd Annual Report on the business and operations of your Company along with the audited statement of accounts and the Auditors' Report for the financial year ended March 31, 2026. The highlights of the financial results for the year under review are given below:

1. FINANCIAL RESULTS:

The Company's financial and operational performance for the year ended March 31, 2026 is summarized below:

(In Lakh)

PARTICULARS	***2025-26***	***2024-25***
Total Income	*4710.66*	*5147.05*
Less: Total Expenditure	*4684.16*	*5104.25*
Profit before exceptional items and tax	*26.50*	*42.79*
Less: Exceptional items	*207.81*	*-*
Profit Before Tax	*(181.31)*	*42.79*
Less: Provision for Tax	*12.25*	*15.87*
Profit after tax	*(193.56)*	*26.92*
Other Comprehensive Income	*2.50*	*3.27*
Total Comprehensive Income/expenses for the year	*(191.07)*	*30.19*
Balance of profit /loss for earlier years	***391.50***	***361.30***
Balance carried forward	***200.43***	***391.50***
Earning per equity share (nominal value of shares Rs. 10 each)		
Basic	*(2.97)*	*0.41*
Diluted	*(2.97)*	*0.41*

2. THE STATE OF THE COMPANY'S AFFAIRS:

Your company is one of the leading marketing companies, which is trading in wide range of branded drugs including GIT disorders, Anti-Diabetics, Anti-Hypertensive Drugs, Anti-Infective, Soaps & Anti-Bacterial Drugs, Nutraceuticals and more. Zenlabs Ethica Limited corporate sustainability is demonstrated through

(a) fair, transparent and ethical governance,
(b) engagement with marginalized and vulnerable communities,
(c) adherence to and respect for all human rights,
(d) reduction of impact of its operations on the environment and
(e) promotion of employee well-being and safety.

In last three years, your company has optimized its business models, reshaped its portfolio, and expanded its footprint to strengthen its competitive position in key geographies. During the financial year under review, the company has recorded a net loss of Rs 1,93,56,000 This downturn was primarily driven due to change in product mix and other applicable market factors. While these results are challenging, the Board remains highly confident in the intrinsic strength of the business model. To restore profitability, management has initiated a comprehensive turnaround plan focused on strict cost rationalization, optimizing supply chain efficiencies, and launching high-margin product variants. We are confident that these aggressive measures will stabilize cash flows and drive sustainable growth in the upcoming financial year.

3. TRANSFER TO RESERVES:

During the financial year 2025-26 the Company has transferred a loss of 193.56 (In Lakh) to the Reserves.

4. DIVIDEND:

The Board of Directors of your company, after considering holistically the relevant circumstances, has decided that it would be prudent, not to recommend any Dividend for the financial year ended March 31, 2026.

5. CHANGES IN SHARE CAPITAL, IF ANY:

During the year under review, there has been no change in the authorized, issued, subscribed and paid-up share capital share capital of the Company.

As on 31st March 2026, the authorized share capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crore Only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs. 10/- (Rupees Ten) each and paid-up share capital is Rs. 6,51,00,150 (Rupees Six Crore Fifty-One Lakhs One Hundred Fifty only) divided into 65,10,015 (Sixty-Five Lakhs Ten Thousand Fifteen only) equity shares of Rs. 10/- (Rupees Ten only) each.

During the financial year under review, the Company did not undertake any buy-back of its shares.

The detailed break-up of the share capital is furnished in Note-15 to the 'Notes to Accounts' of the Audited Financial Statements of the Company.

6. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

There was no change in the nature of business of company. Your Directors are optimistic about company's business and hopeful of better performance with increased revenue in next year.

7. ANNUAL RETURN:

The Annual Return of the Company as on March 31, 2026 in Form MGT – 7 in accordance with Section 92(3) and Section 134(3) (a) of the Companies Act, 2013 as amended from time to time and the Companies (Management and Administration) Rules, 2014, will be made available on the website of the Company at https:// www.zenlabsethica.com.

8. BOARD OF DIRECTORS OF THE COMPANY:

a) Composition of the Board of the Directors

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors. The composition of the Board is in conformity with Section 149 of the Companies Act, 2013. The Board of Directors comprised of 5 (five) Directors as on March 31, 2026. The names of the directors along with other relevant details are given hereunder: -

Name of the Director	DIN	Designation
Mr. Sanjeev Singal	01154896	Managing Director
Mr. Sanjay Dhir	02452461	Whole-time Director
Mrs. Himjyoti	02398927	Non-Executive Director
Mr. Anurag Malhotra	07552713	Non-Executive Independent Director

Mr. Kuldeep Singh	08454422	Non-Executive Independent Director

b) Meeting and attendance

During the financial year ended on March 31, 2026, the Board met 5 (Five) times during the year under review. The details of such meetings are given below. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Act. The Attendance of the Directors at the Board Meetings are as under:

Board Meeting	Mr. Sanjay Dhir	Mr. Sanjeev Kumar	Mrs. Himjyoti	Mr. Kuldeep Singh	Mr. Anurag Malhotra
12th May, 2025	P	P	P	P	P
08th August, 2025	P	P	P	P	P
04th September, 2025	P	P	P	P	P
08th November 2025	P	P	P	P	P
07th February 2026	P	P	P	P	P

c) Directors retiring by rotation

Pursuant to section 149(13) of the Act and Articles of Association of the Company, all Directors except Independent Directors are liable to retire by rotation.

Pursuant to the provisions of Section 152(6) of the Act Mr. SANJAY DHIR (DIN:02452461) Whole-Time Director, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

Such retirement and re- appointment of the Whole-Time director does not affect his appointment as a Whole-Time director of the Company and he shall continue to hold their office as a Whole-Time director from the date of original appointment.

Based on the recommendation of the Nomination and Remuneration Committee ("NRC") the Board has recommended for the approval of the Members regarding the reappointment of Mr. Sanjay Dhir at the AGM. A brief profile of Mr. Sanajy Dhir and other requisite information as required under Regulation 36(3) of the SEBI Listing Regulations (LODR) forms part of the Notice of 33rd AGM.

d) Directors / Key Managerial Personnel appointed / resigned during the financial year under review:

During the period under review following changes took place in the composition of Board of directors and Key Managerial Personnel of the company:

NAME	DIN/PAN	DESIGNATION	DATE OF EVENT	NATURE OF CHANGE
Mr. Sanjay Dhir	02452461	Whole Time Director	01/04/2025	Re-appointment
Ms. Manju Bala	GBCPB1173G	Company Secretary and Compliance officer	04/12/2025	Cessation
Mr. Amit Kumar	KVXPK1599C	Company Secretary and Compliance officer	07/02/2026	Appointment
Mr. Amit Kumar	KVXPK1599C	Company Secretary and Compliance officer	02/03/2026	Cessation

Following changes took place after the closure of financial year and before the date of signing of Board report in the Key Managerial Personnel of company:

Name	DIN/PAN	Designation	Date of appointment/ change in designation /cessation	Nature of change
Mr. Nikunj Goel	DGNPG9419K	Company Secretary and Compliance officer	29/05/2026	Appointment
Mr. Adarsh Sharma	AMYPS7789J	Chief Financial Officer	26/06/2026	Cessation
Mr. Sanjay Dhir	02452461	Chief Financial Officer	21/07/2026	Appointment

e) Declaration of Independent Directors:

The Independent Directors of your Company have submitted requisite declarations that they continue to meet the criteria of Independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulations 16(1)(b) and there is no change in the status of their Independence and have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The Independent Directors of your Company are in compliance with the requirements under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 (as amended). Following are the Non-Executive Independent Directors as on financial year ended March 31, 2026:-

1. Kuldeep Singh
2. Anurag Malhotra

In pursuance of Secretarial Standard -1 and Schedule IV of the Companies Act, 2013 the Independent Directors of the Company has conducted a meeting dated February 06, 2026 without presence of non-independent director where they reviewed the performance of all non-independent director of the Company and the board as a whole, reviewed the performance of the Chairman of the Company and assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

f) **Annual Evaluation of the Board**

Pursuant to Section 134(p) and Section 178(2) of the Companies Act, 2013 and applicable provisions of SEBI (LODR) Regulations 2015, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

A separate meeting of Independent Directors was held without the presence of any Non-Independent Directors to discuss, inter-alia, the performances of Non-Independent Directors, the Board as a whole and the Chairman, taking into consideration the views of Executive Directors and Non-Executive Directors. The performance evaluation of all the Independent Directors has been done by the entire Board, excluding the Director being evaluated.

9. COMMITTEES OF THE BOARD:

a) Audit Committee:

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with the rules made thereunder. The Committee comprises of members who possess financial and accounting expertise/exposure. The Company Secretary acts as the Secretary to the Audit Committee.

During the year under review, Meetings of the Audit Committee were held as follows:

MEETING	DATE
1ST	12.05.2025
2ND	08.08.2025
3RD	08.11.2025
4TH	07.02.2026

Composition of the Committee and details of attendance of each Member at the Audit Committee Meetings are as follows:

S. No.	Name	Designation	Number of Meetings during the financial year 2025-26	
			Entitled to Attend	Attended
1	Mr. Kuldeep Singh (Chairman & Independent Director)	Independent Director Non-Executive	4	4
2	Mr. Anurag Malhotra (Member & Independent Director)	Independent Director Non-Executive	4	4
3	Mr. Sanjay Dhir (Member & Whole Time Director)	Executive Director	4	4

b) Nomination and Remuneration Committee

The composition, powers, role and terms of reference of the Nomination and Remuneration Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013. Apart from the above, the Committee also carries out such functions/responsibilities entrusted on it by the Board of Directors from time to time.

During the year under review, Meetings of the Committee were held as follows:

MEETING	DATE
1ST	12.05.2025
2ND	04.09.2025
3rd	07.02.2026

Composition of NRC and details of attendance of the Members at Meetings of the Committee are as follows:

Sr. No.	Name	Number of meetings during the financial year 2025-26	
		Entitled to Attend	Attended
1	Mrs. Himjyoti Chairman & Member)	3	3
2	Mr. Anurag Malhotra (Member & Independent Director)	3	3
3	Mr. Kuldeep Singh (Member & Independent Director)	3	3

The function of the Nomination and Remuneration Committee ("NRC") is to oversee the Company's nomination process for the Board and senior management and specifically to assist the Board in identifying, screening and reviewing individuals qualified to serve as Executive Directors, Non-Executive Directors and determine the role and capabilities required for Independent Directors consistent with the criteria as stated by the Board in its Nomination and Remuneration Policy.

c) Stakeholder Relationship Committee

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013.

During the year under review, Meetings of the Committee were held as follows:

MEETING	DATE
1ST	08.08.2025

The Composition of SRC and details of attendance of the Members at Meetings of the Committee are as follows:

Sr. No.	Name	Number of meetings during the financial year 2025-26	
		Entitled to Attend	Attended
1	Mrs. Himjyoti (Chairman & Member)	1	1
2	Mr. Anurag Malhotra (Independent Director &Member)	1	1
3	Mr. Kuldeep Singh(Independent Director & Member)	1	1

10. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION:

The Company's Policy on Director's appointment and remuneration and other matters provided in section 178(3) of the Companies Act, 2013 is available on the website of the Company and can be accessed at https://www.zenlabsethica.com/policies/.

11. STATUTORY AUDITORS:

Pursuant to Section 139 of the Companies Act, 2013, and rules made thereunder, **M/s. N Kumar Chhabra & Co., Chartered Accountants, (Firm Registration No.000837N)**, were appointed as Statutory Auditors of the Company in the 28th Annual General Meeting held on September 30, 2021 to hold the office from the conclusion of the said Annual General Meeting until the conclusion of the 33th Annual General Meeting to be held in year 2026.

Statutory Auditor of the company have audited the accounts of your Company for the FY 2025-26 and their report is annexed together with the explanatory notes therein, which are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Board of Directors, based on the recommendation of the Audit Committee, has proposed the re-appointment of M/s N. Kumar Chhabra & Co., Chartered Accountants, (Firm Registration No. 000837N), as the Statutory Auditors of the Company for a further period of five years, to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the 38th Annual General Meeting of the Company.

N Kumar Chhabra & Co., have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

12. FRAUDS REPORTED BY AUDITORS:

Pursuant to sub-section (3)(ca) of section 134 of the Companies Act, 2013, it is further declared that no frauds have been reported by the Auditors under sub-section (12) of section 143 of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation or adverse remark.

13. INTERNAL AUDITORS:

Pursuant to the provisions of Section 138 of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, M/S. Anu & Associates,Chartered Accountants was appointed as an Internal Auditor of the Company for the Financial Year 2024-25. The Board has approved the Re-appointment of M/S. Anu & Associates, Chartered Accountants as the Internal Auditors of the Company for the Financial Year 2025-26.

The Internal Auditors have reviewed the design and operating effectiveness of various process covering the surveillance, operational, statutory compliances, business development, administrative, human resource, financial & accounting aspects of your Company.

The Internal Auditors were satisfied with the management response on the observation and recommendations made by them during the course of their audit and have expressed satisfaction with the internal systems, controls and process followed by your Company.

14. SECRETARIAL AUDITOR & REPORT:

Pursuant to Section 204 of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s Jaspreet Dhawan & Associates, a firm of Company Secretaries in Practice to conduct the Secretarial Audit of the Company for year ended March 31, 2026.

The Report of the Secretarial Audit submitted by Jaspreet Dhawan & Associates is annexed herewith as **Annexure - A**. Further, the reply/ clarifications to the observations issued by the secretarial auditors is annexed as addendum with the report.

15. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the Section 134(5) of Companies Act, 2013, the Board of Directors, to the best of its knowledge and ability, confirm that:

a. That in the preparation of the annual accounts, the applicable accounting standard had been followed along with proper explanation relating to material departures.

b. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit of the Company for that Period.

c. That the Directors have taken proper and sufficient care for the maintenances of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d. That the Directors have prepared the Annual accounts on a going concern basis.
e. That the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
f. Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. RESEARCH AND DEVELOPMENT:

As your Company is a trading company and not directly involved in any manufacturing activity, your Company is not directly involved in any Research and Development activities.

17. CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company's operations do not involve high consumption of energy. The company has taken adequate measures regarding conservation of energy.

The details of the Foreign Exchange earnings and outgo are given as the part to the Notes to Account of the financial statement.

18. DEPOSITS:

Your Company had not invited any deposits from the public, and as such, no amount on account of principal or interest related thereto was outstanding as on the date of the Balance Sheet i.e., March 31, 2026.

19. PARTICULARS OF EMPLOYEES:

The ratio of remuneration of each Director to the median employee's remuneration and other details in accordance with Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this report as **Annexure B**.

20. BUY BACK OF SHARES:

During the year under review, your Company has not announced any scheme for buy back of shares from its shareholders.

21. CORPORATE GOVERNANCE:

The Company falls within the exemption criteria prescribed under Regulation 15(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as its paid-up capital was below ₹10 Crores and its net worth was below ₹25 Crores as on the last day of the previous financial year.

As on 31st March, 2026, Company's Paid-up Capital is of Rs. 6,51,00,150/- (Rupees Six Crore Fifty-One Lakhs and One Hundred Fifty only) and Net worth Rs. 8,51,44,219/- (Eight Crore Fifty One Lakh Forty Four Thousand Two Hundred and Nineteen Only).

Hence, compliance with Corporate Governance provisions as per Listing Obligations & Disclosure requirements (LODR) Regulations, 2015 are not applicable to company.

22. HUMAN RESOURCE

The company has consistently endeavored to attract the best talent, provide an inspiring and engaging wok environment and retain achievers and high performers, while instilling a strong sense of loyalty towards the organization. Continuous efforts are made to enhance employees' involvement in decision-making and to nurture them for future leadership roles.

As on march 31, 2026 the company's employee strength stood at 66.

23. VIGIL MECHANISM POLICY:

The Board, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 has framed a policy on "VIGIL MECHANISM".

Your Company believes in highest possible standards of ethical practices, moral and legal conduct of business operations and to maintain these standards, the Company encourages its Directors and employees to come forward and freely communicate their concerns about illegal or unethical practices/ behavior, actual or suspected, fraud or violation the appropriate authority so that timely and speedy investigations can be undertaken and corrective action could be taken if warranted.

This mechanism has been framed with a view to enable stakeholders, including Directors, individual employees of the Company to freely communicate their concerns about illegal or unethical practices and to report genuine concerns or grievance as also to report to the management concerns about unethical behaviors, actual or suspected fraud.

The framework provides for (a) adequate safeguards against victimization of persons who use this Mechanism; and provides (b) direct access to the Chairperson of the Audit Committee or the Board of Directors of the Company.

Details of the Vigil Mechanism Policy are available on the Company's website at www.zenlabsethica.com.

During the year under review, the status of the concerns or complaints reported stands as follows: -

• No. of concerns or complaints outstanding as at April 1, 2025	Nil
• No. of concerns or complaints received during the year	Nil
• No. of concerns or complaints resolved during the year	Nil
• No. of concerns or complaints outstanding as at March 31, 2026	Nil

24. SUBSIDIARIES/ ASSOCIATES/JOINT VENTURES:

The Company does not have any subsidiary, joint venture, or associate company within the meaning of the provisions of the Companies Act, 2013.

Further, as on March 31, 2026, M/s Preet Remedies Limited held 17,30,455 equity shares in M/s Zenlabs Ethica Limited. Accordingly, pursuant to the provisions of the Companies Act, 2013, the Company is an associate company of M/s Preet Remedies Limited.

25. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

None of the transactions with related parties entered by the Company during financial year under review, fall under the scope of Section 188(1) of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company and hence does not form part of this report.

The approval of the Audit Committee was sought for all transactions with related Parties'. Certain transactions which were repetitive in nature were approved through omnibus route.

26. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THECOMPANIES ACT, 2013:

Your Company has, during the year under review, not given any loans, guarantees or provided security and has not made any investments in any body-corporate as specified under Section 186 of the Companies Act, 2013.

27. MATERIAL CHANGES AND COMMITMENTS, 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:

On 08th August, 2026 the Company entered into a Business Agreement with V **NEXXTRA LIFESCIENCES PRIVATE LIMITED** for appointing it as its sole and exclusive distributor for the entire territory, for the sale, marketing, promotion and distribution of the entire portfolio of products of Zenlabs Ethica Limited and its subsidiaries.

28. RISK MANAGEMENT POLICY:

The Company has adopted a Policy on Risk Management to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the Company's business.

In order to achieve the key objective, this Policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

In addition to above, the Audit Committee has additional oversight in the area of financial risks and controls. Major risk identified by the business and functions are systematically addressed through mitigating actions on a continuous basis.

29. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

During the year under review, there were no significant material orders passed by the Regulators / Courts and no litigation was outstanding as on March 31, 2026, which would impact the going concern status and future operations of your Company.

30. STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITHREFERENCE TO THE FINANCIAL STATEMENTS:

There are adequate systems of internal financial controls in the Company pursuant to provisions of Section 134(q) read with Rule 8(5) of Companies (Accounts) Rules, 2014. The Board has adopted policies and procedures for ensuring orderly and efficient conduct of safeguarding of its assets, prevention and detection of frauds, and accuracy of the accounting records and timely preparation of financial disclosures.

The Company had appointed M/s Anu & Associates, Chartered Accountants, as Internal Auditors for the financial year 2025-26.

The Internal Auditor monitors and evaluates the efficiency and adequacy of the internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the report of Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

31. CORPORATE SOCIAL RESPONSIBILITY:

The Provisions of Section 134(3) (o) and Section 135 of the Companies Act, 2013 read with Rule 8 of Companies (CSR Policy) Rules, 2014 regarding Corporate Social Responsibility do not apply to the Company for the period under review.

32. MAINTENANCE OF COST RECORDS & COST AUDIT:

Neither maintenance of cost records nor audit of cost records as required under Section 148 of the Act read with relevant rules made thereunder is applicable to the Company.

33. DISCLOSURES UNDER SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"), the Company has adopted a comprehensive internal policy to prevent and redress incidents of sexual harassment at the workplace.

This policy is applicable to all employees, irrespective of gender, designation, or employment status, and includes provisions for:

- Constitution of an Internal Complaints Committee (ICC) at each office/unit with ten or more employees, as mandated under Section 4 of the Act.

- A clearly defined grievance redressal mechanism, enabling aggrieved women to file complaints directly with the ICC.
- Provision for escalation to the Board of Directors or designated senior management, where appropriate.

Regular awareness and sensitization programs to foster a safe and inclusive work environment.

The Management and Board of Directors together confirm a total number of complaints received and resolved during the year is as follows:

a)	No. of Complaints received	Nil
b)	No. of Complaints disposed	Nil
c)	No. of cases pending for a period exceeding 90 days	Nil

34. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report in terms of Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 read with Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 is annexed to this Board Report as **Annexure C**.

35. STATEMENT REGARDING COMPLIANCE OF SECRETARIAL STANDARDS:

During the year under review, your Company has duly complied with the applicable provisions of the Revised Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS2) issued by the Institute of Company Secretaries of India (ICSI).

36. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the year under review, no Corporate Insolvency Resolution application was made or proceeding was initiated, by/against Zenlabs Ethica Limited under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended).

Further, no application / proceeding by/against Zenlabs Ethica Limited under the provisions of the Insolvency and Bankruptcy Code, 2016 (as amended) is pending as on March 31, 2026.

37. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS

During the period under review there was no instance of one-time settlement and of valuation with any Bank or Financial Institution.

38. STATEMENT OF COMPLIANCE UNDER MATERNITY BENEFIT ACT, 1961:

The Company is in full compliance with the provisions of the Maternity Benefit Act, 1961 and rules made thereunder.

We further confirm that no woman employee is engaged in tasks that may be harmful during pregnancy, and the company is committed to upholding the rights and welfare of its women employees in accordance with the applicable laws.

39. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

During the financial year, the Company had no funds lying unpaid or unclaimed which were required to be transferred to the Investor Education and Protection Fund (IEPF) pursuant to the provisions of the Companies Act, 2013 and the rules made thereunder.

40. SEBI COMPLAINTS REDRESSAL SYSTEM (SCORES):

Your Company makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint.

The status of investor complaints as on March 31, 2026, is summarized below:

No of Complaints Received	**No of Complaints Resolved**	**No of Complaints Pending**
0	0	0

41. PROHIBITION OF INSIDER TRADING:

The Company has adopted Code of Conduct to regulate, Monitor and Report Trading by Designated Persons & Code of Practices and Procedures for fair disclosure of UPSI, in line with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. The Company Secretary is the Compliance Officer for monitoring adherence to the said regulations.

The same is hosted on the website of the Company viz. https://www.zenlabsethica.com/ .

42. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS:

There are no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

43. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

Regulation 34(2) (f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was not applicable to the Company during the year under review, based on the market capitalization.

44. ACKNOWLEDGEMENT:

The Board of Directors wishes to place on record its sincere appreciation for the continued support, guidance, and cooperation received from the regulatory bodies, and other statutory agencies. The Board also acknowledges with gratitude the support and trust extended by the Company’s stakeholders—shareholders, customers, dealers, suppliers, vendors, bankers, business associates, and partners, whose confidence has been integral to the Company’s performance and growth during the financial year under review. The Directors further express their deep appreciation for the dedication, commitment, and hard work of all employees across the organization. Their efforts have been crucial in navigating challenges and driving the Company’s progress. The Board remains confident of the continued goodwill, support, and partnership of all stakeholders in the years to come.

For and on behalf of
ZENLABS ETHICA LIMITED

	Sd/-	**Sd/-**
	SANJEEV KUMAR	**SANJAY DHIR**
Date: 02nd September, 2026	**Managing Director**	**Whole-Time Director**
Place: Chandigarh	**DIN: 01154896**	**DIN: 02452461**

ANNEXURE A

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Zenlabs Ethica Limited
CIN: L74900CH1993PLC033112
Plot No. 194-195, 3rd Floor Industrial Area,
Phase II, Ram Darbar Chandigarh-160002, India

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Zenlabs Ethica Limited, CIN: L74900CH1993PLC033112 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the Financial Year ended on March 31, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Zenlabs Ethica Limited("the Company") for the financial year ended on March 31, 2026, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') ;

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;**(The provisions of the said regulations are not applicable to the Listed Entity during the review period)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(The provisions of the said regulations are not applicable to the Listed Entity during the review period).**

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(The provisions of the said regulations are not applicable to the Listed Entity during the review period)**.

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(The provisions of the said regulations are not applicable to the Listed Entity during the review period)**.

(h) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; **(The provisions of the said regulations are not applicable to the Listed Entity during the review period).**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(k) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003;

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

a) Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

b) SEBI (Listing Obligations and Disclosure Requirements)Regulations, 2015.

c) Listing agreements entered into by the Company with the BSE Limited.

d) During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that:

i. *The company was not in compliance with* ***the applicable provisions of Section 149 of the Companies Act, 2013 read with Rule 6 of the Companies (Apointment and Qualification of Directors)Rules, 2014.*** *This constitutes a non compliance with the statutory requirement applicable to the Independent Directors.*

ii. *It was observed that the Company* ***has not disseminated certain requisite information on its website, as required under Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, thereby resulting in non-compliance with the aforesaid regulatory requirement.***

Based on our examination and the information received and records maintained, further report that:

1. The Board of Directors of the Company was duly constituted during the period under review, except for non-compliance with the applicable provisions of Section 149 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, pertaining to the statutory requirements relating to Independent Directors. Further there were no changes in the composition of the Board of Directors during the period under review.

2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

3. As per the minutes, the decisions at the Board Meetings were taken unanimously.

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 compliance with applicable laws, rules, regulations and guidelines.

I further report that that during the audit period no event occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

This Report is to be read with our letter of even date which is annexed as **Annexure – A** and forms an integral part of this report.

For Jaspreet Dhawan & Associates
Company Secretaries

Sd/-
Jaspreet Singh Dhawan
M. No. 9372

Date: 02.09.2026 **CP.NO: 8545**
Place: Mohali **PR No. 7926/2026**
(Udin:) F009372H001340218

'Annexure-A'

To,
The Members,
Zenlabs Ethica Limited
CIN: L74900CH1993PLC033112
Plot No. 194-195, 3rd Floor Industrial Area,
Phase II, Ram Darbar Chandigarh-160002, India

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and process 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. I believe that the process and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.

5. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. My audit examination is restricted only upto legal compliances of the applicable laws to be done by the Company, I have not checked the practical aspects relating to the same;

7. 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.

8. Due to inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.

For Jaspreet Dhawan & Associates
Company Secretaries

Sd/-
Jaspreet Singh Dhawan
M. No. 9372
CP.NO: 8545
PR No. 7926/2026
(Udin:)F009372H001340218

Date: 02.09.2026
Place: Mohali

ADDENDUM TO SECRETARIAL AUDIT REPORT OF ZENLABS ETHICA LIMITED FOR THE YEAR ENDED MARCH 31, 2026 ADDRESSING THE OBSERVATIONS MADE BY THE SECRETARIAL AUDITOR THERE UNDER

THIS ADDENDUM IS BEING ISSUED TO PROVIDE MANAGEMENT'S CLARIFICATION AND RESPONSE TO THE OBSERVATIONS MADE BY THE SECRETARIAL AUDITOR IN THEIR REPORT AND TO OUTLINE CORRECTIVE ACTIONS TAKEN OR PROPOSED TO BE TAKEN.

Ref No.	Secretarial Auditor's Observations	Company's Reply
d (i)	The company was not in compliance with the applicable provisions of Section 149 of the Companies Act, 2013 read with Rule 6 of the Companies (Apointment and Qualification of Directors) Rules, 2014. This constitutes a non-compliance with the statutory requirement applicable to the Independent Directors.	The Company acknowledges the observation regarding non-compliance with the applicable provisions of Section 149 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. The Company has taken note of the same and is in the process of ensuring compliance with the applicable statutory requirements relating to the appointment and qualification of Independent Directors. The Company shall take necessary corrective measures to ensure compliance with the applicable provisions within the prescribed timelines.
d (ii)	It was observed that the Company has not disseminated certain requisite information on its website, as required under Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, thereby resulting in non-compliance with the aforesaid regulatory requirement.	The Company has taken note of the observation and acknowledges the requirement of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company is taking necessary steps to ensure that all requisite information is duly disseminated on its website in accordance with the applicable regulatory requirements and shall ensure timely compliance in the future.

ANNEXURE B

DISCLOSURE UNDER THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. <u>The Ratio of the Remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year ended March 31, 2026:</u>

S. No.	Name of Director	Designation	Remuneration as on 31/03/2026	Ratio of Remuneration of each Director to median remuneration of employees
1	Sanjeev Kumar	Managing Director and CEO	49,80,000	16.60:1
2	Sanjay Dhir	Whole-Time Director	37,20,000	12.40:1

B. <u>The Percentage Increase in Remuneration of each Director, Chief Financial Officer, Company Secretary in the Financial Year 2025-26:-</u>

S. No.	Name of Director	Designation	Remuneration as on 31/03/2026	% Increase in remuneration
1	Sanjeev Kumar	Managing Director and CEO	49,80,000	Nil
2	Sanjay Dhir	Whole-Time Director	37,20,000	Nil
3	Adarsh Sharma	Chief Financial Officer	14,52,500	7.59
4	Manju Bala	Company Secretary	3,32,000	Nil
5	Amit Kumar	Company Secretary	63,241	Nil

C. <u>The Percentage Increase in the Median Remuneration of Employees in the Financial Year 2025-26:</u>

There was decrease of 9.09 % in the Median Remuneration of Employees in the financial year 2025-26.

D. <u>The Number of Permanent Employees on the rolls of Company:-</u>

During the financial year 2025–26, the Company had a total of 66 permanent employees on its rolls.

E. **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:**

The average salary increase for employees other than Managerial Personnel during the financial year 2025–26 was approximately 28.11%, while the average salary increase for Managerial Personnel during the same financial year was approximately 7.59%.

F. **Affirmation that the Remuneration is as per the Remuneration policy of the Company:**

We hereby declare that, pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the remuneration paid is in accordance with the remuneration policy of the Company.

G. **Details as per Section 197 and Rule 5(2) and 5(3) of the Act:**

- During the financial year 2025-26, no employee of the Company, received remuneration of one crore and two lakh rupees or more per annum while working for the whole year or at the rate of eight lakh and fifty thousand rupees per month while working for a part of the year.

- During the financial year 2025-26 or part thereof, no employee of the Company received remuneration in excess of the remuneration drawn by Managing Director or Whole-Time Director or Manager and no employee of the Company (by himself or along with his spouse and dependent children), was holding two percent or more of the equity shares of the Company.

- During the financial year 2024-25, no employee of the Company, resident in India, posted and working in a country outside India, not being Directors or their relatives, had drawn more than sixty lakh rupees per year or five lakh rupees per month.

H. **Top 10 Employees in Terms of Remuneration Drawn Pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

S.NO	NAME	DESIGNATION	REMUNERATAION	NATURE OF EMPLOYMENT	QUALIFICATION	AGE	DATE OF JOINING
1	Sanjeev Kumar	Managing Director and CEO	49,80,000	PERMANENT	GRADUATION	57	27.08.08
2	Sanjay Dhir	Whole-Time Director	37,20,000	PERMANENT	GRADUATION	55	11.08.16
3	Adarsh Sharma	Chief Financial Officer	14,52,500	PERMANENT	CHARTERED ACCOUNTANT	69	11.05.23
4	R.N.Sharma	Marketing Manager	12,00,000	PERMANENT	B.SC, MBA	50	01.07.24
5	Deepak Bhardwaj	Zonal Sales Manager	11,40,000	PERMANENT	B.Com	43	01.05.15
6	Sudip	Zonal	10,44,000	PERMANENT	B.Com	50	17.08.09

	Kumar Das	Sales Manager					
7	Prateek Jain	Zonal Sales Manager	8,52,000	PERMANENT	B.A	44	16.08.08
8	Praveen Kumar	Assistant Manager	7,32,444	PERMANENT	BCA	43	05.08.08
9	Dilip Kumar Sharma	Regional Sales Manager	6,50,000	PERMANENT	B.com	44	03.05.23
10	Hausila Prasad Yadav	Assistant Manager	6,26,400	PERMANENT	B.com	48	09.10.08

On behalf of the Board For
Zenlabs Ethica Limited

Date: 2nd September, 2026
Place: Chandigarh

Sd/-
Sanjeev Kumar
Managing Director
DIN: 01154896

ANNEXURE C

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

[As per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Introduction

Zenlabs Ethica Ltd. is one of the leading marketing companies engaged in the trading and distribution of a wide range of branded pharmaceutical products across key therapeutic segments, including Gastrointestinal (GIT) disorders, Anti-Diabetics, Anti-Hypertensives, Anti-Infectives, Soaps and Antibacterial products, Nutraceuticals, and other healthcare products.

The Company remains committed to responsible and sustainable growth. Its approach to corporate sustainability is reflected in fair, transparent and ethical governance practices; meaningful engagement with marginalized and vulnerable communities; adherence to and respect for human rights; initiatives aimed at reducing the environmental impact of its operations; and continuous efforts to promote employee well-being, health and safety.

Over the past years, the Company has undertaken various strategic initiatives to optimize its business models, reshape its product portfolio and expand its presence across key geographies. These initiatives have strengthened the Company's competitive position and enabled it to respond more effectively to evolving market dynamics and customer requirements.

Going forward, the Company remains focused on sustainable growth by strengthening its market presence, expanding its product portfolio and improving operational efficiencies. The Company also recognizes that its people are central to its long-term success and is committed to investing in talent and developing an agile, innovation-driven and excellence-focused organizational culture.

The Company will continue to pursue opportunities that enhance stakeholder value while maintaining its commitment to responsible business practices, quality, ethical governance and sustainable development. The Management remains cautiously optimistic about the Company's future prospects and is focused on building a resilient and competitive business capable of delivering consistent long-term growth.

(a) Industry Structure and development:

The Indian pharmaceutical industry remains an important and rapidly evolving sector of the Indian economy. The industry continues to benefit from increasing healthcare awareness, rising life expectancy, growing healthcare expenditure, and sustained demand for affordable and quality medicines. India has emerged as a major global pharmaceutical manufacturing and supply hub, particularly in generic medicines, supported by its established manufacturing ecosystem, skilled workforce, cost competitiveness, and growing technical capabilities.

The industry is witnessing increasing emphasis on product quality, regulatory compliance, manufacturing efficiency, technological advancement, research and development, and environmentally sustainable operations. At the same time, changing regulatory requirements, pricing pressures, competition, and evolving customer expectations continue to influence the operating environment.

Against this backdrop, the Company remains focused on maintaining high standards of quality and compliance. The Company continues to invest in manufacturing infrastructure, quality systems, process improvements, and product development capabilities to address evolving market requirements.

Management remains confident about the long-term growth prospects of the pharmaceutical sector and intends to leverage emerging opportunities through operational efficiency, quality enhancement, innovation, regulatory preparedness, and expansion into new markets. The Company will continue to pursue a balanced growth strategy aimed at strengthening its market position and creating sustainable value for stakeholders.

(b) Opportunities and Threats:

The pharmaceutical industry continues to evolve, with increasing emphasis on operational reorganization, development of new markets, innovative marketing strategies, global expansion, and strengthening customer relationships. The fragmented nature of the market presents significant opportunities for the Company to expand its market presence and increase market share. Entry into new geographical and therapeutic markets also provides opportunities to diversify the Company’s product and service portfolio and create additional avenues for sustainable growth.

At the same time, the industry remains exposed to various regulatory, political, and economic risks. Changes in government policies, rules, and regulations may adversely affect business operations, pricing, compliance requirements, and profitability. Political and regulatory uncertainties may further increase business risks and require the Company to adopt flexible and proactive strategies. Volatility in input and operating costs may also place pressure on margins, while cautious planning and regulatory requirements may result in delays in product development and commercialization.

Overall, while regulatory and cost-related challenges may continue to influence the industry, the Company believes that market expansion, portfolio diversification, operational efficiency, and stronger customer engagement will provide opportunities for sustained growth and long-term value creation.

(c) **Segment wise or product-wise performance**:

The Company has a diverse and well-balanced product portfolio spanning multiple therapeutic categories and pharmaceutical segments. The Company's offerings include products across various areas such as cardiology, anti-diabetic, gastroenterology, anti-infective, respiratory, central nervous system, dermatology, vitamins and nutritional products, and other therapeutic segments. This diversified portfolio enables the Company to address a broad range of healthcare requirements and reduces its dependence on any single product, therapeutic category or market.

The Company continues to focus on strengthening its existing product portfolio while introducing new products and line extensions in selected therapeutic areas. The diversity of the portfolio, supported by established brands, product development initiatives and a broad distribution network, provides the Company with opportunities to participate in different areas of the pharmaceutical market and supports sustainable business growth.

During the year under review, the Company's performance across its product portfolio was influenced by changes in demand, product mix, volume growth, pricing, competitive intensity and regulatory developments. The Company remains focused on optimizing its product mix, strengthening key brands and expanding its presence in high-growth and strategically important segments.

(d) **Outlook**:

The pharmaceutical distribution and trading sector is expected to maintain steady demand, supported by increasing healthcare awareness, growing healthcare expenditure and the continuing need for pharmaceutical and healthcare products. The Company remains focused on strengthening its position in the market through an expanded product portfolio, strong supplier relationships and efficient distribution capabilities.

Going forward, the Company intends to focus on expanding its customer and distribution network, identifying opportunities for adding new products and strengthening relationships with manufacturers and suppliers. The Company will also continue to focus on efficient inventory management, working capital optimisation and cost control to support sustainable business growth and maintain healthy operating margins.

The Company remains mindful of challenges such as competition, changes in product pricing, fluctuations in procurement costs, regulatory requirements, credit risks and changes in market demand. Management will continue to monitor these factors closely and take appropriate measures to manage associated risks.

With its established market presence, customer relationships and focus on operational efficiency, the Company believes it is well positioned to benefit from the long-term growth prospects of the pharmaceutical and healthcare sector. The Company will continue to pursue sustainable growth while maintaining appropriate standards of regulatory compliance, quality and responsible business practices.

(e) **Risks and concerns**:

In this competitive market, the company faces the following risks:

Regulatory and Financial Risks

The Company operates in a competitive and regulated pharmaceutical trading and distribution environment and is exposed to various operational, financial and regulatory risks. Changes in applicable laws and regulations, pricing policies, licensing requirements and other regulatory developments may have an impact on the Company's operations and profitability. The Company continues to monitor the regulatory environment and remains committed to maintaining appropriate standards of compliance.

Dependence on Suppliers and Manufactures

The Company also faces competition from existing and new market participants, which may result in pricing pressure and impact operating margins. Dependence on suppliers and manufacturers exposes the Company to risks relating to product availability, changes in supplier terms, supply disruptions and fluctuations in procurement costs. Company focuses on maintaining strong relationships with suppliers and customers, offering a diversified range of pharmaceutical products, and improving operational and cost efficiencies. Management also continues to review procurement and pricing strategies to maintain competitiveness while protecting margins

Inventory Risk

Inventory management remains an important area of focus given the nature and shelf life of pharmaceutical products. Slow-moving or expired inventory may result in financial losses and increased working-capital requirements. The Company therefore continues to monitor inventory levels, product movement and expiry periods to improve inventory efficiency.

Credit and Liquid Risk

The Company is also exposed to credit and liquidity risks arising from trade receivables and working-capital requirements. Delays in collection from customers may affect cash flows and increase the requirement for working capital. Management continues to monitor customer creditworthiness, receivables and cash flows to manage these risks.

Storage and Quality Risk

In addition, risks relating to logistics, storage and transportation, product quality, market demand and changes in economic conditions may affect the Company's operations. The Company seeks to mitigate these risks through appropriate internal controls, regular monitoring, prudent inventory and credit management, diversification of suppliers and customers, and adherence to applicable regulatory and quality requirements.

(f) Internal control systems and their adequacy:

The Company has established an adequate internal control system commensurate with the size, scale and complexity of its operations. The internal controls are designed to safeguard the Company's assets, ensure accuracy and reliability of financial and operational information, promote operational efficiency, and ensure compliance with applicable laws, regulations and internal policies.

The Company maintains appropriate controls over procurement, inventory management, sales, receivables, payments and accounting activities. Particular emphasis is placed on inventory controls, including proper recording, periodic reconciliation and monitoring of stock movement and shelf life of pharmaceutical products.

The internal control framework is supported by appropriate segregation of duties, authorization procedures, accounting controls, periodic reconciliations and management review. Financial and operational performance is monitored regularly, and significant deviations are reviewed by management for timely corrective action.

Based on the management's assessment, the Company believes that its internal control systems are adequate and operating effectively in relation to its operations. No material weakness in the internal control system was identified during the year under review. The Company continues to review and strengthen its internal control procedures to ensure that they remain appropriate in view of changes in the business environment and regulatory requirements.

Discussion on financial performance with respect to operational performance:

During the year under review, the Company continued its operations in the pharmaceutical trading and distribution business. The financial performance of the Company was primarily influenced by the volume of pharmaceutical products traded, customer demand, product mix, procurement costs and operating expenses.

The Company recorded revenue from operations of ₹4,692.25 lakhs during the year under review, as compared to ₹5,142.25 lakhs in the previous year, representing a decrease of approximately 8.75%. Consequently, the Company reported a Loss Before Tax of ₹181.31 lakhs and a Loss After Tax of ₹193.56 lakhs, as compared to a Profit Before Tax of ₹42.79 lakhs and a Profit After Tax of ₹26.92 lakhs, respectively, in the previous year. The decline in revenue and profitability was primarily attributable to change in product mix and other applicable market factors.

Management continues to focus on improving operational efficiency, controlling costs, strengthening inventory and working-capital management, and enhancing margins in order to improve the Company’s financial performance in the coming year.

Overall, the financial performance during the year reflects a challenging operating environment. The management remains committed to strengthening the Company’s core trading operations and taking appropriate measures to improve revenue, profitability and operational efficiency.

Material developments in Human Resources / Industrial Relations front, including number of people employed:

Human resources are an integral part of the Company’s operations. During the year under review, there were no material developments in the area of human resources or industrial relations that had a significant impact on the Company’s operations. The Company maintained cordial and healthy relations with its employees and continued to provide a conducive working environment.

As on 31 March 2026, the Company had 63 employees. The management considers its existing human resource strength to be adequate for the Company's current scale of operations and remains committed to developing and retaining competent personnel to support the Company's future growth.

(g) Details of significant changes in Key Financial Ratios

Ratio/Measure	Methodology	As on 31st March, 2026	As on 31st March, 2025	% Variance
Current Ratio (times)	Current assets/ Current liabilities	1.29	1.33	-2.54%
Debt – Equity Ratio (times)	(Non-current borrowings + Current borrowings + Non-current Lease liabilities + Current lease)/Total Equity	1.29	1.22	5.81%
Debt Service Coverage Ratio (Times)	Earning available for debt service/ Debt Services (Interest and Lease Payments +Principal Repayments)	1.02	1.07	-4.67%
Return on Equity (ROE) (%)	Net Profit after tax/ Average Shareholder's Equity	-20.44%	2.62%	-879.99%
Inventory turnover ratio (Times)	Revenue from operation/ Average Inventory	3.34	4.10	-18.54%
Trade receivables turnover Ratio (Times)	Revenue from operation/ Average Trade Receivable	2.66	2.55	4.26%
Trade payables turnover Ratio (Times)	Purchases of stock in trade and other expenses/ Average Trade Payables	2.73	3.25	-16.21%

Net capital turnover ratio (Times)	Revenue from operation/ Average Working Capital	5.45	5.79	-5.86%
Net profit ratio (%)	Net Profit After Tax/ Revenue from operation	-4.13%	0.52%	-887.88%
Return on Capital employed	Earning before interest and taxes/ Capital Employed	-5.15%	5.85%	-187.93%
Return on investment (%)	Interest Income/ Average Fixed Deposits	NA	NA	NA

Explanation for change in the ratio by more than 25%: The ratio has changed by more than 25% primarily due to decrease in net profit after tax.

On behalf of the Board For
Zenlabs Ethica Limited

Date: 2nd September, 2026
Place: Chandigarh

Sd/-
Sanjeev Kumar
Managing Director
DIN: 01154896

1081, SECTOR 27 B,
CHANDIGARH – 160 019
PH: + 91 172 5088800
e-mail: info@nkumarca.com

INDEPENDENT AUDITOR'S REPORT

To the Members of

Zenlabs Ethica Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Zenlabs Ethica Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us ,the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2026, its loss including other comprehensive income, its cash flow and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the financial statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matter

Attention is invited to Note 48 of the statement which states that "Balance confirmations in respect of trade receivables, trade payables, advances given, and other financial and non-financial assets and liabilities have not been received in some of the cases and are subject to reconciliation/confirmation. Adjustments, if any, arising upon such confirmation/reconciliation shall be accounted for as and when determined. However, in the opinion of the management, the resultant impact, if any, would not be material."

Attention is invited to Note 36 of the financial Statement, which states, "The Company was erstwhile registered as a Non-Banking Financial Company (NBFC) and that pursuant to the Order dated 7th November, 2025 issued by the Reserve Bank of India, the registration certificate of the Company was cancelled under Section 45-IA of the Reserve Bank of India Act, 1934, and accordingly, the Company is no longer permitted to carry on NBFC activities. In view of the said regulatory development and based on management's assessment and realignment of the business model, investments and other loans and advances which were no longer consistent with the Company's permitted operations were disposed of and written off during the year. The resultant impact of ₹ 207.81 Lakhs has been recognised as an exceptional item."

Our opinion is not qualified in respect of the matters as stated in the Emphasis of Matter section.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

The Key Audit matter	How the matter was addressed in our audit
Revenue recognition (Refer note 3 (k) and 28 to the financial Statements) Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion insofar as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.	We applied audit procedures with regard to revenue recognition included testing controls, automated and manual, around dispatches / deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-offs and analytical review procedures.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

Responsibilities of Management for the Financial Statements

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 financial statements that give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified 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 of 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.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its Directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

2. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

3. 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 purposes 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 of 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 relevant books of account.

   (d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

(g) 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.

(h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company did not have any pending litigations which would impact its financial position as at 31st March 2026.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The management has represented that, to the best of it's knowledge and belief, as disclosed in note 54(k), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(b) The management has represented, that, to the best of it's knowledge and belief, as disclosed in note 54(l), no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided further under clause (a) and (b) above, contain any material mis-statement.

v. The Company has not declared or paid dividend during the financial year 2025-26, hence, reporting under Rule 11(f) of Companies (Audit and Auditors) Rules, 2014 is not applicable.

vi Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same has been enabled with effect from April 1, 2025 for all relevant transactions recorded in the software. During the course of our audit, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, has been preserved by the Company as per the statutory requirements for record retention, except for the period prior to where audit trail feature was not enabled.

for **N Kumar Chhabra and Co.**
Chartered Accountants
ICAI Firm Registration Number 000837N

CA. Ashish Chhabra
FCA, Partner
Membership Number 507083
UDIN:26507083GLDBJG7613

Place of Signature: Chandigarh
Date: 29th May 2026

Annexure A to the Independent Auditors' Report

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Zenlabs Ethica Limited ('the Company') on the financial statements for the year ended 31st March 2026. We report that:

(i) (a) (A) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company doesn't own any Intangible assets, hence, reporting under clause 3 (i)(a)(B) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has physically verified all its property, plant and equipment. In our opinion, the frequency of verification is reasonable considering the size of the Company and nature of its property, plant and equipment. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company doesn't own any immovable property, hence, reporting under clause 3 (i)(c) of the Order is not applicable.

(d) The Company has not revalued its property, plant and equipment (including Right of use assets) during the year ended 31st March 2026.

(e) According to the information and explanation given to us and the records of the Company examined by us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us and as disclosed in the note 21, the Company has been sanctioned working capital limit in excess of ₹ 5 Crores on the basis of security of current assets, in aggregate, during the year from banks and financial institutions and the quarterly returns or statements filed by the company with such banks or financial institutions are generally in agreement with the books of account of the Company.

(iii) In respect of Investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:

(a) During the year, the Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year and hence reporting under clause 3(iii)(a) is not applicable to the Company.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investments made are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not provided guarantees, given security, granted loans or advances in the nature of loans during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, the Company has not given any loans or advances in the nature of loans to any party and hence reporting under clause 3(iii)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year and hence reporting under clause 3(iii)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties and hence reporting under clause 3(iii)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment and hence reporting under clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, the Company has not made investments, granted any loans, provided guarantee and security under Section 185 and 186 of the Act, to the extent applicable and hence reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, no deposits or amounts which are deemed to be deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 have been accepted by the Company and hence reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under Section 148 (1) of the Act for any of the activities of the Company and hence reporting under clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, sales tax, custom duty, duty of excise, value added tax, cess and other statutory dues during the year with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no dues of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other statutory dues which have not been deposited on account of any dispute as at 31st March, 2026.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence reporting under clause 3(viii) of the order is not applicable to the Company.

(ix) (a) Based on our audit procedures and on the basis of information and explanations given to us, we are of the opinion that the Company has not defaulted in the repayment of loans or other borrowings or in the repayment of interest thereon to the lender and hence reporting under clause 3(ix) (a) of the Order is not applicable to the Company.

(b) On the basis of information and explanations given to us, the Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any term loan during the year and hence reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records, short term funds raised during the year by the Company have not been utilized for long term purposes.

(e) Based on our audit procedures and on the basis of information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and hence reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) Based on our audit procedures and on the basis of information and explanations given to us, during the year the Company has not raised any funds on the pledge of securities held in its subsidiaries and hence reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money by way of Initial public offer or further public offer (including debt instrument) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment, private placement of shares or fully or partly convertible debentures during the year or in the recent past and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by the management.

(b) During the year, no report under sub section 12 of Section 143 of the Act has been filed in Form ADT-4 as prescribed in rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Based on our audit procedure performed and according to the information and explanations given to us, no whistle blower complaints were received by the Company during the year and hence reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with related parties are in compliance with Section 177 and 188 of the Act and all the details have been disclosed in the financial statements as required by the applicable Accounting Standard. (Refer Note 42 to the financial statements).

(xiv) (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports for the year under audit issued to the Company during the year and till date, in determining nature, timing and extent of our audit procedure.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year.

(xvi) (a) The Company was registered under section 45-IA of the Reserve Bank of India Act, 1934 as a Non-Banking Financial Company (NBFC). Pursuant to an Order dated 7th November, 2025 issued by the Reserve Bank of India, the Certificate of Registration (CoR) of the Company stands cancelled. Refer Note No. 36 to the financial statements.

(b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable.

(d) Based on the information and explanations provided by the Management, the Group does not have any Core Investment Company (CIC) as part of the Group as defined under the Core Investment Companies (Reserve Bank) Directions, 2016. Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year and hence reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios disclosed in note 53 to the financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not fulfil the criteria as specified under Section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, accordingly there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The Company doesn't have any subsidiary, accordingly, the reporting under clause (xxi) is not applicable in respect of audit of financial statements of the Company.

for **N Kumar Chhabra and Co.**
Chartered Accountants
ICAI Firm Registration Number 000837N

CA. Ashish Chhabra
FCA, Partner
Membership Number 507083
UDIN: 26507083GLDBJG7613

Place of Signature: Chandigarh
Date: 29th May 2026

Annexure - B to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Zenlabs Ethica Limited** ("the Company") as of 31st March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management 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 ('ICAI'). 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 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 Companies Act, 2013.

Auditors' Responsibility

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 (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 ICAI. 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 material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control 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 over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls 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 be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control 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

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2026, 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 ICAI.

for **N Kumar Chhabra and Co.**
Chartered Accountants
ICAI Firm Registration Number 000837N

CA. Ashish Chhabra
FCA, Partner
Membership Number 507083
UDIN: 26507083GLDBJG7613

Place of Signature: Chandigarh
Date: 29th May 2026

FINANCIAL STATEMENTS

OF

M/S ZENLABS ETHICA LIMITED

FOR THE

FINANCIAL YEAR 2025-26

Balance Sheet as at March 31, 2026

₹ in Lakhs

Particulars	Note	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
Property, plant and equipment	4	134.05	164.29
Right of use of assets	5	52.81	64.93
Financial assets			
Investments	6	-	70.20
Other financial assets	7	3.13	4.21
Deferred tax assets (net)	8	21.03	23.77
Total Non - Current Assets		**211.02**	**327.40**
Current assets			
Inventories	9	1,500.91	1,309.89
Financial assets			
Trade receivables	10	1,570.38	1,953.57
Cash and cash equivalents	11	289.66	178.67
Bank balances other than above	12	0.94	0.94
Other financial assets	13	21.90	22.18
Other current assets	14	125.82	269.57
Total Current Assets		**3,509.62**	**3,734.82**
Total Assets		**3,720.64**	**4,062.22**
Equity and Liabilities			
Equity			
Equity share capital	15	651.00	651.00
Other equity	16	200.43	391.50
Total Equity		**851.43**	**1,042.50**
Non-current liabilities			
Financial liabilities			
Borrowings	17	16.24	46.89
Lease liabilities	18	31.97	9.94
Other financial liabilities	19	67.26	108.76
Provisions	20	42.05	41.86
Total Non - Current Liabilities		**157.53**	**207.45**
Current liabilities			
Financial liabilities			
Borrowings	21	1,026.36	1,140.84
Lease liabilities	22	23.15	72.57
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	23	481.24	453.44
Total outstanding dues of creditors other than micro enterprises and small enterprises	23	1,058.02	975.03
Other financial liabilities	24	112.98	132.07
Other current liabilities	25	1.32	28.56
Provisions	26	7.52	7.22
Current tax liabilities (net)	27	1.10	2.54
Total Current Liabilities		**2,711.68**	**2,812.27**
Total Liabilities		**2,869.21**	**3,019.72**
Total Equity and Liabilities		**3,720.64**	**4,062.22**
See accompanying notes forming part of the financial statements	**1 to 55**		

This is the balance sheet referred to in our report of even date.

for **N Kumar Chhabra and Co.**
Chartered Accountants
ICAI Firm Registration Number 00837N

for **and on behalf of the Board of Directors**

s
FCA., Partner
Membership Number 507083
UDIN: 26507083GLDBJG7613
Place: Chandigarh
Date: May 29, 2026

Sanjeev Kumar
Managing Director cum Chief Executive Officer
DIN 01154896

Sanjay Dhir
Whole Time Director
DIN 02452461

Nikunj Goel
Company Secretary
Membership Number A79297

Adarsh Sharma
Chief Financial Officer
PAN: AMYPS7789J

Statement of Profit and Loss for the year ended March 31, 2026

₹ in Lakhs

Particulars	Note	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operations	28	4,692.25	5,142.25
Other income	29	18.41	4.80
Total Income		**4,710.66**	**5,147.05**
Expenses			
Purchases of stock-in-trade	30	3,590.66	3,832.56
Changes in inventories of stock-in-trade	31	(191.02)	(110.39)
Employee benefits expense	32	417.22	420.46
Finance costs	33	81.02	92.55
Depreciation and amortisation expense	34	89.41	126.35
Other expenses	35	696.87	742.72
Total Expenses		**4,684.16**	**5,104.25**
Profit/(Loss) before exceptional items and tax		**26.50**	**42.79**
Exceptional items	36	207.81	-
Profit/(Loss) before tax		**(181.31)**	**42.79**
Tax expense	37		
Current tax		10.22	12.28
Short/ (Excess) tax provision for earlier years		0.13	0.88
Deferred Tax		1.90	2.71
Total tax expenses		**12.25**	**15.87**
Profit/(Loss) for the year		**(193.56)**	**26.92**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligation		3.34	4.37
Income tax relating to these items		(0.84)	(1.10)
Total other comprehensive income/ (expense) for the year		**2.50**	**3.27**
Total comprehensive income/ (expense) for the year		**(191.07)**	**30.19**
Earning per equity share (nominal value of shares ₹ 10 each) in ₹	38		
Basic		(2.97)	0.41
Diluted		(2.97)	0.41
See accompanying notes forming part of the financial statements	**1 to 55**		

This is the statement of profit and loss referred to in our report of even date.

for **N Kumar Chhabra and Co.**
Chartered Accountants
ICAI Firm Registration Number 00837N

for **and on behalf of the Board of Directors**

CA. Ashish Chhabra
FCA., Partner
Membership Number 507083
UDIN: 26507083GLDBJG7613
Place: Chandigarh
Date: May 29, 2026

Sanjeev Kumar
Managing Director cum
Chief Executive Officer
DIN 01154896

Sanjay Dhir
Whole Time Director
DIN 02452461

Nikunj Goel
Company Secretary
Membership Number A79297

Adarsh Sharma
Chief Financial Officer
PAN: AMYPS7789J

Statement of Cash Flow for the year ended March 31, 2026		
		₹ in Lakhs
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Cash flow from operating activities		
Profit before tax	(181.31)	42.79
Adjustments for		
Depreciation and amortisation expenses	89.41	126.35
Disposal of Investment and Write off of Other Loans and Advances	207.81	-
Allowances for credit impaired - trade receivables	-	8.71
Finance cost	81.02	92.55
Interest income	(0.52)	(0.26)
Net (gain) / loss on sale of property, plant and equipment	-	0.71
Net (gain) / loss on foreign currency transactions	(1.18)	(0.54)
Gain on termination of lease	(4.11)	-
Operating profit before working changes in working capital	191.11	270.31
Adjustments for changes in working capital		
(Increase)/Decrease inventories	(191.02)	(110.39)
(Increase)/Decrease trade receivable	384.37	110.96
Increase/(Decrease) trade payables	110.80	214.52
Increase/(Decrease) provisions	3.83	6.61
(Increase)/Decrease other financial and non-financial assets	6.73	(101.06)
Increase/(Decrease) other financial and non-financial liabilities	(87.67)	13.31
Cash Generated from operations	418.15	404.27
Income tax paid	(11.80)	(21.14)
Net cash flow from/ (used in) operating activities (A)	**406.35**	**383.13**
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment including capital advances	(0.39)	(1.76)
Proceeds from disposal of property, plant and equipment	-	15.00
Interest received	0.52	0.26
Net cash flow from/ (used in) investing activities (B)	**0.12**	**13.50**
C. Cash flow from financing activities		
Proceeds from/ (repayment of) long-term borrowings	(30.94)	(33.65)
Proceeds from/ (repayment of) short-term borrowings	(114.18)	(77.73)
Payment of lease liabilities	(82.01)	(123.03)
Interest paid	(68.34)	(74.05)
Net cash generated from financing activities (C)	**(295.47)**	**(308.46)**
Net increase/ (decrease) in cash and cash equivalents during the year (A+B+C)	111.00	88.17
Add: Cash and cash equivalents as at the beginning of the year	178.67	90.50
Cash and cash equivalents as at the end of the year (refer Note 11)	**289.66**	**178.67**
See accompanying notes forming part of the financial statements		

Notes to the Cash Flow Statement

1. The above cash flow statement has been prepared under the “Indirect method” as set out in Ind AS-7 “Statement of Cash Flows” as specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
2. All the figures in brackets indicates cash outflow.
3. Previous year’s figures have been regrouped wherever necessary.

Notes to the Cash Flow Statement (Contd.)

4. Cash and cash equivalents included in the Statement of Cash Flows comprise the following

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand (including imprest)	289.66	178.67
Balances with banks		
in current accounts	-	-
in deposit accounts with original maturity upto 3 months	-	-
Total	**289.66**	**178.67**

This is the cash flow statement referred to in our report of even date.

for **N Kumar Chhabra and Co.**
Chartered Accountants
ICAI Firm Registration Number 00837N

for **and on behalf of the Board of Directors**

CA. Ashish Chhabra
FCA., Partner
Membership Number 507083
UDIN: 26507083GLDBJG7613
Place: Chandigarh
Date: May 29, 2026

Sanjeev Kumar
Managing Director cum
Chief Executive Officer
DIN 01154896

Sanjay Dhir
Whole Time Director
DIN 02452461

Nikunj Goel
Company Secretary
Membership Number A79297

Adarsh Sharma
Chief Financial Officer
PAN: AMYPS7789J

Statement of Change in Equity for the year ended March 31, 2026

A. Equity share capital

Particulars	Number of shares	₹ in Lakhs
Balance as on April 1, 2024	**6510015**	**651.00**
Changes in equity share capital during the year	-	-
Issue of equity shares	-	-
Balance as on March 31, 2025	**6510015**	**651.00**
Changes in equity share capital during the year	-	-
Issue of equity shares	-	-
Balance as on March 31, 2026	**6510015**	**651.00**

B. Other equity ₹ in Lakhs

Particulars	Reserve and Surplus	Total
	Retained Earnings	
Balance as on April 1, 2024	361.30	361.30
Profit for the year	26.92	26.92
Remeasurements of net defined benefit plans (Net of taxes)	3.27	3.27
Balance as on March 31, 2025	**391.50**	**391.50**
Profit for the year	(193.56)	(193.56)
Remeasurements of net defined benefit plans (Net of taxes)	2.50	2.50
Balance as on March 31, 2026	**200.43**	**200.43**

This is the statement of changes in equity referred to in our report of even date.

for **N Kumar Chhabra and Co.**
Chartered Accountants
ICAI Firm Registration Number 00837N

for **and on behalf of the Board of Directors**

CA. Ashish Chhabra
FCA., Partner
Membership Number 507083
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Company Secretary
Membership Number A79297

Adarsh Sharma
Chief Financial Officer
PAN: AMYPS7789J

Note 1 Corporate Information

M/s Zenlabs Ethica Limited (the 'Company') is a public company domiciled and incorporated on 20th July 1993 [Corporate Identification Number (CIN) L74900CH1993PLC033112]. The shares of the Company are listed and traded on the BSE Limited in India. The Company deals in marketing and distribution of pharmaceutical products.

The financial statements were approved for issue in accordance with a resolution of the Board of Directors of the Company on May 29, 2026.

Note 2 Basis of Preparation

a) Statement of compliance

These financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, under Section 133 of the Companies Act, 2013 (the "Act").

b) Functional and presentation currency

The management has determined the currency of the primary economic environment in which the Company operates i.e., functional currency, to be 'Indian Rupees' [INR (₹)]. The financial statements are presented in INR (₹) which is Company's functional and presentational currency.

c) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items

Items	Measurement Basis
Certain financial assets and liabilities	Fair value

e) Critical accounting estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2026 is included in the following notes:

Note 3 (e) - measurement of useful lives and residual values to property, plant and equipment;
Note 3 (n) - leases: whether an arrangement contains a lease;
Note 3 (n) - lease classification; and
Note 3 (h) - measurement of defined benefit plans;

Note 3 (i), and 3 (j) - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

Note 3 Summary of Material Accounting Policies

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The standalone financial statements are presented in Indian Rupees (₹ Lakhs) which is the functional currency of the Company and all values are rounded off to the nearest lakhs, except where otherwise indicated.

Entity specific disclosure of material accounting policies where Ind AS permits options is disclosed hereunder.

The Company has assessed the materiality of the accounting policy information which involves exercising judgements and considering both qualitative and quantitative factors by taking into account not only the size and nature of the item or condition but also the characteristics of the transactions, events or conditions that could make the information more likely to impact the decisions of the users of the financial statements.

Entity's conclusion that an accounting policy is immaterial does not affect the disclosures requirements set out in the accounting standards.

The Company adopted Ind AS from 1st April 2017. Accounting Policies have been consistently applied except where a newly-issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the Accounting Policy hitherto adopted.

a) Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of financial liabilities some part of which may be noncurrent. All other liabilities are classified as non-current.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non-current.

b) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to/ by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1 – Quoted (unadjusted) prices in active markets for identical assets or liabilities;
Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

c) Financial instruments

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

i. Financial assets

Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not valued at fair value through profit or loss, are added to the fair value on initial recognition.

Classification and subsequent measurement

Classification

For the purpose of subsequent measurement, the Company classifies financial assets in following categories:

- Financial assets at amortised cost;
- Financial assets at fair value through profit or loss (FVTPL)

A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

A financial asset being equity instrument is measured at FVTPL.

All financial assets not classified at amortised cost are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the statement of profit and loss.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the statement of profit and loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the statement of profit and loss.

Impairment

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are measured at lifetime ECL. The changes (incremental or reversal) in loss allowance computed using ECL model, is recognised as an impairment gain or loss in the statement of profit and loss.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Financial liabilities

Initial recognition and measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

Classification and subsequent measurement

Financial liabilities are classified and measured at amortised cost.

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

iii. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

d) Cash and cash equivalents

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) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Capital work-in-progress includes assets under construction and cost attributable to construction of assets not ready for use before the year end.

Subsequent expenditure

Subsequent expenditure are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

i. Depreciation on property, plant and equipment has been provided as per guidance set out in Schedule II of the Companies Act, 2013 on straight line basis.
ii. Depreciation method, useful lives and residual values are reviewed at each reporting period end.

f) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

g) Inventories

The stock-in-trade and promotional items are valued at lower of cost or net realizable value in accordance with Accounting Standard. The stock-in-trade and promotional items costs are based on 'first in first out' method. Cost of inventories include all costs of purchase, cost and other cost incurred in bringing the inventories to their present condition and location.

h) Employee benefits

i. Short-term obligations

All employee benefits payable/ available within twelve months of rendering the service such as salaries, wages and bonus etc., are classified as short-term employee benefits and are recognised in the statement of profit and loss in the period in which the employee renders the related service.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by employees. The Company makes specified contributions towards the following schemes:

Employees' provident fund

The Company has a scheme of state insurance for its employees, registered with the regional state insurance commissioner. The Company's contribution to the state insurance is charged to the statement of profit and loss every year.

Employees' provident fund

All directly recruited employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan. Both employee and employer make monthly contribution to the plan at a predetermined rate of employee's basic salary and dearness allowance. These contributions to provident fund are administered by the provident fund commissioner. Employer's Contribution to provident fund is expensed in the statement of profit and loss as and when incurred.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Gratuity

The Company provides for gratuity, a defined benefit plan (the Gratuity Plan) covering all directly recruited eligible employees. In accordance with the provisions of Code on social security, 2020, the Gratuity plan provides a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment.

The calculation of defined benefit obligation is performed annually by a qualified actuary separately for each plan using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit, are recognised immediately in the balance sheet a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If, the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

j) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Information on contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

k) Revenue recognition

Revenue is recognised 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 excludes goods and service tax which are collected by the Company on behalf of the Government and deposited to the credit of respective Governments.

Sale of goods

Revenue from the sale of goods is recognized as revenue on the basis of customer contracts and the performance obligations contained therein. Revenue is recognised at a point in time when the control of goods or services is transferred to a customer. Control lies with the customer if the customer can independently determine the use of and consume the benefit derived from a product or service. Revenues from product deliveries are recognised at a point in time based on an overall assessment of the existence of a right to payment, the allocation of ownership rights, the transfer of significant risks and rewards and acceptance by the customer. Revenue from sales is based on the price in the sales contracts, net of Goods and Services Tax (GST). When a performance obligation is satisfied, Revenue is recognised with the amount of the transaction price that is allocated to that performance obligation. Historical experience, specific contractual terms and future expectations of sales returns are used to estimate and provide for damage or expiry claims. No element of financing is deemed present as the sales are made with the normal credit terms as per prevalent trade practice and credit policy followed by the Company.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Export Incentives

Export incentives under various schemes notified by the Government are recognised as and when the right to receive is established.

Other non-operative income

Other non-operative income is recognised when no significant uncertainty as to its determination or realisation exists.

Contract assets: A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables: A receivable represents the Company’s right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is received.

l) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs (for general and specific borrowings) directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time (qualifying assets) to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

m) Income tax

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they are related to income taxes levied by the same tax authority.

Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

n) Lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

Right of use assets and lease liabilities

The Company considers whether a contract is, or contains a lease. A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’. The Company enters into leasing arrangements for various assets. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company obtains substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

Recognition and initial measurement

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Subsequent measurement
The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in standalone statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor
Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis or another systematic basis as per the terms of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

o) Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

p) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Managing Director and Chief Financial Officer of the Company are the chief operating decision makers.

q) Foreign currency transactions and translations

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Standalone Statement of Profit and Loss in the year in which they arise.

Policies not specifically mentioned are consistent with generally accepted accounting principles.

s) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has amended Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2025. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

i. Lack of exchangeability – Amendments to Ind AS 21

Amendments to Ind AS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

When applying the amendments, an entity cannot restate comparative information. The amendments are not expected to have a material impact on the standalone financial statements.

ii. Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS

Amendments to paragraphs 69 to 76 of Ind AS 1 Presentation of Financial Statements specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- ✓ What is meant by a right to defer settlement.
- ✓ That a right to defer must exist at the end of the reporting period.
- ✓ That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- ✓ That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments must be applied retrospectively.

The Company is currently assessing the impact, the amendments are not expected to have a material impact on the standalone financial statements.

iii. Supplier Finance Arrangements - Amendments to Ind AS 7 and Ind AS 107

Amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments will be effective for annual reporting periods beginning on or after April 01, 2025.

The amendments are not expected to have a material impact on the standalone financial statements, as the company has not entered into any contracts that constitute Supplier finance arrangements.

iv. International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12

Amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules include:

- ➪ A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- ➪ Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after April 01, 2025, but not for any interim periods ending on or before March 31, 2026.

The amendments are not expected to have a material impact on the standalone financial statements.

Consequential amendments to other Ind AS have also been made which are not expected to have any material impact on the standalone financial statements.

Note 4 Property, Plant and Equipment ₹ in Lakhs

Particulars	Gross Block				Accumulated depreciation				Net Block
	As at April 1, 2025	Additions during the year	Deductions during the year	As at March 31, 2026	As at April 1, 2025	During the year	Deductions during the year	As at March 31, 2026	As at March 31, 2026
Machinery	1.07	-	-	1.07	0.88	0.06	-	0.94	0.13
Electrical equipment	21.14	-	-	21.14	17.77	2.31	-	20.09	1.05
Motor vehicles	311.32	-	-	311.32	156.84	26.62	-	183.46	127.86
Furniture and fixture	21.75	0.39	-	22.14	20.66	0.03	-	20.69	1.45
Office equipment	20.79	-	-	20.79	17.70	0.80	-	18.49	2.29
Computer	18.45	-	-	18.45	16.38	0.82	-	17.19	1.25
Total	**394.52**	**0.39**	**-**	**394.91**	**230.23**	**30.64**	**-**	**260.86**	**134.05**

Particulars	Gross Block				Accumulated depreciation				Net Block
	As at April 1, 2024	Additions during the year	Deductions during the year	As at March 31, 2025	As at April 1, 2024	During the year	Deductions during the year	As at March 31, 2025	As at March 31, 2025
Machinery	1.07	-	-	1.07	0.82	0.06	-	0.88	0.19
Electrical equipment	21.14	-	-	21.14	14.12	3.65	-	17.77	3.37
Motor vehicles	343.29	-	31.97	311.32	143.00	30.10	16.26	156.84	154.49
Furniture and fixture	21.75	-	-	21.75	20.66	-	-	20.66	1.09
Office equipment	19.39	1.40	-	20.79	16.79	0.91	-	17.70	3.09
Computer	18.08	0.37	-	18.45	15.64	0.74	-	16.38	2.07
Total	**424.72**	**1.76**	**31.97**	**394.52**	**211.03**	**35.46**	**16.26**	**230.23**	**164.29**

Note 5 Right of Use of Assets ₹ in Lakhs

Particulars	Gross Block				Accumulated depreciation				Net Block
	As at April 1, 2025	Additions during the year	Deductions during the year	As at March 31, 2026	As at April 1, 2025	During the year	Deductions during the year	As at March 31, 2026	As at March 31, 2026
Building	487.54	70.41	487.53	70.42	422.61	58.77	463.77	17.60	52.81
Total	**487.54**	**70.41**	**487.53**	**70.42**	**422.61**	**58.77**	**463.77**	**17.60**	**52.81**

Particulars	Gross Block				Accumulated depreciation				Net Block
	As at April 1, 2024	Additions during the year	Deductions during the year	As at March 31, 2025	As at April 1, 2024	During the year	Deductions during the year	As at March 31, 2025	As at March 31, 2025
Building	487.54	-	-	487.54	331.71	90.89	-	422.61	64.93
Total	**487.54**	**-**	**-**	**487.54**	**331.71**	**90.89**	**-**	**422.61**	**64.93**

Note 6 Non-current Financial Assets - Investments ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in equity		
Investment in equity instruments	-	70.20
Total	**-**	**70.20**

Note 6A Aggregate Value of Investments ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Aggregate value of unquoted investments	-	70.20
Total	**-**	**70.20**

Note 7 Other Non-current Financial Assets ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposits	3.13	4.21
Total	**3.13**	**4.21**

Note 8 Deferred Tax Assets (Net) ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liability arising on account of		
Difference between written down value of property, plant and equipment as per the books of accounts and income-tax act, 1961	6.49	4.99
Right of use assets and lease liabilities	0.58	4.42
Accrued expenses deductible on payment	13.96	14.35
Total	**21.03**	**23.77**

Note 9 Inventories ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Stock-in-trade	1,500.91	1,309.89
Total	**1,500.91**	**1,309.89**

All inventories have been hypothecated to secure borrowings of the Company refer note 21.

Note 10 Current Financial Assets - Trade Receivables ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables considered good - unsecured	1,461.44	1,836.06
Receivables which have significant increase in credit risk	121.04	130.57
	1,582.48	1,966.63
Less: Allowance for expected credit loss	(12.10)	(13.06)
Total	**1,570.38**	**1,953.57**

All book debts have been hypothecated to secure borrowings of the Company refer note 21. Also refer note 42 for 'related parties' details.

Aging for trade receivables as at March 31, 2026 is as follows:

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	1,443.92	13.00	4.53	-	-	1,461.44
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	0.17	120.87	121.04
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good						-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-

Aging for trade receivables as at March 31, 2025 is as follows:

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	1,824.76	10.17	1.13	-	-	1,836.06
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	87.47	43.09	130.57
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-

Note 11 Cash and Cash Equivalents ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on hand	289.66	178.67
Total	**289.66**	**178.67**

For the purpose of statement of cash flows, cash and cash equivalents comprises following

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents as per balance sheet	289.66	178.67
Total	**289.66**	**178.67**

Note 12 Other Bank Balances ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
In unpaid dividend accounts	0.94	0.94
Total	**0.94**	**0.94**

Note 13 Other Current Financial Assets ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Amount recoverable	21.90	22.18
Total	**21.90**	**22.18**

Note 14 Other Current Assets ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid expenses	7.09	10.00
Amount recoverable from		
Government authorities	-	3.00
Others	-	137.61
Advance to suppliers		
Considered good	111.55	111.50
Considered doubtful	8.01	8.29
Less: Allowance for expected credit loss	(0.83)	(0.83)
Total	**125.82**	**269.57**

Note 15 Share Capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(a) Authorized				
Equity shares of ₹ 10 each with voting rights	20000000	2,000.00	20000000	2,000.00
Total	**20000000**	**2,000.00**	**20000000**	**2,000.00**
(b) Issued				
Equity shares of ₹ 10 each with voting rights	6510015	651.00	6510015	651.00
Total	**6510015**	**651.00**	**6510015**	**651.00**
(c) Subscribed and fully paid up				
Equity shares of ₹ 10 each with voting rights	6510015	651.00	6510015	651.00
Total	**6510015**	**651.00**	**6510015**	**651.00**

Note 15A Rights, Preference and Restrictions Attached to Equity Shares ₹ in Lakhs

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation of the Company, the equity shareholders are entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

Note 15B Reconciliation of Number of Shares Outstanding at the beginning and end of the year

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Opening balance	6510015	651.00	6510015	651.00
Issued during the year	-	-	-	-
Closing balance	6510015	651.00	6510015	651.00

Note 15C The details of shareholders holding more than 5% shares as at March 31, 2026 is set out as below*

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Percentage	Number	Percentage
Preet Remedies Limited	1730455	26.58%	1730455	26.58%
Sanjeev Kumar	857574	13.17%	857574	13.17%
Sanjay Dhir	857728	13.18%	857728	13.18%
Hitesh Popatlal Oswal	441962	6.79%	441962	6.79%

* The above information is furnished as per the shareholder's register as at the year end.

Note 15D Shareholding of Promoters

Particulars	As at March 31, 2026	As at March 31, 2025
Number of shares		
Sanjeev Kumar	857574	857574
Sanjay Dhir	857728	857728
Preet Remedies Limited	1730455	1730455
Himjyoti	1000	1000
Harjinder Kaur	1000	1000
Daman Singhal	-	-
Kulwant Kaur	-	-
% of total shares		
Sanjeev Kumar	13.17%	13.17%
Sanjay Dhir	13.18%	13.18%
Preet Remedies Limited	26.58%	26.58%
Himjyoti	0.02%	0.02%
Harjinder Kaur	0.02%	0.02%
Daman Singhal	-	-
Kulwant Kaur	-	-
% Change during the year		
Sanjeev Kumar	-	-
Sanjay Dhir	-	-
Preet Remedies Limited	-	-
Himjyoti	-	-
Harjinder Kaur	-	-
Daman Singhal	-	-
Kulwant Kaur	-	-

Note 16 Other Equity ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Retained earnings	200.43	391.50
Total	**200.43**	**391.50**

Note 16 Other Equity (Contd.) **₹ in Lakhs**

Nature and Purpose of the Reserve

Retained Earnings: Retained earnings are the accumulated profits earned by the Company till date, less dividend paid to the shareholders.

Retained earnings

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	391.50	361.30
Profit/ (Loss) for the year	(193.56)	26.92
Remeasurements of net defined benefit plans (Net of taxes)	2.50	3.27
Balance at the end of the year	**200.43**	**391.50**

Note 17 Non-current Borrowing **₹**

Particulars	As at March 31, 2026		As at March 31, 2025	
	Non current	Current	Non current	Current
Secured				
Vehicle loan				
From banks				
HDFC Bank Limited	16.24	30.64	46.89	30.94
Total	**16.24**	**30.64**	**46.89**	**30.94**

Secured

Vehicle loan

From banks

HDFC Bank Limited

The loan of ₹ 33.00 Lakhs is taken during financial year 2020-21 at the rate 7.90% from HDFC Bank Limited against hypothecation of vehicle. The loan is payable in 60 equal instalments of ₹ 0.67 Lakhs per month including interest. The repayment of principal due within next 12 months is ₹ Nil Lakhs (previous year ₹ 2.63 Lakhs).

The loan of ₹ 136.97 Lakhs is taken during financial year 2022-23 at the rate 7.90% from HDFC Bank Limited against hypothecation of vehicle. The loan is payable in 60 equal instalments of ₹ 2.77 Lakhs per month including interest. The repayment of principal due within next 12 months is ₹ 30.64 Lakhs (previous year ₹ 28.32 Lakhs).

Note 18 Non-current Lease Liabilities **₹ in Lakhs**

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liabilities	31.97	9.94
Total	**31.97**	**9.94**

Note 19 Other Non-current Financial Liabilities **₹ in Lakhs**

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposits from customers	67.26	108.76
Total	**67.26**	**108.76**

Note 20 Long-term Provisions **₹**

Particulars	As at March 31, 2026	As at March 31, 2025
Provisions for employee benefits		
Gratuity	42.05	41.86
Total	**42.05**	**41.86**

Disclosures as per IND AS 19 in respect of provision made towards various employee benefits are made in note 39 employee benefits expense.

Note 21 Current Borrowings ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
Loan repayable on demand, from banks		
Cash Credit (against book debts and stock security)	830.72	1,044.90
Unsecured Loan	165.00	65.00
Current maturities of long-term borrowing	30.64	30.94
Total	**1,026.36**	**1,140.84**

Terms of repayment of current borrowings
Loans repayable on demand are secured by hypothecation of stock-in-trade and book debts in addition to personal guarantee by director of the Company *viz.* , Mr. Sanjeev Kumar, Mr. Sanjay Dhir and Mrs. Himjyoti and Corporate Gaurantees of M/s Preet Remedies Limited and M/s Oasis Pharma and Phytomolecules Private Limited. The Company has not defaulted in repayment of loans and interest during the year and previous year.

Unsecured Loan
The unsecured loan has been availed from the directors of the Company and is repayable on the demand.

Note 22 Current Lease Liabilities ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liabilities	23.15	72.57
Total	**23.15**	**72.57**

Note 23 Trade Payables ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises (Refer note 43)	481.24	453.44
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,058.02	975.03
Total	**1,539.26**	**1,428.47**

Aging for trade payable as at March 31, 2026 is as follows

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSE	81.59	0.34	-	399.31	**481.24**
Undisputed dues - Others	1,034.49	23.53	-	-	**1,058.02**
Disputed dues - MSE	-	-	-	-	**-**
Disputed dues - Others	-	-	-	-	**-**

Aging for trade payable as at March 31, 2025 is as follows

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSE	54.13	-	399.31	-	**453.44**
Undisputed dues - Others	975.03	-	-	-	**975.03**
Disputed dues - MSE	-	-	-	-	**-**
Disputed dues - Others	-	-	-	-	**-**

Note 24 Other Current Financial Liabilities ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued but not on borrowings	0.28	0.44
Unpaid dividend	0.94	0.94
Other payables towards		
Services and others	111.76	130.69
Total	**112.98**	**132.07**

Note 25 Other Current Liabilities ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues	1.08	28.48
Advance from customers	0.24	0.08
Total	**1.32**	**28.56**

Note 26 Short-term Provisions ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
Gratuity	7.52	7.22
Total	**7.52**	**7.22**

Disclosures as per IND AS 19 in respect of provision made towards various employee benefits are made in note 39 employee benefits expense.

Note 27 Current Tax Liabilities (net) ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for income tax including interest thereon [Net of advance income tax / TDS]	1.10	2.54
Total	**1.10**	**2.54**

Note 28 Revenue from Operations ₹ in Lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of stock-in-trade	4,692.25	5,142.25
Total	**4,692.25**	**5,142.25**

Note 29 Other Income ₹ in Lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income from financial assets measured at amortised cost		
On security deposits	0.52	0.26
Net gain on account of foreign currency transactions	1.18	0.54
Liabilities no longer required written-back	0.08	2.82
Provision no longer required written-back	0.95	-
Insurance claim	1.88	0.03
Gain on termination of Lease	4.11	-
Penality Charged	9.68	-
Bad debts recovered	-	1.15
Total	**18.41**	**4.80**

Note 30 Purchases of Stock-in-trade ₹ in Lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchases of stock-in-trade	3,590.66	3,832.56
Total	**3,590.66**	**3,832.56**

Note 31 Changes in Inventories of Stock-in-Trade ₹ in Lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock		
Stock-in-trade	1,309.89	1,199.50
Closing stock		
Stock-in-trade	1,500.91	1,309.89
Total	**(191.02)**	**(110.39)**

Note 32 Employee Benefits Expense ₹ in Lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salary, wages, and bonus	409.16	414.40
Contribution to welfare funds	3.20	3.54
Staff welfare expenses	4.86	2.52
Total	**417.22**	**420.46**

Disclosures as per IND AS 19 in respect of provision made towards various employee benefits are made in note 39 employee benefits expense.

Note 33 Finance Costs ₹ in Lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expenses on		
Overdraft	58.41	61.45
Term loan	4.81	7.41
Lease liability	12.84	18.69
Others[Note]	3.31	3.26
Other borrowing costs	1.64	1.74
Total	**81.02**	**92.55**

Note: The above interest includes provision for interest on income-tax under Income Tax Act, 1961 and interest on employee cost as ascertained by actuarial.

Note 34 Depreciation and Amortisation Expense ₹ in Lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on property, plant and equipment	30.64	35.46
Depreciation on right-of-use-assets	58.77	90.89
Total	**89.41**	**126.35**

Note 35 Other Expenses ₹ in Lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Advertisement expenses	3.99	7.11
Auditor remuneration	4.00	4.00
Business promotion expenses	14.68	23.45
Freight and forwarding charges	225.28	198.76
Communication expenses	2.73	2.45
Discount and commission	114.67	208.79
Custom duty	14.16	12.86
Power and fuel	3.10	3.47
Rate, fees and taxes	16.36	8.42
Insurance expenses	10.84	11.19
Legal and professional charges	19.69	18.88
Loss on disposal of property, plant and equipment	-	0.71
Office expenses	51.19	40.88

Note 35 Other Expenses (Contd.) ₹ in Lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Printing and stationary	2.83	2.22
Repair and maintenance expenses	7.16	3.16
Watch and ward expenses	19.18	17.59
Tour and travel expenses	168.81	160.47
Allowances for credit impaired - trade receivables	-	8.71
Balance written off	16.23	-
Miscellaneous expenses	1.98	9.60
Total	**696.87**	**742.72**

Note 35A Auditor's Remuneration ₹ in Lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Payments to the Auditor (net of taxes, wherever applicable)		
Statutory audit and limited review fee	4.00	4.00
Total	**4.00**	**4.00**

Note 36 Exceptional Items ₹ in Lakhs

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Disposal of Investment	70.20	
Write off of Other Loans and Advances	137.61	-
Total	**207.81**	**-**

The Company was erstwhile registered as a Non-Banking Financial Company (NBFC). Pursuant to the Order dated 7th November, 2025 issued by the Reserve Bank of India, whereby the registration certifcate of the Company was cancelled under Section 45-IA of the Reserve Bank of India Act, 1934, the Company is no longer permitted to carry on NBFC activities. In view of the above regulatory development and based on management assessment and realignment of the business model, investments and other loans and advances which are no longer consistent with the Company's permitted operations have been disposed/ written off during the year. The resultant impact of ₹ 207.81 Lakhs has been classified as an exceptional item.

Note 37 Income Tax Expense ₹ in Lakhs

a) Income tax expense recognised in Statement of profit and loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax		
In respect of the current year	10.22	12.28
In respect of the previous year	0.13	0.88
Deferred tax		
Relating to origination and reversal of temporary differences	1.90	2.71
Total	**12.25**	**15.87**

b) Income tax on other comprehensive income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligations	(0.84)	(1.10)
Total	**(0.84)**	**(1.10)**

c) The income tax expense for the year can be reconciled to the accounting profit as follows

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	(181.31)	42.79
Income tax expense calculated at 25.168% (2025-26: 25.168%)	(45.63)	10.77
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Others	57.89	5.10
Income-tax recognised in profit or loss	**12.25**	**15.87**
Income tax rate		
Basic rate	22.000%	22.000%
Surcharge - 10% (applied on basic rate)	2.200%	2.200%
Cess - 4% (applied on basic plus surcharge)	0.968%	0.968%
	25.168%	**25.168%**

Note 38 Earnings per share (EPS)

Particulars	Unit	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit/ (loss) after tax attributable to equity shareholders	₹ in Lakhs	(193.56)	26.92
Weighted average number of equity shares outstanding during the year	in number	6510015	6510015
Nominal value per share	₹	10.00	10.00
Basic earnings per share	₹	(2.97)	0.41
Diluted earnings per share	₹	(2.97)	0.41

Note 39 Employee Benefits Expense ₹ in Lakhs

During the year, the Company has recognized the following amounts in the Profit and Loss Account

Defined Contribution Plans

Contribution to defined contribution plan i.e. Employer's contribution to employee state insurance and Employer's contribution to Provident fund for the year is charged to statement profit and loss. These amounts are shown as under:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Employer's contribution to employee state insurance	0.35	0.33
Employer's contribution to provident fund	2.85	3.21

Defined Benefit Plans

Gratuity (non-funded)

The Company provides gratuity for employees in India as per the Code of Social Security, 2020. 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 15 days salary multiplied for the number of years of service. The weighted average duration of the defined benefit obligation is 9.28.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Change in present value of defined benefit obligation during the year		
Present value of obligation as at the beginning of the period	49.08	46.84
Interest Cost	3.29	3.11
Current Service Cost	3.04	4.91
Past Service Cost	0.33	-
Benefits Paid	(2.83)	(1.41)
Total Actuarial (Gain)/Loss on obligation	(3.34)	(4.37)
Present value of obligation as at the end of the period	49.57	49.08
Current portion	7.52	7.22
Non-current portion	42.05	41.86

Note 39 Employee Benefits Expense Contd. ₹ in Lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the period	-	-
Expected interest income	-	-
Employer contribution	2.83	1.41
Benefits Paid	(2.83)	(1.41)
Actuarial (Gain)/Loss for the year on asset	-	-
Fair value of plan assets at the end of the period	-	-
Net asset/(liability) recognised in the balance sheet		
Present value of obligation at the end	49.57	49.08
Fair value of plan asset	-	-
Unfunded Liability/provision in the balance sheet	49.57	49.08
Expenses Recognised in the statement of profit or loss during the year		
Service cost	3.04	4.91
Net interest cost	3.29	3.11
Total expenses recognised in employee benefit expenses	6.33	8.02
Recognised in other comprehensive income for the year		
Net cumulative unrecognised actuarial (gain)/loss opening	-	-
Actuarial gain/ (loss) for the year of PBO	3.34	4.37
Actuarial gain/ (loss) for the year on asset	-	-
Unrecognised actuarial (gain)/loss at the end of the year	3.34	4.37

“The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four labour codes viz the Code on Wages, 2019, the Code on Social Security, 2020, the Industrial Relations Code, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "Codes"). The Codes have been made effective from November 21, 2025. The Ministry of Labour & Employment published drafl Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. “The incremental impact of these changes, assessed by the Company, on the basis of the information available, consistent with the guidance provided by the Institute of Chartered Accountants of India, is not material and has been recognised in the financial results of the Company for the year ended March 31, 2026. The Company continues to monitor developments relating to the finalisation of Central / State Rules and clarifications issued by the Government and shall recognise any further impact, if required, in the period in which such changes become effective. This accounting treatment is consistent with the guidance issued by the Institute of Chartered Accountants of India (the “ICAI”).

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Maturity profile of defined benefit obligation		
Within the next 12 months (next annual reporting period)	7.52	7.19
Year II	3.59	2.83
Year III	2.29	3.07
Year IV	2.91	3.22
Year V	3.01	2.61
Year VI to Year X	12.63	16.95
10 Year onwards	17.62	13.21
Quantitative sensitivity analysis for significant assumptions is as below		
(a) Impact of changes in discount rate		
Present value of obligation at the end of the period	49.57	49.08
Impact due to increase of 1%	(3.02)	(3.10)
Impact due to Decrease of 1%	3.40	3.48
Change in present value of defined benefit obligation during the year		
(b) Impact of changes in salary increase		
Present value of obligation at the end of the period	49.57	49.08
Impact due to increase of 1%	3.31	3.39
Impact due to Decrease of 1%	(2.99)	(3.06)
Sensitivities due to morality & withdrawal are not material and hence the impact of changes not calculated.		
Senilities as to rate inflation, rate of increase of pension in payment, rate of increase of pension before retirement & life expectancy are not applicable being a lump sum benefit on retirement.		
Actuarial assumptions		
Discount rate	7.10%	6.75%
Future salary in increase	6.00%	6.00%
Retirement age (years)	58 Years	58 Years
Morality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)

Note 39 Employee Benefits Expense (Contd.) ₹ in Lakhs

Note

i) The actuarial valuation of the present valuation of defined benefit obligation were carried out as at March 31, 2026. The present value of defined benefit obligation and the related current service cost, were measured using the projected unit credit method.

ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of obligation.

iii) The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such, as, demand and supply in employment market.

Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow

A. Salary Increases: Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B. Investment Risk: If Plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C. Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

D. Mortality & disability: Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

Note 40 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

To maintain or adjust the capital structure, the Company may return capital to shareholders, raise new debt or issue new shares.

The Company monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts divided by total capital (equity attributable to owners of the parent plus interest-bearing debts).

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Non-current borrowings (refer note 17)	16.24	46.89
Non-current lease liabilities (refer note 18)	31.97	9.94
Other financial liabilities (refer note 21 and 22)	1,049.50	1,213.42
Less: Cash and cash equivalents (refer note 11)	(289.66)	(178.67)
Net Debt	**808.06**	**1,091.57**
Equity share capital (refer note 15)	651.00	651.00
Other equity (refer note 16)	200.43	391.50
Total Capital	**851.43**	**1,042.50**
Capital and net debt	**1,659.49**	**2,134.07**
Gearing ratio	**0.49**	**0.51**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and March 31, 2025.

Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with certain financial covenants which include Debt Service Coverage Ratio (DSCR), Fixed Asset Coverage Ratio (FACR) etc. The Company has complied with these covenants throughout the reporting period.

Note 41 Financial instruments – Fair values and risk management ₹ in Lakhs

A. Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Categories of financial instruments	As at March 31, 2026	Fair Value		
		Level 1	Level 2	Level 3
Financial assets at amortised cost				
Non-current				
Investments	-	-	-	-
Others	3.13	-	-	-
Current				
Trade receivables	1,570.38	-	-	-
Cash and bank balances	290.60	-	-	-
Other financial assets	21.90	-	-	-
Total	**1,886.01**	**-**	**-**	**-**
Financial liabilities at amortised cost				
Non-current				
Borrowings	16.24	-	-	-
Lease liabilities	31.97	-	-	-
Current				
Borrowings	1,026.36	-	-	-
Lease liabilities	23.15	-	-	-
Trade payables	1,539.26	-	-	-
Other financial liabilities	112.98	-	-	-
Total	**2,749.96**	**-**	**-**	**-**

Categories of financial instruments	As at March 31, 2025	Fair Value		
		Level 1	Level 2	Level 3
Financial assets at amortised cost				
Non-current				
Investments	70.20	-	-	-
Others	4.21	-	-	-
Current				
Trade receivables	1,953.57	-	-	-
Cash and bank balances	179.61	-	-	-
Other financial assets	22.18	-	-	-
Total	**2,229.77**	**-**	**-**	**-**
Financial liabilities at amortised cost				
Non-current				
Borrowings	46.89	-	-	-
Lease liabilities	9.94	-	-	-
Current				
Borrowings	1,140.84	-	-	-
Lease liabilities	72.57	-	-	-
Trade payables	1,428.47	-	-	-
Other financial liabilities	132.07	-	-	-
Total	**2,830.78**	**-**	**-**	**-**

B. Financial Risk Management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

Note 41 Financial instruments – Fair values and risk management (Contd.) **₹ in Lakhs**

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in debt instruments/ bonds, trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Company result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the country in which customers operate.

The age analysis of trade receivables as of the balance sheet date have been considered from the due date and is as reflected below.

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Less than 6 months	1,443.92	1,824.76
6 months - 1 year	13.00	10.17
1-2 years	4.53	1.13
2-3 years	0.17	87.47
More than 3 years	120.87	43.10
Total	**1,582.48**	**1,966.63**

The Company has used a practical expedient by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking information.

Movement in the expected credit loss allowance of financial assets (trade receivables and advances to suppliers):

₹ In Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at beginning of the year	13.06	4.35
Add: Provided during the year	-	8.71
Less: Reversals of provision	0.95	-
Less: Amounts written off	-	-
Balance at the end of the year	12.11	13.06

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its liquidity position, including total cash and cash equivalent and bank balances other than cash and cash equivalent of ₹289.66 Lakhs as at March 31, 2026 (Previous Year ₹178.67 Lakhs), and anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Company believes it has access to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Company will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary.

The table below provides amortized value of (discounted) cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Particulars	Carrying Amount	On Demand	Less than 1 year	Above 1 years
As at March 31, 2026				
Interest bearing borrowings	932.72	830.72	53.78	48.22
Unsecured loan	165.00	165.00	-	-
Trade payable	1,539.26	-	1,539.26	-
Other financial liabilities	112.98	-	112.98	-
Total	**2,749.96**	**995.72**	**1,706.02**	**48.22**
As at March 31, 2025				
Interest bearing borrowings	1,205.24	1,044.90	103.52	56.82
Unsecured loan	65.00	65.00	-	-
Trade payable	1,428.47	-	1,428.47	-
Other financial liabilities	132.07	-	132.07	-
Total	**2,830.78**	**1,109.90**	**1,664.06**	**56.82**

B. Financial Risk Management (Contd.)

Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a risk management committee engaged in, inter alia, evaluation and identification of risk factors with the object of governing/ mitigating them according to Company's objectives and declared policies in specific context of impact thereof on various segments of financial instruments (Fixed deposits). The Board provides oversight and reviews the Risk management policy on a quarterly basis.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to balance the Company's position with regards to interest income and interest expense and to manage the interest rate risk, treasury performs a comprehensive interest rate risk management.

The Company is not exposed to significant interest rate risk as at the respective reporting dates.

b) Foreign currency risk management

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities.

Exposure to currency risk

The summary of quantitative data about the Company's exposure to currency risk, as expressed in Indian Rupees, as at March 31, 2026 and March 31, 2025 are as below:

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables	3.11	2.81
Total	**3.11**	**2.81**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at 31st March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2025
Trade receivables	0.03	(0.03)	0.03	(0.03)

c) Competition and price risk

The Company faces competition from local competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

Note 42 Related Party Disclosures

In accordance with the Indian Accounting Standard 24 (Ind AS 24) on related party disclosure, the related party including key management personnel, where control exists or where significant influence exists and with whom transactions have taken place, are mentioned below:

Details of Related Parties

Description of relationship	Names of related parties	
Key Management Personnel (KMP) and Relatives of the Key Management Personnel with whom the Company has any transaction during the year	Sanjeev Kumar	Managing Director cum Chief Executive Officer
	Himjyoti	Women Director
	Sanjay Dhir	Whole Time Director
	Ashok Kumar Gupta	Independent Director
	Anurag Malhotra	Independent Director
	Kuldeep Singh	Director
	Manju Bala	Company Secretary (till 04-12-2025)
	Amit Kumar	Company Secretary (till 02-03-2026)
	Nikunj Goel	Company Secretary (from 29-05-2026)
	Adarsh Sharma	Chief Financial Officer
Entities over which key management personnel/or Relatives of key management personnel are able to exercise significant influence with which the Company has any transactions during the year	Preet Remedies Limited	
	Quixotic Pharma Private Limited	
	Ultra Chiron Pharmaceuticals Private Limited	
	Oasis Pharma and Phytomolecules Private Limited	

Detail of related parties transactions

₹ in Lakhs

Particulars	Key Management Personnel (KMP) and their relatives		Entities where key management personnel & their relatives have significant influence	
	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025
Remuneration				
Sanjeev Kumar	49.80	49.80		
Sanjay Dhir	37.20	37.20		
Kuldeep Singh	10.36	9.96		
Adarsh Sharma	14.53	13.50		
Akshay Saxena	-	1.82		
Amit Kumar	0.63	-		
Manju Bala	3.32	3.28		
Unsecured loan received				
Sanjeev Kumar	50.00	-		
Sanjay Dhir	50.00	-		
Rent Paid				
Sanjeev Kumar	24.00	24.00		
Sanjay Dhir	18.00	36.00		
Himjyoti	24.00	24.00		
Purchase stock-in-trade				
Preet Remedies Limited			2,438.12	2,178.77
Quixotic Pharma Private Limited			1,012.60	1,429.56
Ultra Chiron Pharmaceuticals Private Limited			96.43	119.96
Oasis Pharma and Phytomolecules Private Limited			(0.41)	222.22
Sale of stock-in-trade				
Quixotic Pharma Private Limited			10.14	6.92
Preet Remedies Limited			97.63	35.87
Oasis Pharma and Phytomolecules Private Limited			-	75.30
Commision				
Oasis Pharma and Phytomolecules Private Limited			4.06	-
Preet Remedies Limited			4.06	-

Note: All the transactions with related parties are reported gross of Goods and Service Tax, wherever applicable.

Note 42 Related Party Disclosures (contd.)

Balance outstanding at the year end

₹ in Lakhs

Particulars	Key Management Personnel (KMP) and their relatives		Entities where key management personnel & their relatives have significant influence	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Remuneration payable				
Sanjeev Kumar	3.16	3.21		
Sanjay Dhir	2.46	2.48		
Manju Bala	-	0.40		
Kuldeep Singh	0.87	0.79		
Adarsh Sharma	1.15	1.03		
Unsecured loan				
Sanjay Dhir	65.00	15.00		
Himjyoti	50.00	50.00		
Sanjeev Kumar	50.00	-		
Rent payable				
Sanjeev Kumar	-	1.80		

Balance outstanding at the year end

₹ in Lakhs

Particulars	Key Management Personnel (KMP) and their relatives		Entities where key management personnel & their relatives have significant influence	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Trade payables				
Preet Remedies Limited	-	-	1,021.35	870.11
Quixotic Pharma Private Limited	-	-	405.61	424.31
Ultra Chiron Pharmaceuticals Private Limited	-	-	7.75	-
Amount recoverable				
Oasis Pharma and Phytomolecules Private Limited	-	-	109.62	109.62
Security deposits from customer				
Ultra Chiron Pharmaceuticals Private Limited	-	-	15.00	15.00

Note 43 Disclosures of Micro, Small and Medium Enterprises Development ₹ in Lakhs

The Company has certain dues to suppliers (trade and capital) registered under Micro, Small and Medium Enterprises Development Act, 2006 (‘MSMED Act’). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	481.24	453.44
b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
d) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
e) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
f) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
g) Further interest remaining due and payable for earlier years	-	-

Note 44 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (“CODM”) of the Company. Managing Director and Chief Financial Officer of the Company are the chief operating decision makers. The Company operates in a solitary business segment i.e., ‘pharmaceuticals formulations only’, which primarily includes marketing and distribution of pharmaceutical products, hence does not have any reportable Segments as per Indian Accounting Standard 108 “Operating Segments”.

Note 45 Contingent Liabilities (to the extent not provided for) ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Contingent liabilities		
Pending litigations		
Goods and services tax	-	6.79

Note 46 Disclosures regarding leases as per Ind AS 116 'Leases'

Assets taken on operating lease

The Company has leases for office building, warehouses and related facilities. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

The following is the break-up of current and non-current lease liabilities as at March 31, 2026 and March 31, 2025: ₹ in Lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current lease liabilities	23.15	72.57
Non-current lease liabilities	31.97	9.94
Total	**55.12**	**82.51**

The following is the movement in lease liabilities during the year ended March 31, 2026 and March 31, 2025: ₹ in Lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance	82.51	186.85
Additions / deletion/ adjustment	41.78	-
Payment of lease liabilities and finance cost accrued during the period	(69.17)	(104.34)
Closing balance	55.12	82.51

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2026 and March 31, 2025 on an undiscounted basis:

₹ in Lakhs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Less than one year	23.15	81.07
One to five years	31.98	9.45
Total	**55.13**	**90.52**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Note 47 Disclosures on revenue pursuant to Ind AS 115 - Revenue from Contracts with Customers ₹ in Lakhs

Disaggregation revenue information

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of stock-in-trade	4,692.25	5,142.25
Total	**4,692.25**	**5,142.25**
Revenue from contracts with customers disaggregated based on geography		
Home market	4,692.25	5,142.25
Export	-	-
Total	**4,692.25**	**5,142.25**

Note 47 Disclosures on revenue pursuant to Ind AS 115 - Revenue from Contracts with Customers (Contd.) ₹ in Lakhs

Timing of revenue recognition ₹ in Lakhs

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	At a point in time	Over a period time	At a point in time	Over a period time
Sale of stock-in-trade	4,692.25	-	5,142.25	-
Total	**4,692.25**	**-**	**5,142.25**	**-**

Contract balances ₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables (Note 10)	1,582.48	1,966.63
Less : Allowances for expected credit loss	(12.10)	(13.06)
Trade receivables	1,570.38	1,953.57
Contract liabilities - advances from customers (Note 25)	0.24	0.08

Significant movement in the contract liabilities balances during the year

Particulars	As at March 31, 2026	As at March 31, 2025
At the beginning of the reporting period	0.08	2.82
Performance obligation satisfied in current year/ Amount received against contract liability	0.16	(2.74)
At the end of the reporting period	0.24	0.08

Note 48

Balance confirmations in respect of trade receivables, trade payables, advances given, and other financial and non-financial assets and liabilities have not been received in some of the cases and are subject to reconciliation/confirmation. Adjustments, if any, arising upon such confirmation/reconciliation shall be accounted for as and when determined. However, in the opinion of the management, the resultant impact, if any, would not be material.

Note 49 Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows ₹ in Lakhs

Particulars	Non-current borrowings	Current borrowings	Total
As at April 1, 2024	285.69	1,200.27	1,485.96
Proceeds from non-current borrowings	-	-	-
Repayment of non-current borrowings (including current maturities) (net)	(33.65)	-	(33.65)
Recognition of lease liability (including current) (net)	(104.34)	-	(104.34)
Proceeds of current borrowings (net)	-	(77.73)	(77.73)
As at March 31, 2025	**147.70**	**1,122.54**	**1,270.24**
Proceeds from non-current borrowings	-	-	-
Repayment of non-current borrowings (including current maturities) (net)	10.84	-	10.84
Recognition of lease liability (including current) (net)	(69.17)	-	(69.17)
Proceeds of current borrowings (net)	-	(114.18)	(114.18)
As at March 31, 2026	**89.37**	**1,008.36**	**1,097.73**

Note 50 Audit Trail (Edit Log)

The Company has used accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same has been enabled with effect from April 1, 2025 for all relevant transactions recorded in the software. There are no instances of the audit trail feature being tampered with for the period for which it was enabled. Further, the audit trail, has been preserved by the Company as per the statutory requirements for record retention, except for the period prior to where audit trail feature was not enabled.

Note 51 Disclosure as per Ind AS 36 'Impairment of Assets'

The Company has reviewed the carrying amount of its tangible and intangible assets (being a cash generating unit) with its future present value of cash flows and there has been no indication of impairment of the carrying amount of the Company's such Assets taking consideration into external and internal sources of information.

Note 52 Event occurring after reporting date

No adjusting or significant non-adjusting events have occurred between March 31, 2026 and the date of authorisation of the Company's financial statements.

Note 53 Financial Ratios

Ratio/Measure	Methodology	As at March 31, 2026	As at March 31, 2025	% Variance
Current Ratio (times)	Current assets/ Current liabilities	1.29	1.33	-2.54%
Debt-equity ratio (in times)	(Non current borrowings + Current borrowings + Non current Lease liabilities + Current lease)/ Total equity	1.29	1.22	5.81%
Debt Service Coverage Ratio (Times)	Earnings available for debt service@/ Debt Service (Interest and Lease Payments + Principal Repayments)	1.02	1.07	-4.67%
Return on Equity (ROE) (%)Note 1	Net Profit after tax/ Average Shareholder's Equity	-20.44%	2.62%	-879.99%
Inventory turnover ratio (Times)	Revenue from operation/ Average Inventory	3.34	4.10	-18.54%
Trade receivables turnover ratio (Times)	Revenue from operation/ Average Trade Receivable	2.66	2.55	4.26%
Trade payables turnover ratio (Times)	Purchases of stock-in-trade and other expenses/ Average Trade Payables	2.73	3.25	-16.21%
Net capital turnover ratio (Times)	Revenue from operation/ Average Working Capital	5.45	5.79	-5.86%
Net profit ratio (%)Note 1	Net Profit after tax/ Revenue from operations	-4.13%	0.52%	-887.88%
Return on Capital employed (%)Note 1	Earning before interest and taxes/ Capital Employed (Tangible net worth + Total debt)	-5.15%	5.85%	-187.93%
Return on investment (%)	Interest income/ Average Fixed deposit	NA	NA	NA

@ Earnings available for debt service = Net profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Finance costs - Profit on sale of property, plant and equipments

Explanation for change in the ratio by more than 25%

1. Due to decrease in net profit after tax.

Note 54 Additional Regulatory Disclosures as per Schedule III of the Companies Act, 2013

a) The Company doesn't have any immovable property and investment property.

b) As per the Company's accounting policy, Property, Plant and Equipment (including Right of Use Assets) are carried at historical cost (less accumulated depreciation and impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

c) The Company has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per the Companies Act, 2013), which are repayable on demand or without specifying any terms or period of repayments.

d) No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

e) The Company has availed cash credit facility from the bank and have regularly filed returns or statements with the banks, same are in agreement with the books of account of the Company.

f) The Company has adhered to debt repayment and interest service obligations on time. Wilful defaulter related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

g) There are no transactions with the Companies whose name are struck off under Section 248 of The Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended March 31, 2026.

h) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

i) The number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017, is not applicable.

j) No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

k) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
   i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

   ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary

l) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
   i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary

m) The Company has not operated in any crypto currency or Virtual Currency transactions.

n) During the year the Company has not disclosed or surrendered, any income other than the income recogined in the books of accounts in the tax assessments under Income Tax Act, 1961.

Note 55

The figures of the financial statements are represented as ₹ in lakhs upto two decimal places leaving the scope of rounding up variations.

The figures of the previous year have been re-grouped / re-classified to render them comparable with the figures of the current year.

In terms of our report attached

for **N Kumar Chhabra and Co.**
Chartered Accountants
ICAI Firm Registration Number 00837N

for **and on behalf of the Board of Directors**

CA. Ashish Chhabra
FCA., Partner
Membership Number 507083
UDIN:
Place: Chandigarh
Date: May 29, 2026

Sanjeev Kumar
Managing Director cum
Chief Executive Officer
DIN 01154896

Sanjay Dhir
Whole Time Director
DIN 02452461

Nikunj Goel
Company Secretary
Membership Number A79297

Adarsh Sharma
Chief Financial Officer
PAN: AMYPS7789J

ZENLABS ETHICA LIMITED

Regd. Office: Plot No. 194-195, 3rd Floor, Industrial Area, Phase II
Ram Darbar, Chandigarh-160002
CIN: L74900CH1993PLC033112
Tel No.0172-4651105
Website: www.zenlabsethica.com
Email ID: secretarial@zenlabsethica.com

ATTENDANCE SLIP

(To be presented at the entrance)

Registered Folio No / DP ID No / Client ID No.:	
Name and Address of the Member (s)	
Joint Name(s)	
No. of Shares Held	
Name of the Proxy holder	
Signature of Member (s) / Proxy	

I/We hereby record my/our presence at the 33rd ANNUAL GENERAL MEETING of the Company held on Tuesday, the 29th September, 2026 at 12:00 P.M. at the registered office of the Company situated at Plot No. 194-195, 3rd Floor, Industrial Area, Phase II, Ram Darbar, Chandigarh-160002.

Note: Members / Proxies are requested to bring the attendance slip with them.

Electronic Voting Particulars: -

EVSN (Electronic Voting Sequence Number)	Default PAN/Sequence
260902078	**USE YOUR PAN**

Note: Please read the instructions as mentioned in the Notice of the 33rd Annual General Meeting. The E- Voting period starts on Saturday, the 26th day of September, 2026 (9.00 a.m. IST) and ends on Monday, the 28th day of September, 2026 (5.00 p.m. IST). The e-voting module shall be disabled by CDSL for voting thereafter.

Form No. MGT-11

PROXY FORM

(Pursuant to Section 105 (6) of the Companies Act, 2013 and rules 19 (3) of the Companies (Management and Administration) Rules, 2014)

ZENLABS ETHICA LIMITED

Regd. Office: Plot No.194-195, 3rd Floor, Industrial Area, Phase II, Ram Darbar,

Chandigarh-160002 CIN: L74900CH1993PLC033112
Tel No.0172-4651105 Website: www.zenlabsethica.com
Email ID: secretarial@zenlabsethica.com

Name of the member(s): ....
Registered Address: ....

E. Mail Id: .... Folio No./Client Id... DP ID...................................

I/We, being the member(s) holding of .... shares of the above-named Company, hereby appoint

1. Name: ....
   Address: ....
   E. mail ID. .... Signature: .... or failing him.............................

2. Name: ....
   Address: ....
   Email ID: .... Signature .... or failing him

3. Name: ....
   Address: ....
   Email ID: .... Signature: ....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual general meeting of the company, to be held on the Tuesday, 29th September, 2026 at 12:00 P.M at Plot No.194-195, 3rd Floor, Industrial Area, Phase II, Ram Darbar, Chandigarh-160002 and at any adjournment thereof in respect of such resolutions as are indicated below:

No.	Resolutions
Ordinary Business	
1	TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026 TOGETHER WITH THE REPORT OF THE BOARD OF DIRECTORS AND THE STATUTORY AUDITORS THEREON.
2	TO RE-APPOINT MR. SANJAY DHIR (DIN: 02452461), WHO RETIRES BY ROTATION IN TERMS OF SECTION 152 (6) OF THE COMPANIES ACT, 2013 AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.
3	TO RE-APPOINT M/S N. KUMAR CHHABRA & CO., CHARTERED ACCOUNTANTS, AS THE STATUTORY AUDITORS OF THE COMPANY IN ACCORDANCE WITH THE PROVISIONS OF SECTION 139 OF THE COMPANIES ACT, 2013
Special Business	
4	TO AMEND THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY IN ACCORDANCE WITH THE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER

Signature of Shareholder

Affix Revenue Stamp

Signature of Proxy holder(s)

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

ZENLABS ETHICA LIMITED

Corporate Identity Number- L74900CH1993PLC033112

ROUTE MAP TO REACH TO THE VENUE OF AGM

Zenlabs Ethica Limited, *Plot No. 194-195, 3rd Floor, Industrial Area, Phase II, Chandigarh- 160002, India.*

Venue of AGM

Google Map Link for the Venue: https://goo.gl/maps/kP6GdxDaFBEeXgE46