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Independent Auditor's Report

To,
The Board of Directors
M/S Zenith Drugs Limited.

Report on the audit of the Annual Financial Results.

Opinion

We have audited the accompanying annual Result of M/S ZENITH DRUGS LIMITED ("the Company"), (PAN: AAACZ1475F) (CIN: L24231MP2000PLC014465) attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These half yearly financial results as well as the year-to-date financial results have been prepared on the basis of the financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Financial Reporting (AS 25 / Ind AS 34), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued there under; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year-to-date results:

- are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- give a true and fair view in conformity with recognition and measurement principles laid down in applicable Accounting Standards prescribed under section 133 of Companies Act, 2013 ("the Act") read with rule 7 of Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the net profit and other financial information for the half year ended 31st March 2026 as well as the results for the year ended on 31st March'2026.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.



Management's Responsibility for the Financial Statements

The Company's Board of Directors are 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, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting the Accounting Standards prescribed 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

- A. Our responsibility is to express an opinion on these financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act; the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and Rules made there under.
- B. 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.
- C. 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control systems.
 - Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has 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.



Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 auditor's 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.

Other Matter

- The annual financial result includes the results for the half year ended 31st March'26 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures for the half year ended 30th September'2025 of the current financial year.
- **Observation on MSME Interest Provisions:**
The Company has not made provisions for interest payable, if any, under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), in respect of outstanding dues to Micro and Small Enterprises. As informed to us, the necessary information and confirmation regarding the registration status of vendors under the MSMED Act has not been received from all parties as on the reporting date. In the absence of complete information, we are unable to comment on the applicability and adequacy of any interest provision required under the said Act.

PLACE: INDORE
DATED: 29.05.2026

FOR V D S & CO.
CHARTERED ACCOUNTANTS
ERS 004029C

UDIN: 26075588ALIPRB2560

ZENITH DRUGS LIMITED
72/5, Muradpura (Orangpura) Dhar Road, Near Kalaria, INDORE, PIN-453001 (M.P.)
CIN No.- L24231MP2000PLC014465
STATEMENT OF BALANCE SHEET AS AT MARCH 31, 2026

(Amount In Lakhs)		
Sr. No.	Particulars	As at
		March 31, 2026
		Audited
I. EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	1,714.88	1,714.88
(b) Reserves and Surplus	5,617.30	5,223.04
(c) Money received against share warrants	-	-
2 Share Application money pending allotment	-	-
3 Non-current liabilities		
(a) Long-term borrowings	2,011.47	1,279.55
(b) Deferred tax liabilities (Net)	-	-
(c) Long-term liabilities	-	-
(d) Long-term provisions	-	-
4 Current liabilities		
(a) Short-term borrowings	3,499.05	3,577.25
(b) Trade payables	5,538.89	4,018.37
-Due to Micro and Small Enterprises	380.49	315.40
-Due to Other than Micro and Small Enterprises	5,178.40	3,702.97
(c) Other Current Liabilities	189.97	97.38
(d) Short-term provisions	160.40	237.25
TOTAL	18,751.97	16,147.72
II. ASSETS		
1 Non-current assets		
(a) Property, Plant and Equipment & Intangible assets		
(i) Property, Plant and Equipment	3,706.19	4,008.39
(ii) Intangible assets	17.44	17.61
(iii) Capital work in Progress	981.76	310.16
(iv) Intangible assets under development	399.79	-
(b) Non-Current Investment	-	-
(c) Deferred tax assets (Net)	17.54	1.16
(d) Long-term loans and advances	-	-
(e) Other Non-current assets	732.87	562.62
2 Current assets		
(a) Current Investment	-	-
(b) Inventories	4,242.20	3,961.23
(c) Trade receivables	7,335.48	6,057.73
(d) Cash and Cash Equivalents	26.11	26.30
(e) Short-term loans and advances	1,292.59	1,202.51
(f) Other current assets	-	-
TOTAL	18,751.97	16,147.72

As per our report of Even Date attached

For and on Behalf of the Board of Director

Place: Indore
Date : 29/05/2026

SANDEEP BHARDWAJ
Managing Director
(DIN: 00539347)

Rajesh Agarwal
Chief Financial Officer

ZENITH DRUGS LIMITED
72/5, Muradpura (Orangpura) Dhar Road, Near Kalaria, INDORE, PIN-453001 (M.P.)
CIN No.- L24231MP2000PLC014465
STATEMENT OF PROFIT & LOSS AS AT March 31, 2026

(Amount In Lakhs)

Sr. No.	Particulars	Half Yearly ended			Yearly ended	
		Half Yearly ended on 31.03.2026	Half Yearly ended on 30.09.2025	Half Yearly ended on 31.03.2025	As at March 31, 2026	As at March 31, 2025
		Audited	Unaudited	Audited	Audited	Audited
A.	CONTINUING OPERATIONS					
I	Income from operations	9,299.63	7,822.35	6,562.52	17,121.98	13,332.00
II	Other income	318.67	191.46	173.96	510.13	260.57
III	Total Revenue (I + II)	9,618.30	8,013.81	6,736.48	17,632.11	13,592.57
IV	Expenses:					
(a)	Cost of Materials Consumed	6,899.06	5,402.30	4,121.24	12,301.36	8,807.12
(b)	Changes in inventories of Finished Goods & W-I-P	(84.52)	38.52	(39.29)	(46.00)	(59.05)
(c)	Purchase of Stock-in-trade	-	-	-	-	-
(d)	Other Operating Expenses	620.54	576.78	556.54	1,197.32	986.69
(e)	Employee benefits expense	436.98	474.09	398.02	911.07	733.03
(f)	Finance costs	307.66	253.46	247.00	561.12	371.08
(g)	Depreciation and amortization expense	304.59	300.21	228.01	604.80	296.63
(h)	Other expenses	828.81	713.36	846.11	1,542.17	1,506.36
	Total expenses	9,313.12	7,758.72	6,357.64	17,071.84	12,641.86
V	Profit before Exceptional & Extraordinary Items	305.18	255.09	378.84	560.27	950.71
VI	Exceptional Items	-	-	-	-	-
	Profit before Extraordinary Items & Tax	305.18	255.09	378.84	560.27	950.71
VII	Extraordinary Items	-	21.54	24.64	21.54	24.64
VIII	Profit Before Tax	305.18	233.55	354.20	538.73	926.07
IX	Tax expense:					
(1)	Current tax	160.40	-	237.25	160.40	237.25
(2)	Deferred tax	(16.38)	-	5.40	(16.38)	5.40
(3)	Earlier Year Tax Expense	0.45	-	(32.64)	0.45	(32.64)
		144.47	-	210.01	144.47	210.01
X	Profit(Loss) for the year from continuing operations (VIII-IX)	160.71	233.55	144.19	394.26	716.06
XI	Profit(Loss) from discontinuing operations	-	-	-	-	-
XII	Tax expense of discounting operations	-	-	-	-	-
XIII	Profit/(Loss) from Discontinuing operations (XI - XII)	-	-	-	-	-
XIV	Profit/(Loss) for the year (X + XIII)	160.71	233.55	144.19	394.26	716.06
XV	Earnings per equity share:					
(i)	Basic EPS					
(a)	Continuing operations	0.94	1.36	0.84	2.30	4.18
(b)	Total operations	0.94	1.36	0.84	2.30	4.18
(ii)	Diluted EPS					
(a)	Continuing operations	0.94	1.36	0.84	2.30	4.18
(b)	Total operations	0.94	1.36	0.84	2.30	4.18
	(EPS in Rs. and face value per share is Rs. 10/-)					

As per our report of Even Date attached

For and on Behalf of the Board of Director

Sandeep Bhardwaj
Managing Director
(DIN: 00539347)

Rajesh Agrawal
Chief Financial Officer

Place: Indore
Date : 29/05/2026

ZENITH DRUGS LIMITED
72/5, Muradpura (Orangpura) Dhar Road, Near Kalaria, INDORE, PIN-453001 (M.P.)
CIN No.- L24231MP2000PLC014465

STATEMENT OF CASH FLOW AS AT March 31, 2026

(Amount In Lakhs)

A	CASH FLOW FROM OPERATING ACTIVITIES	As at March 31, 2025	As at March 31, 2025
		Audited	Audited
	Net Profit before taxation and extraordinary item	560.27	950.71
	Adjustment for : Add		
	Depreciation and amortization expense	604.80	296.63
	Provision for Contingent Liability	-	-
	Loss on Sale of assets (Incl. Extraordinary Item)	-	-
	Fixed assets impairment loss	-	-
	Miscellaneous Expenses written off	-	-
	Miscellaneous Expenses written off (Incl. Directors Remuneration)	-	-
	Interest	561.12	371.08
	Less:-		
	Profit/Loss on Sale of investments	-	(4.59)
	Profit on Sale of assets	(3.28)	-
	Incl. Extraordinary Item	(21.54)	(24.64)
	Operating Profit before Working Capital Changes	1,701.37	1,589.19
	Working Capital changes:		
	Increase/Decrease in Inventory	(280.96)	(1,385.40)
	Increase/Decrease in Trade and Other Receivables	(1,277.75)	681.71
	Increase/Decrease in Trade Payables	1,556.26	(449.00)
	Increase/Decrease in Short Term Loan and Advances	(90.08)	(407.38)
	Cash generated from Operating activities	1,608.84	29.12
	Finance Cost	(561.12)	(371.08)
	Income Tax	(160.85)	(204.61)
	Corporate tax on Dividend	-	-
	Cash Used (-)/(+) Generated for operating Activities (A)	886.87	(546.57)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, Plant and Equipment & Intangible assets		
	Tangible assets	(299.35)	(3,211.29)
	Intangible assets	(4.22)	(17.05)
	Capital work in Progress (Tangible)	(671.59)	80.50
	Capital work in Progress (In-Tangible)	(399.79)	-
	Sale of Fixed Assets (Incl. Extraordinary Item)	4.41	-
	Purchase of Investment including investment in Subsidiaries	-	-
	Sale of Investments	-	7.14
	Cash Used (-)/(+) Generated for Investing Activities (B)	(1,370.54)	(3,140.70)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Share Capital and Premium	-	-
	Repayment (-)/Proceeds (+) of Long-Term Secured Liabilities	731.93	494.26
	Repayment (-)/Proceeds (+) from Short-term Loans	(78.20)	1,969.23
	Repayment (-)/Proceeds (+) from other Unsecured Loans	-	-
	Payment of other Advances of the nature of Loan	(170.25)	375.78
	Payment of Dividend	-	-
	Cash Used (-)/(+) Generated for Financing Activities (C)	483.49	2,839.28
	Net Increase (+) /Decrease (-) in Cash and Cash Equivalents (A+B+C)	(0.19)	(847.99)
	Cash and Cash Equivalents Opening Balance	26.30	874.29
	Cash and Cash Equivalents Closing Balance	26.11	26.30

- The above Cash Flow has been compiled from and is based on the Balance sheet as at March 31, 2026 and the related Profit & Loss Account for the year ended on that date.
- The above cash flow statement has been prepared under the Indirect Method as set out in the Accounting Standard-3 on Cash Flow Statement issued by The Institute of Chartered Accountants of India.
- Figures in parenthesis represent outflow.
- Previous year's figures have been regrouped, wherever necessary, to confirm current year's presentation.

As per our report of Even Date attached

For and on Behalf of the Board of Director


SANDEEP BHARDWAJ
 Managing Director
 (DIN: 00539347)

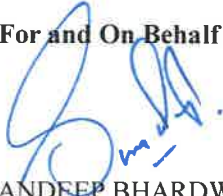

Rajesh Agrawal
 Chief Financial Officer

Place: Indore
 Date : 29/05/2026

Notes to Financial Reporting:

- 1) The above results have been prepared as per generally accepted accounting principles in India, prescribed u/s section 133 of the companies act 2013 and other recognized accounting practices and policies to the extent applicable and in accordance with the recognition and measurement principles laid down in accounting standard, as applicable, specified in section 133 of the companies act, 2013 read with relevant rules framed thereunder or as specified by the institute of chartered accountants of India, whichever is applicable.
- 2) The above audited standalone financial results of company for the half year ended 31st March, 2026 and year ended 31st March, 2026 were reviewed and recommended by the audit committee and approved by the board of directors, at their respective meeting held on 29th May, 2026.
- 3) The statutory auditors of the company have carried out an audit of the above financial results of the company for the half year ended 31st March, 2026 and year ended 31st March, 2026 in item of the regulation 33 of the SEBI (LODR) Regulations, 2015 and has issued an unmodified independent Auditor's Report thereon.
- 4) The statement includes the results for the half year ended 31st March, 2026 being the balanced figure between audited figures in respect of the full financial year and the un-audited figures in respect of 1st half year of the current financial year.
- 5) Based on the information and explanations provided by the Company, it is engaged in two business segments — Manufacturing and Trading. However, the revenue, results, and assets of the Trading segment are below the threshold limits prescribed under Accounting Standard (AS) 17 – Segment Reporting. Accordingly, the Company has not presented separate segmental disclosures, as the Trading segment does not qualify as a reportable segment under the said Standard.
- 6) The weighted average number of equities shares outstanding during the period has been considered for calculating the basic and diluted earnings per share in accordance with the accounting standard 20.
- 7) Previous period figures have been re-grouped and re-classified wherever necessary.
- 8) There are no investor's complaints pending as on 31st March, 2026.
- 9) The results of the company are also available for investors at www.zenithdrugs.com and www.nseindia.com
- 10) The company has not adopted the Indian Accounting standards (IND AS) in terms of Exemption available to the companies Listed with SME.
- 11) The balance appearing under the head Trade Payable, Loans and Advances, Other Current Liabilities are subject to Confirmation and Reconciliation and Consequent adjustments, if any, will be accounted for in the year of confirmation and/or reconciliation.

For and On Behalf of the Board of Director


SANDEEP BHARDWAJ
Managing Director
(DIN: 00539355)


RAJESH AGRAWAL
Chief Financial Officer

Place: Indore
Date: 29/05/2026

