



zenotech

CIN: L27100AP1989PLC010122

ZENOTECH LABORATORIES LTD.
Survey No.250 -252,
Turkapally Village
Shameerpet Mandal
Hyderabad - 500 078 T.S., India.
Tel: +91 90320 44584/ 585
www.zenotechlab.com

Date: May 18, 2019

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Scrip Code: 532039

Dear Sir,

Sub: Submission of Standalone Audited Financial Results of Zenotech Laboratories Limited (the Company) for the quarter and financial year ended March 31, 2019

Pursuant to Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are herewith enclosing the Standalone Audited Financial Results of the Company for the quarter and financial year ended March 31, 2019 and Report of Auditors' on the said Results, duly approved by the Board of Directors of the Company at its meeting held today, i.e., May 18, 2019, along with the declaration under Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The meeting of the Board of Directors commenced at 11 A.M. and concluded at 2:30 P.M.

Kindly take the above information on record.

Thanking you,

Yours faithfully,
For Zenotech Laboratories Limited

L. Abdul Gafoor

Abdul Gafoor Mohammad
Company Secretary and Compliance Officer



Encl: as above

ZENOTECH LABORATORIES LIMITED

CIN: L27100AP1989PLC010122

Survey No.250-252, Turkapally (V), Shameerpet (M), Ranga Reddy (Dt), Hyderabad - 500078

Phone:+91 90320 44584/585/586 Website: www.zenotechlab.com

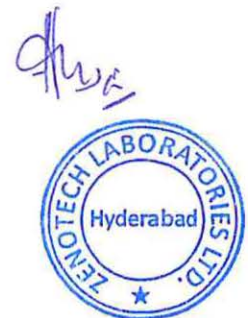
Statement of Standalone Audited Financial Results for the Quarter and Year ended 31 March 2019

(Rs in lakhs, except share and per equity share data)

Sl. No.	Particulars	Quarter ended			Year ended	
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
		Audited*	Unaudited	Audited*	Audited	Audited
I	Revenue From Operations	466.36	359.61	277.19	1,302.91	1,114.42
II	Other Income	355.24	27.42	115.63	470.96	236.91
III	Total Income (I+II)	821.60	387.03	392.82	1,773.87	1,351.33
IV	Expenses					
	a). Cost of materials consumed	27.90	7.39	6.37	70.55	81.06
	b). Purchase of Stock-in-Trade	-	-	-	-	-
	c). Changes in inventories of finished goods, work-in-progress and stock-in-trade	1.19	-	-	1.19	(1.19)
	d). Employee benefit expenses	127.98	118.10	119.30	498.04	506.57
	e). Finance costs	9.76	1.42	(27.10)	11.77	244.94
	f). Depreciation and amortization expense	110.26	103.70	97.00	420.20	390.31
	g). Other Expenses	288.29	248.60	359.53	1,084.83	1,314.74
	Total expenses	565.38	479.21	555.10	2,086.58	2,536.43
V	Profit/(Loss) before exceptional items and tax (III-IV)	256.22	(92.18)	(162.28)	(312.71)	(1,185.10)
VI	Exceptional items	-	-	-	-	-
VII	Profit/(Loss) before tax (V-VI)	256.22	(92.18)	(162.28)	(312.71)	(1,185.10)
VIII	Tax expense					
	a). Current Tax	-	-	-	-	-
	b). Deferred Tax	-	-	-	-	-
	Total Tax Expense (VIII)	-	-	-	-	-
IX	Profit/(Loss) for the period (VII-VIII)	256.22	(92.18)	(162.28)	(312.71)	(1,185.10)
X	Other Comprehensive Income					
	a). Items that will not be reclassified to Profit or Loss					
	Re - measurement of the defined benefit obligations	(3.83)	1.53	4.02	0.77	6.13
	b). Items that will be reclassified to Profit or Loss	-	-	-	-	-
XI	Total Comprehensive Income for the period (IX+X)	252.39	(90.65)	(158.26)	(311.94)	(1,178.97)
XII	Paid-up equity share capital (Face value of ₹ 10/- per share)	6,103.06	6,103.06	6,103.06	6,103.06	6,103.06
XIII	Reserves i.e. Other equity				(2,213.23)	(1,901.30)
XIV	Earnings/ (loss) per share (of ₹ 10/- each) (not annualised)					
	a). Basic	0.42	(0.15)	(0.27)	(0.51)	(2.24)
	a) Diluted	0.42	(0.15)	(0.27)	(0.51)	(2.24)

* The figures for the quarter ended March 31, 2019 and March 31, 2018 are the balancing figure between the audited figures in respect of the full financial year and the unaudited published year to date figures up to the third quarter of the relevant financial year which were subject to limited review by the Statutory Auditor of the Company.

See accompanying notes to the financial results



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Survey No.250-252, Turkapally (V), Shameerpet (M), Ranga Reddy (Dt), Hyderabad - 500078

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Standalone Balance Sheet as at March 31, 2019

Rs in Lakhs

Particulars	As at 31 March 2019 Audited	As at 31 March 2018 Audited
ASSETS		
(1) Non Current Assets		
(a) Property, Plant and Equipment	4,310.85	4,443.09
(b) Capital Work-In-Progress	1,695.14	232.39
(c) Financial Assets		
(i) Investments	-	-
(ii) Others	63.68	39.29
(d) Income Tax Assets (net)	79.30	33.40
(e) Other Non-current Assets	389.92	283.92
Total Non - Current Assets	6,538.90	5,032.09
(2) Current Assets		
(a) Inventories	58.42	82.08
(b) Financial Assets		
(i) Trade Receivables	235.81	0.39
(ii) Cash and Cash Equivalents	1,319.63	2,840.48
(iii) Bank balances other than above	5.60	75.60
(iv) Other financial asset	31.80	42.52
(c) Other Current Assets	268.17	100.97
Total Current Assets	1,919.43	3,142.04
TOTAL ASSETS	8,458.33	8,174.13
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	6,103.06	6,103.06
(b) Other Equity	(2,213.23)	(1,901.30)
Total Equity	3,889.83	4,201.76
LIABILITIES		
(1) Non-current Liabilities		
(a) Financial Liabilities	-	-
(b) Provisions	33.72	27.70
Total Non - Current Liabilities	33.72	27.70
(2) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	2,024.00	-
(ii) Trade payables		
(a) Total outstanding dues of Micro and Small Enterprises	39.49	-
(b) Total outstanding dues other than above	372.04	541.32
(iii) Other financial liabilities	334.27	880.78
(b) Other Current Liabilities	45.07	845.55
(c) Provisions	1,719.91	1,677.03
Total Current Liabilities	4,534.78	3,944.67
TOTAL EQUITY AND LIABILITIES	8,458.33	8,174.13



Notes:

- 1 The above financial results for the quarter and year ended March 31, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on May 18th 2019 and have undergone an audit by the Statutory Auditors of the Company.
- 2 The Company adopted India Accounting Standards (“Ind AS”) from April 01, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India.
- 3 The Company had reconstructed the financial statements for the years ended March 31, 2011 and 2012 based on the available limited records, statutory returns filed, supplementary documents, invoices, external corroborative evidence post 12th November 2011 and after considering the various non-compliances under the Companies Act, 1956, listing agreement and Foreign Exchange Management Act etc.
- 4 The matters relating to several financial and non-financial irregularities pertaining to period prior to November 12, 2011 are currently sub-judice and the impact of the various legal proceedings would be made in the financial results of the Company as and when the outcome of the above uncertainties becomes known and the consequential adjustments / disclosures are identifiable / determinable. Accordingly, based on the steps taken by the Company and evidence available so far, any financial impact on the results of the Company is likely to be significantly low.
- 5 The financial statements have been prepared on a going concern basis, considering that the Company is well placed to meet the cash burn requirements in the coming periods for it to develop and build the business to a profitable level as per the projections prepared by the Company.
- 6 Pursuant to the Rights offer, the Company had allotted 266,03,068 equity shares of face value of Rs 10/- each at a premium of Rs 35 per equity share to the shareholders for a total consideration of Rs. 1,197,138,060. These equity shares of the Company were listed in Bombay Stock Exchange (BSE) w.e.f. Friday, July 28, 2017.
- 7 Use of Rights Issue Proceeds is summarized as below:

(Rupees Lakhs, unless otherwise stated)

Sl. No	Particulars	Planned as per Letter of Offer	Utilisation upto March 31, 2019	Balance as at March 31, 2019
1	Funding capital expenditure requirement for expansion and up gradation of our existing manufacturing units	2,002.45	708.66	1,293.79
2	Repayment in full or part, of certain borrowings availed by our Company	6,988.04	6,988.04	-
3	General corporate purposes	2,980.89	2,980.89	-
	Total	11,971.38	10,677.59	1,293.79



- 8 Rights Issue proceeds which remain unutilized as at March 31, 2019 were invested in deposits with scheduled commercial banks and in current bank accounts of the Company including monitoring agency accounts.
- 9 Other Income includes long pending unclaimed liabilities of Rs. 326.86 lakhs written back during the quarter ended March 31, 2019.
- 10 The Company has only one segment, i.e. Pharmaceuticals.
- 11 Figures for previous period/ year have been regrouped to conform to the current period presentation.

Date: 18th May 2019

Place: Mumbai

By Order of the Board



Chairman



DIN:01219312



PKF SRIDHAR & SANTHANAM LLP

Chartered Accountants

Independent Auditor's Report on Audit of Standalone Financial Results

To the Board of Directors of Zenotech Laboratories Limited

We have audited the accompanying Standalone Financial Results of **Zenotech Laboratories Limited** ("the Company") for the quarter and year ended March 31, 2019, being submitted by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5th July 2016 and Circular No. CIR/IMD/DF1/69/2016 dated 10th August 2016, which has been initialed by us for identification.

Management's Responsibility:

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone IND AS financial statements which has been prepared in accordance with Indian Accounting Standards, prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder (IND AS) and other accounting principles generally accepted in India. Our responsibility is to issue express an opinion on the Statement based on our audit of such standalone financial statements.

Auditor's Responsibility:

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements required that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depends on the auditor's judgement, including the assessment of risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the Statement, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinion on the Statement.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the Statement:



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PKF SRIDHAR & SANTHANAM has been converted into a limited liability partnership PKF SRIDHAR & SANTHANAM LLP FROM 21ST APRIL 2015.
REGISTRATION NO. WITH ICAI IS 003990S/S200018

- a) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5th July 2016 and Circular No. CIR/IMD/DF1/69/2016 dated 10th August 2016, including the manner in which it is to be disclosed
- b) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, of the net loss and total comprehensive income and other financial information of the Company for the quarter and year ended 31st March 2019.

Emphasis of matter:

We draw attention to Note 3 & 4 to the Financial results which describe the reconstruction of financial records and various legal proceedings as follows: -

- (a) Based on the information provided to us by the Management, the books of accounts for the financial years ended 31st March 2011 & 31st March 2012 were reconstructed by the Management post 12th November 2011.
- (b) The matters relating to several financial and non-financial irregularities pertaining to period prior to 12th November 2011 are currently sub-judice and the impact of the various legal proceedings would be made in the financial results of the Company as and when the outcome of the above uncertainties becomes known and the consequential adjustments / disclosures are identifiable / determinable. The Company has represented to us that based on the steps taken by the Management and evidence available so far, any financial impact on the results of the Company is likely to be significantly low.

Our opinion is not modified in respect of these matters.

Other Matters:

Attention is drawn to the fact that the figures for the quarter ended 31st March 2019 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of full financial year and the published year to date figures up to the end of the third quarter of the relevant financial year.

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No. 003990S/S200018

S. Prasana Kumar

S. Prasana Kumar
Partner
Membership No. 212354
Place: Mangalore
Date: 18th May 2019





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ZENOTECH LABORATORIES LTD.

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www.zenotechlab.com

Date: May 18, 2019

BSE Limited

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai – 400 001

Dear Sir,

Sub: Declaration under Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Ref: SEBI Circular No.CIR/CFD/CMD/56/2016, dated May 27, 2016

I, Poly K.V., Chief Financial Officer of Zenotech Laboratories Limited, having registered office at Survey No.250-252, Turkapally Village, Shameerpet Mandal, Hyderabad – 500 078, hereby declare that the Statutory Auditors of the Company, M/s. PKF.Sridhar & Santhanam LLP, Chartered Accountants (Firm Registration No. 003990S/S200018) have issued an Audit Report with unmodified opinion on the Audited Financial Results of the Company for the quarter and financial year ended March 31, 2019.

Kindly take this declaration on your record.

Yours faithfully,

For **Zenotech Laboratories Limited**


Poly K.V.
Chief Financial Officer

