

Date: January 23, 2021

The Manager
BSE Limited (DCS- CRD)
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

Scrip Code: 532039

Dear Sir,

Sub: Outcome of the Board Meeting held on today

1. Pursuant to the provisions of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors of the Company, at its meeting held on today, i.e. January 23, 2021 has considered and approved the Unaudited Financial Results along with Limited Review Report issued by the Statutory Auditors of the Company for the quarter and nine months ended December 31, 2020. A copy of the same is enclosed as Annexure I.
2. The Board of Directors of the Company at their meeting held today have appointed Mr. Devendra Chandrakant S. Kenkre as the Chief Executive Officer of the Company w.e.f. today, i.e. January 23, 2021. The profile of Mr. Devendra Chandrakant S. Kenkre as required under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as Annexure II.

The meeting of the Board of Directors commenced on January 23, 2021 at 11:30 AM and concluded at 2:30 PM.

We request you to take the above on record.

Thanking you,

Yours faithfully,
For **Zenotech Laboratories Limited**


Abdul Gafoor Mohammad
Company Secretary & Compliance Officer



Encl: as above

ZENOTECH LABORATORIES LIMITED							
CIN: L27100TG1989PLC010122							
Survey No.250-252, Turkapally (V), Shameerpet (M), Hyderabad - 500078							
Phone:+91 90320 44584/585/586 Website: www.zenotechlab.com							
Statement of Unaudited Standalone Financial Results for the Quarter and Nine months ended 31 December 2020							
(Rs in lakhs, except share and per equity share data)							
Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2020	30.09.2020	31.12.2019	31.12.2020	31.12.2019	31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue From Operations	464.25	293.74	651.56	1,253.94	2,062.83	2,593.83
II	Other Income	103.54	102.30	33.92	212.40	101.84	125.25
III	Total Income (I+II)	567.79	396.04	685.48	1,466.34	2,164.67	2,719.08
IV	Expenses						
	a). Cost of materials consumed	0.10	1.50	38.93	1.62	50.19	50.45
	b). Purchase of Stock-in-Trade	-	-	-	-	-	-
	c). Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-	-
	d). Employee benefit expenses	155.59	158.49	157.87	470.09	446.34	576.40
	e). Finance costs	46.86	46.38	22.93	108.91	80.21	89.25
	f). Depreciation and amortization expense	171.27	170.23	126.12	471.80	347.57	484.96
	g). Other Expenses	186.75	226.67	291.04	653.37	796.17	1,077.23
	Total expenses	560.56	603.27	636.89	1,705.79	1,720.48	2,278.29
V	Profit/(Loss) before exceptional items and tax (III-IV)	7.23	(207.23)	48.59	(239.45)	444.19	440.79
VI	Exceptional items	-	-	636.96	-	636.96	636.96
VII	Profit/(Loss) before tax (V-VI)	7.23	(207.23)	685.55	(239.45)	1,081.15	1,077.75
VIII	Tax expense						
	a). Current Tax	-	-	-	-	-	-
	b). Deferred Tax	-	-	-	-	-	-
	Total Tax Expense (VIII)	-	-	-	-	-	-
IX	Profit/(Loss) for the period (VII-VIII)	7.23	(207.23)	685.55	(239.45)	1,081.15	1,077.75
X	Other Comprehensive Income						
	a). Items that will not be reclassified to Profit or Loss						
	Re - measurement of the defined benefit obligations	(1.17)	(1.17)	0.19	(3.51)	0.58	(4.68)
	b). Items that will be reclassified to Profit or Loss	-	-	-	-	-	-
XI	Total Comprehensive Income for the period (IX+X)	6.06	(208.40)	685.75	(242.96)	1,081.73	1,073.07
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	6,103.06
XIII	Reserves i.e. Other equity						(1,140.16)
XIV	Earnings/ (loss) per share (of ₹ 10/- each) (not annualised)						
	a). Basic	0.01	(0.34)	1.12	(0.39)	1.77	1.77
	a) Diluted	0.01	(0.34)	1.12	(0.39)	1.77	1.77

See accompanying notes to the financial results

Notes:

- 1 The above financial results for the quarter and period ended December 31, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on 23rd January, 2021 and have undergone a 'limited review' by the Statutory Auditors of the Company.
- 2 These financial results have been prepared in accordance with the Indian Accounting Standards ("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 impact of the matters relating to several financial and non-financial irregularities pertaining to period prior to November 12, 2011 and of the various legal proceedings which are currently sub-judice 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.
- 4 The Books of accounts and other related records/documents of the overseas subsidiaries of the Company were missing and due to non-availability of those records/information, complaint before the Hon'ble Economic Offences Court, Nampally, Hyderabad, under the provisions of Section 630 of erstwhile Companies Act, 1956 was filed against the former Managing Director, Late Dr. Jayaram Chigurupati, who was in complete "control over the Company's affairs during the period of those events", which was abated by the Court due to demise of the accused. The Company has evaluated and concluded that it is not controlling the US Subsidiary as per Ind AS 110 Consolidated Financial Statements basis its inability to exercise power over the investee. The Company has engaged a consultant in Brazil to file the winding-up applications in adherence to the laws of the country. The Company vide its Board Resolution dated July 25, 2020, has initiated the process of winding-up of its defunct US Subsidiary. Accordingly, the Company is of the view that it does not have subsidiaries within the definition of Ind AS 110 and hence is not required to prepare and present a Consolidated Financial Results.
- 5 The financial results 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 The Company has evaluated the impact of COVID-19 pandemic on its business operations, liquidity and financial position and based on management's review of current indicators and economic conditions there is no material impact on its financial results as at December 31, 2020. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions.
- 7 Other income includes rentals for the Biotech facility and equipments leased to Sun Pharmaceutical Industries Limited for R&D activities.
- 8 The Company has only one reportable segment, i.e. Pharmaceuticals.
- 9 Figures for previous period/ year have been regrouped wherever required to conform to the current period presentation.

By Order of the Board



Chairman
DIN: 01219312

Date: January 23, 2021

PKF SRIDHAR & SANTHANAM LLP

Chartered Accountants

Independent Auditor's Review Report on the Quarterly Unaudited Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review report to the Board of Directors of Zenotech Laboratories Limited

We have reviewed the unaudited financial results ("the Statement") of **Zenotech Laboratories Limited** ("the Company") for the quarter ended and Nine months ended 31st December 2020, being submitted by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), which has been initialed by us for identification.

Attention is drawn to note 4 of the Statement which states the reason for non-preparation of consolidated financial results.

This Statement, which is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on this Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



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PKF SRIDHAR & SANTHANAM LLP

Chartered Accountants

Based on our review conducted, as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of matter:

We draw attention to Note 3 to the Financial results wherein it is stated that the impact of matters relating to several financial and non-financial irregularities pertaining to period prior to 12th November 2011 and of the various legal proceedings which are currently sub-judice 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 report is not modified in respect of this matter.

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm Registration No. 0039905/S200018



S Prasana Kumar

Partner

Membership No. 212354

Place: Hyderabad

Date: 23rd January, 2021

UDIN: 21212354 AAAA I 1178

Annexure II to the Letter to the Stock Exchange dated January 23, 2021

BRIEF PROFILE OF MR. DEVENDRA CHANDRAKANT S. KENKRE

Mr. Devendra Chandrakant S. Kenkre graduated in Pharmacy from Mumbai University in 1989.

He has over 29 years of experience in the pharma industry. He was earlier associated with E Merck India Limited and Sovereign Pharma Private Limited. He held various positions and assignments in production, quality, R&D and operation management leading the teams for organizational objectives. He has acquired expertise in driving product manufacturing and quality improvement activities and also obtained Regulatory Approvals of MHRA, TGA-Australia, MCC- South Africa, Danish Medicine Agency Denmark and others like Ukraine, Belarus, Uganda, Sudan, etc.

He joined Zenotech Laboratories Limited as Senior Manager - Production in the year 2016 and elevated to Plant Head in the year 2020.

For Zenotech Laboratories Limited

Abdul Gafoor Mohammad

Abdul Gafoor Mohammad
Company Secretary & Compliance Officer



Date: January 23, 2021