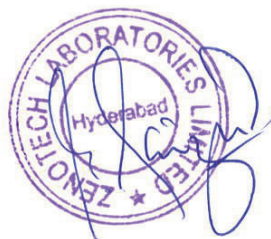


**ZENOTECH LABORATORIES LIMITED**  
 Survey No. 250-252, Turkapally (V), Shameerpet (M), Ranga Reddy (Dt)  
 Hyderabad - 500078

Standalone Unaudited Financial Results for the quarter and nine months ended December 31, 2012

Part I: Statement of Standalone Financial Results		(Rs.In Lakhs)		
	Particulars	Quarter ended	Nine months ended	Year ended
		31.12.2012	31.12.2012	31.03.2012
		(Unaudited)	(Unaudited)	(Audited)
1	a) Net Sales / income from operations (net of excise duty)	138.15	280.92	218.42
	b) Other operating income	-	-	-
	<b>Total income from operations (net)</b>	<b>138.15</b>	<b>280.92</b>	<b>218.42</b>
2	<b>Expenses</b>			
	a. Cost of material consumed	49.14	80.41	20.31
	b. Purchase of stock in trade	27.05	100.95	70.57
	c. Changes in inventories of finished goods, work-in-progress and stock in-trade	-	-	42.18
	d. Employee benefits expense	131.94	388.23	110.58
	e. Depreciation and amortisation expense	88.55	264.79	349.27
	f. Other expenses	249.67	722.75	457.20
	<b>Total expenses</b>	<b>546.35</b>	<b>1,557.13</b>	<b>1,050.11</b>
3	<b>Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)</b>	<b>(408.20)</b>	<b>(1,276.21)</b>	<b>(831.69)</b>
4	Other income	2.85	10.80	13.37
5	<b>Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 ± 4)</b>	<b>(405.35)</b>	<b>(1,265.41)</b>	<b>(818.32)</b>
6	Finance costs	40.31	106.24	50.51
7	<b>Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)</b>	<b>(445.66)</b>	<b>(1,371.65)</b>	<b>(868.83)</b>
8	Exceptional items - Expenditure / (Income)	-	-	157.35
9	<b>Profit / (Loss) from ordinary activities before tax (7 ± 8)</b>	<b>(445.66)</b>	<b>(1,371.65)</b>	<b>(1,026.18)</b>
10	Tax expense	-	-	-
11	<b>Net Profit / (Loss) from ordinary activities after tax (9 ± 10)</b>	<b>(445.66)</b>	<b>(1,371.65)</b>	<b>(1,026.18)</b>
12	Extraordinary items (Net of tax expense Rs. Nil)	-	-	-
13	<b>Net Profit / (Loss) for the period (11 ± 12)</b>	<b>(445.66)</b>	<b>(1,371.65)</b>	<b>(1,026.18)</b>
14	Paid-up Equity Share Capital (Face Value Rs. 10/- each)	3,442.75	3,442.75	3,442.75
15	Reserves excluding Revaluation Reserves as per Balance sheet of previous accounting year	-	-	1,719.86
16	Earning Per Share (of Rs 10/- each) (before extraordinary items - not annualised)			
	(a) Basic	(1.29)	(3.98)	(2.98)
	(b) Diluted	(1.29)	(3.98)	(2.98)
17	Earning Per Share (of Rs 10/- each) (after extraordinary items - not annualised)			
	(a) Basic	(1.29)	(3.98)	(2.98)
	(b) Diluted	(1.29)	(3.98)	(2.98)

See accompanying notes



PART - II				
SR. NO.	Particulars	Quarter ended	Nine months ended	Previous year ended
		31.12.2012	31.12.2012	31.03.2012
		(Unaudited)	(Unaudited)	(Audited)
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>			
<b>1</b>	<b>Public Share Holding</b>			
	- Number of Shares	11,413,707	11,413,707	11,413,707
	- Percentage of Shareholding	33.15%	33.15%	33.15%
<b>2</b>	<b>Promoter and Promoter Group Shareholding</b>			
	<u>a) Pledged / Encumbered</u>			
	- Number of Shares	NIL	NIL	NIL
	- Percentage of Shareholding (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL
	- Percentage of Shares (as a % of total share capital of the Company)	NIL	NIL	NIL
	<u>b) Non - Pledged / Encumbered</u>			
	- Number of Shares	23,013,793	23,013,793	23,013,793
	- Percentage of Shares (as a % of total shareholding of promoter and promoters group)	100.00%	100.00%	100.00%
	- Percentage of Shares (as a % of total share capital of the Company)	66.85%	66.85%	66.85%

	Particulars	Quarter ended
		31.12.2012
<b>B</b>	<b>INVESTOR COMPLAINTS</b>	
1	Pending at the beginning of the Quarter	-
2	Received during the year	2
3	Disposed of during the Quarter	2
4	Remaining unresolved at the end of the Quarter	-





**Notes:**

- 1 The above financial results are prepared for furnishing the same to the Stock Exchange as required under Clause 41 of the Listing Agreement by the Company's Management approved by the Board of Directors at its meeting held on 8 February 2013. These financial results should be read together with the audited financial statements for the year ended 31 March 2012.
- 2 The Company has been in non-compliance of the requirement of clause 41 of the listing agreement regarding furnishing the quarterly and year to date results from the quarter ended 31 March 2011 till the quarter ended 30 June 2012. Due to said non-submission of quarterly and year to date results in the past the figures for the quarter ended 30 September 2012 of the relevant financial year and for the quarter ended 31 December 2011 and for the nine months ended 31 December 2011 have not been published and have not been subjected to limited review or audit by the statutory auditors.
- 3 These financial results for the nine months ended 31 December 2012 have been subjected to limited review by the Statutory Auditors of the Company who have issued a qualified limited review report thereon. With respect to the corresponding period of the previous financial year, the auditors have been unable to express an opinion thereon in the absences of relevant financial information as explained in note 2 above.
- 4 The entire operations relate to only the pharmaceuticals segment. Accordingly there are no reportable segments to be disclosed as required by Accounting Standard 17 'Segment reporting'.
- 5 During previous year as more fully explained in the notes appended to the audited financial statements for the year ended 31 March 2012, the Management had been unable to retrieve any relevant information, books and records and based on all reasonable efforts that it could have made under the circumstances believes that information relating to the subsidiaries is missing and the entities are either delinquent or do not exist anymore. In view of the above, consolidated accounts could not be prepared for the year ended March 31, 2012.
- 6 The financial statements prepared by the Company under the Companies Act, 1956, for the year ended March 31, 2012 had been subjected to an audit by the Statutory Auditors of the Company, however, due to the significant matters, as highlighted in the Auditors Report on the financial statements, the Auditors' were unable to express an opinion on those financial statements for the year ended March 31, 2012.
- 7 There have been no significant updates to the pending litigations and other matters as more fully explained in the audited financial results and audited financial statements for the year ended 31 March 2012 approved by the Board of Directors on November 14, 2012 and adopted by the Shareholders in the Annual General Meeting held on 28 December 2012.
- 8 The current Management had filed a case in the Court of the Hon'ble Chief Judge City Civil Court at Hyderabad to for recovery of managerial remuneration aggregating to Rs. 7,980 thousands (excluding interests) paid to Co-Managing Director without the approval of the Central Government of India during the period from October 1, 2007 to March 31, 2011, in contravention of the provisions of the Companies Act, 1956. The said matter is pending before the Court of the Hon'ble Chief Judge City Civil Court at Hyderabad. As the matter remains sub-judice, no adjustments have been made to the financial results for



years ended March 31, 2012 as well as March 31, 2011. This has reference made to the qualification made in the Audit Report.

- 9 The Company has filed an application under the Companies Act, 1956 to the Ministry of Corporate Affairs (MCA), Government of India for approval of managerial remuneration of Rs. 23.02 lakhs payable to Mr. B. K. Raizada, Co-Managing Director for the period from 19 March 2011 to 30 September 2012. MCA had granted its approval for payment of remuneration to Mr. Raizada subject to the condition that the Company makes payment of its outstanding dues towards the loan assistance granted by TDB by February 29, 2012. The Company while citing the Arbitration proceedings pending with TDB requested MCA to modify the above date to "within 30 days of the Arbitration Award". The Company is yet to receive the Ministry's response in this regard. Dr. Jayaram Chigurupati has also filed a case before Hon'ble Andhra Pradesh High Court challenging the enforcement of the notice of TDB, and the matter is currently sub-judice. This has reference made to the qualification made in the Audit Report.
- 10 Figures for previous period/year have been regrouped to conform to the current period's presentation.

Date: 8 February 2013  
Place: Gurgaon



By Order of the Board

  
**B. K. Raizada**  
Managing Director



# B S R & Associates

Chartered Accountants

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## Review Report

To the Board of Directors of  
Zenotech Laboratories Limited

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Zenotech Laboratories Limited ("the Company") for the quarter ended 31 December 2012 and the year to date results for the period from 1 April 2012 to 31 December 2012, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management and have not been reviewed by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company in their meeting held on 8 February 2013. Our responsibility is to issue a report on the statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. *As more fully explained in note 2 to the accompanying statement, the figures for the quarter ended 30 September 2012 of the relevant financial year and for the quarter ended 31 December 2011 and for the nine months ended 31 December 2011 have not been published and have not been subjected to limited review or audit.*
4. *As more fully explained in Note 8 to the accompanying statement, the Company had filed a legal case against the co-managing director for recovering the managerial remuneration paid amounting to INR 7,980 thousands during the period from 1 October 2007 to 31 March 2011, including an amount of INR 2,280 thousands which is in excess of the prescribed limits for the year ended 31 March 2011 without obtaining the necessary prior approval from the Central Government of India which is in contravention of the provisions of the Companies Act, 1956. Pending resolution of the matter, recovery of the said amounts is not certain and accordingly no adjustment in this regard has been made in the accompanying the accompanying statement. Our audit report on the financial results for the year ended 31 March 2012 was also qualified in respect of this mater.*
5. *As more fully explained in Note 9 to the accompanying statement, the Company's application under the Companies Act, 1956 to the Ministry of Corporate Affairs (MCA), Government of India for approval of managerial remuneration of Rs. 2,202 thousands payable to the another co-managing director for the period from 19 March 2011 to 30 September 2012 is yet not approved. Pending approval of the amount, no adjustment in this regard has been made in the accompanying financial results. Our audit report on the financial results for the year ended 31 March 2012 was also qualified in respect of this mater.*



**B S R & Associates**

6. Based on our review conducted as above, *subject to the effect of the matters included in the paragraph 3, 4 and 5 above*, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

*for B S R & Associates*  
*Chartered Accountants*  
Firm Registration No: 116231W



**Sriram Mahalingam**  
*Partner*  
Membership No: 049642

Place: Hyderabad  
Date: 8 February 2013