



zenotech

CIN: L27100AP1989PLC010122

ZENOTECH LABORATORIES LTD.

Survey No.250 -252,

Turkapally Village

Shameerpet Mandal

R R District 500 078. T.S., India.

Tel: +91 40 2348 0430/35

Fax: +91 40 2348 0429

www.zenotechlab.com

Date: November 28, 2017

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

Scrip Code: 532039

Dear Sir,

Sub: Monitoring Agency Report for the quarter ended September 30, 2017

In continuation to our letter dated November 13, 2017, we request you to kindly note that there is no deviation/ variation in the utilization of proceeds as mentioned in the objects stated in the Letter of Offer dated June 21, 2017, in respect of our Rights Issue of the Company in accordance with the Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In accordance with the Regulation 32(6) of the Listing Regulations and 16(4) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, please find enclosed herewith Monitoring Agency Report in respect of utilization of proceeds of Rights Issue for the quarter ended September 30, 2017 issued by Axis Bank Limited, Monitoring Agency.

Kindly take the same on your record and acknowledge.

Thanking You,

Yours faithfully,
For Zenotech Laboratories Limited

Abdul Gafoor Mohammad

Abdul Gafoor Mohammad
Company Secretary & Compliance Officer



Encl: as above



AXB/CO/IFB-TS/17-18/309
November 24, 2017

Zenotech Laboratories Limited
Survey No. 250-252, Turkapally Village,
Shameerpet Mandal,
Ranga Reddy District
Hyderabad-500078, Telangana, India

Dear Sir,

Sub : Zenotech Laboratories Limited(the Company) – Monitoring Agency Report

We write in our capacity of Monitoring Agent to the Company and refer to our duties cast under Regulation 16(2) of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009.

In terms of above, please find attached the Monitoring Report for the quarter ended on September 30, 2017, as per Schedule IX of the aforesaid SEBI Regulations.

Request you to kindly take the same on records.

Thanking you,
For **Axis Bank Limited**


Amar Hadye
Assistant Vice President

Report of the Monitoring AgencyName of the Issuer: Zenotech Laboratories LimitedFor Quarter ended: September 2017Name of the Monitoring Agency: Axis Bank Limited(a) Deviation from the objects: No deviation from the objects (relevant comments are specified in the report below)(b) Range of Deviation*: Not applicable (relevant comments are specified in the report below)

Declaration:

We hereby declare that this report is based on the format as prescribed by SEBI (ICDR) Regulations, 2009, as amended. We further declare that this report provides true and fair view of the utilization of issue proceeds.

We declare that we do not have any direct / indirect interest in or relationship with the issuer/promoters/directors/management and also confirm that we do not perceive any conflict of interest in such relationship / interest while monitoring and reporting the utilization of issue proceeds by the issuer. We also declare that the certificate is provided on the basis of management representation and certification provided by the independent chartered accountant.



Signature:

Name of Signing Authority: **Mr. Amar Hadye**Designation Signing Authority: **Assistant Vice President**

Date: 24.11.2017

1) **Issuer Details:**

Name of the issuer : Zenotech Laboratories Limited
 The name of the promoter of the issuer : Sun Pharmaceutical Industries Limited
 Daiichi Sankyo Company, Limited
 Industry/sector to which it belongs : Pharmaceuticals

2) **Issue Details:**

Issue Date : 30th June to 14th July
 Type of specified securities : Rights Issue
 Issue size : 120 Crores

3) **Details of the arrangement made to ensure the monitoring of issue proceeds:**

Particulars	Reply	Comments of Monitoring Agency
Whether all the utilization is as per disclosure in Offer Document?	Yes	All the utilization is as per disclosure in Offer Document
Whether Shareholder approval is obtained in case of material deviations# from expenditures disclosed in Offer Document?	No	There is no deviation from expenditures disclosed in Offer document. Hence, shareholder approval not required.
Whether means of finance for disclosed objects of the Issue has changed?	No	There is no change in the means of finance for disclosed objects of the Issue
Any major deviation observed over the earlier monitoring agency reports?	No	This is the first report after the rights issue
Whether all Government / Statutory approvals related to the object(s) obtained?	Yes	All relevant approvals are in place
Whether all arrangements pertaining to technical assistance/collaboration in operation?	No	Not applicable for the quarter
Any favorable events improving object(s) viability	No	No such events reported as on date
Any unfavorable events affecting object(s) viability	No	No such events reported as on date
Any other relevant information that may materially affect the decision making of the investors	No	Nil

(Give item by item description for all the objects stated in offer document separately in following format)

Where material deviation may be defined to mean:

- a) Deviation in the objects or purposes for which the funds have been raised: **Not applicable**
 b) Deviation in the amount of fund actually utilized by more than 10% of the amount projected in the offer documents.: **Not applicable**



4) Details of object(s) to be monitored:

(i) Cost of object(s)-

Sl. No	Item Head	Original Cost (as per Letter of Offer) (Rs in Lakhs)	Revised Cost (Rs in Lakhs)	Comments of Monitoring Agency
1	Funding capital expenditure requirement for expansion and up gradation of our existing manufacturing units	2,002.45	2,002.45	
2	Repayment in full or part, of certain borrowings availed by our Company	6,988.04	6,988.04	
3	General corporate purposes	2,896.91	2,896.91	
	Total	11,887.40	11,887.40	

(ii) Progress in the objects- during July 1, 2017 to September 30, 2017(i.e. from 1st July, 2017 to 30th September, 2017)
(Rs. In million)

Sl. No	Item Head	Amount as proposed in Letter of Offer	Amount utilized			Total unutilized Amount	Comments of Monitoring Agency
			As at Beginning of the quarter*	During the quarter	At the end of the quarter		
1	Funding capital expenditure requirement for expansion and up gradation of our existing manufacturing units Expansion and up gradation of existing manufacturing units at Sy. No. 250-252, Turkapally Village, Shameerpet Mandal, Ranga Reddy District, Hyderabad	2002.45	4.22	-	4.22	1,998.23	We understand that the fresh quote from vendors are invited
2	Repayment in full or part, of certain borrowings availed by our Company Repayment of full or part of the unsecured loan taken from one of the promoters of the Company, i.e. Sun	6988.04	35.06	6952.98	6988.04	-	



	Pharmaceutical Industries Limited along with interest thereon						
3	General corporate purposes For meeting operating expenses, working capital requirements, strategic initiatives, strengthening marketing capabilities, brand building and corporate exigencies etc.	2980.89	58.28	561.84	620.12**	2,360.77	
	Total	11,971.38	97.56	7,514.81	7,612.38	4,359.00	

*Expenses incurred prior to realization of Rights Issue Proceeds, being part of objects in the Letter of Offer

** Includes rights issue related expenses

5) Deployment of unutilized Rights Issue proceeds-

Rs. in Million

Sl. no.	Type of instrument where amount invested	Amount invested (Rs in Lakhs 's)	Maturity date	Earnings (Rs in Lakhs 's)	Return on Investment (ROI %)	Market Value as at the end of quarter**
1	Fixed Deposit with YES Bank	3,200.00	05-11-17	31.54	6.25%	Not applicable
2	Fixed Deposit with Axis Bank	300.00	06-11-17	0.61	6%	Not applicable
3	Fixed Deposit with IDFC Bank	1,000.00	05-11-17	13.45	6.05%	Not applicable
	Total	4,500.00		45.60		

