

Quarterly Compliance Report on Corporate Governance

Name of the Company: Zenotech Laboratories Ltd.

Quarter ended on September 30, 2014

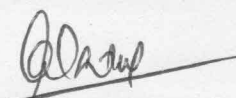
| Particulars | Clause of Listing Agreement | Compliance Status Yes/No | Remarks |
|---|-----------------------------|--------------------------|--|
| I Board of Directors | 49 I | | |
| (A) Composition of Board | 49(IA) | YES | |
| (B) Non-executive Directors' Compensation & Disclosures | 49 (IB) | YES | |
| (C) Other Provisions as to Board and Committees | 49 (IC) | YES | |
| D) Code of Conduct | 49 (ID) | YES | Posting of the Code of conduct on the website of the Company will be done in due course. |
| II. Audit Committee | 49 (II) | | |
| (A) Qualified & Independent Audit Committee | 49 (IIA) | YES | Mr. B K Raizada resigned from the office of Director on February 24, 2014. Accordingly, he vacated his office from the Audit Committee and the Committee was reconstituted on May 21, 2014 with three directors as its members, namely, Mr. K. L. Khurana, Dr. R. S. Bakshi and Dr. Sudershan K. Arora. Dr. Sudershan K Arora, Alternate Director to Dr. Junichi Koga, vacated his office on June 10, 2014 and as member of Audit Committee, consequent to the resignation of Dr. Junichi Koga from his office as Director. The Committee was, thereafter, reconstituted on August 07, 2014. |
| (B) Meeting of Audit Committee | | YES | |
| (C) Powers of Audit Committee 49 (IIC) | 49 (IIB) | YES | |
| (D) Role of Audit Committee | 49 II(D) | YES | |
| (E) Review of Information by Audit Committee | 49 (IIE) | YES | |
| III. Subsidiary Companies | 49 (III) | NO | The matter has been elaborately clarified and disclosed in the Annual Report for financial years 2012 -13 & 2013 -14 and also explained vide letters dated June 20, September 21 & December 17, 2013 about the missing records of the Company's subsidiaries and actions initiated against the former Managing Director of the Company for their recovery. |
| IV. Disclosures | 49 (IV) | | |
| (A) Basis of Related Party Transactions | 49 (IV A) | YES | |
| (B) Disclosure of Accounting Treatment | 49 (IV B) | YES | |
| (C) Board Disclosures | 49 (IV C) | NO | The Board of Directors at its meeting held on November 6, 2013 has sought professional advice from an |



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| | | | independent consultant. The matter has, therefore, been referred to an independent consultant for a view. |
| (D) Proceeds from Public Issues, Rights Issues, Preferential Issues etc. | 49 (IV D) | N.A. | |
| (E) Remuneration of Directors | 49 (IV E) | YES | |
| (F) Management | 49 (IV F) | YES | |
| (G) Shareholders | 49 (IV G) | YES | |
| V.CEO/CFO Certification | 49 (V) | YES | |
| VI. Report on Corporate Governance | 49 (VI) | YES | |
| VII. Compliance | 49 (VII) | YES | Qualified report issued for FY 2013 -2014 by Company Secretary in Practice |

FOR ZENOTECH LABORATORIES LIMITED




Chinmoy Patnaik
Company Secretary