

Zenlabs Ethica Ltd.

CIN NO. : L74900CH1993PLC033112, GSTIN NO. : 03AAFCS6226G1ZL
Regd. Office : Plot No. 194-195, 3rd Floor, Industrial Area, Phase-II, Chandigarh -160 002
Tel. : 0172-465 1105, Fax : 0172-265 6855
E-mail: queries@zenlabsethica.com, Website : www.zenlabsethica.com

The General Manager
Corporate Relationship Department
BSE LIMITED
Phiroze jeejeebhoy Towers
Dalal Street, Mumbai - 400001
Maharashtra

Date- 10th May, 2022

Ref: ZENLABS ETHICA LIMITED (SECURITY CODE NO.: 530697)

Sub.: Approval of Audited Financial Results of the company for the quarter and year ended 31st March 2022.

Respected Sir/Madam,

Pursuant to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements Regulation, 2015, we wish to inform you that the Board of Directors of the Company at their meeting held today on Tuesday, 10th May, 2022 at the registered office of the company at Plot No. 194-195, 3rd Floor, Industrial Area, Phase-II, Chandigarh-160002 have considered and approved the Audited Financial Results of the company for the quarter and year ended on 31st March, 2022. In this regards, we are enclosing herewith:

1. Audited Financial Results of the company for the quarter and year ended on 31st March, 2022.
2. Auditors Report on Audited Financial results for the quarter and year ended 31st March, 2022.
3. Declaration on Unmodified opinion on Audit Report on Audited Financial Results for the quarter and year ended 31st March, 2022.

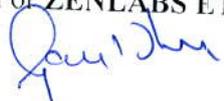
You are requested to kindly take the same on record.

Please also note that the company has made necessary arrangement for the publication of Audited Financial Results as per the requirement of the SEBI (LODR) Regulations, 2015.

Thanking You.

Yours Truly,

For ZENLABS ETHICA LIMITED


SANJAY DHIR
Wholetime Director
DIN: 02452461





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PART I: STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2022

Sr. No	Particulars	(₹ in Lakhs except EPS data)				
		Quarter Ended			Year ended	
		31-03-2022 (Audited) Refer Note 5	31-12-2021 (Unaudited)	31-03-2021 (Audited) Refer Note 5	31-03-2022 Audited	31-03-2021 Audited
1	Revenue from Operations					
2	Other Income	1,442.56	1,742.67	1,378.89	6,908.78	5,664.02
3	Total Income (1+2)	1.13	1.92	3.55	8.73	12.41
4	Expenditure					
	a) Purchase of stock in trade					
	b) (Increase)/decrease in stock-in-trade	1,312.93	1,459.77	1,188.13	5,986.41	4,730.77
	c) Employees benefit expenses	(175.33)	(51.00)	(95.59)	(347.01)	(57.99)
	d) Finance costs	103.21	144.62	65.84	389.68	335.41
	e) Depreciation and Amortisation	9.79	24.33	0.89	37.09	3.73
	f) Other Expenditure	23.50	22.01	3.60	89.11	27.36
	Total Expenses	159.55	109.23	176.62	636.08	544.70
5	Profit before Exceptional & Extraordinary Items (3-4)	1,433.65	1,708.96	1,339.49	6,791.36	5,583.98
6	Exceptional Items	10.04	35.63	42.96	126.15	92.44
7	Profit Before Tax (5-6)	10.04	35.63	42.96	126.15	92.44
8	Tax Expenses					
	a) Current Tax					
	b) MAT Credit entitlement	10.81	8.16	9.26	31.53	9.26
	c) Deferred Tax	-	4.29	-	-	-
9	Profit(+)/ Loss(-) for the period (7-8)	(3.30)	(1.26)	-	12.37	-
10	Other Comprehensive Income					
	Items that will not be reclassified to profit or loss					
	Re-measurement of the net defined benefit plans	0.24	(0.37)	(1.02)	(1.67)	8.85
	Tax on above	(0.04)	0.10	-	0.46	-
11	Total Other comprehensive Income, net of tax	0.20	(0.27)	(1.02)	(1.21)	8.85
12	Total comprehensive Income for the period	2.73	24.16	32.67	81.04	92.03
13	Paid up equity share capital (Face Value of ₹ 10/- each per share)	651.00	651.00	651.00	651.00	651.00
14	Basic and diluted Earning Per Share (EPS) after Extra Ordinary Items					
	-Basic	0.04	0.38	0.50	1.26	1.41
	-Diluted	0.04	0.38	0.50	1.26	1.41

NOTES :

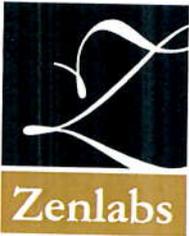
- The above financial results for the quarter and year ended 31st March, 2022 have been reviewed by the Audit Committee and were approved and taken on record by the Board of Directors in their respective meeting held on 10th May, 2022. The statutory auditors of the Company have expressed an unmodified opinion in audit report on these on these financial results.
- The Standalone financial results are prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- The Company is considered to be a single segment company engaged in the trading of pharmaceuticals formulation. Consequently, the Company has, in its primary segment, only one reportable business segment. Accordingly, there are no separate reportable segments as required under Ind AS 108 "Operating Segment".
- The Company has considered the possible impact of pandemic relating to Novel Corona Virus (COVID-19) on its financial results/position using the internal and external sources of information available up to the date of approval of these financial results and expects to recover the carrying value of its assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial results, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these financial results.
- The figures of the last quarter are the balancing figures between the audited figures in respect of full year and the unaudited published figures up to the third quarter ended December 31, which were subjected to review.
- Previous period figures have been re-grouped/ re-classified, wherever necessary, to conform to current period's classifications in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1st April, 2021.

Place: Chandigarh
 Date: 10th May, 2022



By order of Board
 for Zenlabs Ethica Limited

Sanjay Dhir
 Sanjay Dhir
 DIN 02452461
 Whole Time Director cum Chief Financial Officer



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Statement of Assets and Liabilities as at 31st March, 2022

Particulars	□ in Lakhs	
	As at 31 st March, 2022 (Audited)	As at 31 st March, 2021 (Audited)
Assets		
Non-current assets		
Property, plant and equipment		
Right of use of assets	127.71	138.79
Financial assets	225.08	-
Investments		
Other financial assets	70.20	70.20
Deffered tax assets (Net)	3.45	-
Total non-current Assets	23.44	34.53
Current assets	449.88	243.51
Inventories		
Financial assets	865.50	518.49
Trade receivables		
Cash and cash equivalents	2,074.47	1,887.96
Bank balances other than cash and cash equivalents	150.84	153.39
Other financial assets	-	12.64
Other current assets	6.78	5.60
Total current Assets	242.44	389.48
Total Assets	3,340.03	2,967.55
	3,789.91	3,211.07
Equity and Liabilities		
Equity		
Equity share capital		
Other equity	651.00	651.00
Total equity	286.46	190.90
	937.46	841.90
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings		
Lease liabilities	17.02	23.41
Provisions	191.40	166.16
Total non-current liabilities	33.95	28.82
	242.37	218.39
Current liabilities		
Financial liabilities		
Borrowings		
Lease liabilities	119.30	14.29
Trade payables	62.62	56.02
Total outstanding dues of micro enterprises and small enterprises	1,590.15	554.83
Total outstanding dues of creditors other than micro enterprises and small enterprises	593.25	1,368.86
Other financial liabilities	118.12	29.00
Other current liabilities	113.55	124.61
Provisions	3.78	3.17
Current tax liabilities [Net]	9.31	-
Total current liabilities	2,610.08	2,150.78
Total equity and liabilities	3,789.91	3,211.07

Place: Chandigarh
 Date: 10th May, 2022

By order of Board
 for Zenlabs Ethica Limited

 Sanjay Dhir
 DIN 02452461
 Whole Time Director cum Chief Financial Officer

Admin Office : Near Mannat Enclave & Jaharvir Goga Ji Mandir, Khata No. 719/796, Village Pabhat, Zirakpur, Distt. Mohali-140603



Zenlabs

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Cash Flow Statement for the half year ended 31st March, 2022

Particulars	□ in Lakhs	
	For the half year ended 31 st May, 2022	For the half year ended 31 th March, 2021
A. Cash Flow from Operating Activities		
Profit before taxation	126.15	92.44
Adjustments for:		
Depreciation and amortisation expenses	89.11	27.36
Loss/ (Profit) on property, plant and equipment sold/discarded	-	1.26
Finance cost	37.09	3.73
MAT credit entitlement	-	9.26
Adjustment in retained earnings	-	(0.47)
Interest income	(8.49)	(9.43)
Adjustment of current tax provision	-	(9.26)
Operating profit before working capital changes	243.86	114.89
Adjustments for changes in working capital :		
(Increase)/Decrease inventories	(346.77)	(57.99)
(Increase)/Decrease trade receivable	(186.51)	336.30
Increase/(Decrease) trade payables	259.71	316.13
Increase/(Decrease) provisions	5.74	-
(Increase)/Decrease other financial and non-financial assets	(72.63)	(106.39)
Increase/(Decrease) other financial and non-financial liabilities	70.91	(587.35)
Cash generated from operations	(25.69)	15.58
Income tax paid	(12.02)	-
Net gain / loss on foreign currency transactions	(0.24)	-
Net cash generated from operating activities	(37.95)	15.58
B. Cash flow from investing activities:		
Capital expenditure on property, plant and equipment including capital advances	(2.72)	(61.49)
Proceeds from sale of property, plant and equipment	-	6.00
Interest received	2.87	9.43
Net cash used in investing activities	0.15	(46.05)
C. Cash flow from financing activities:		
Proceeds from/ (repayment of) long-term borrowings	(14.29)	(9.08)
Proceeds from/ (repayment of) short-term borrowings	125.55	-
Payment of lease liabilities	(74.42)	-
Interest paid	(5.53)	(3.73)
Net cash generated/(used) in financing activities	31.31	(12.80)
Net increase/(decrease) in cash and cash equivalents	(6.49)	(43.27)
Cash and cash equivalents at the beginning of the year	157.33	209.30
Cash and cash equivalents at the end of the year	150.84	166.03

Place: Chandigarh
Date: 10th May, 2022

By order of Board
for Zenlabs Ethica Limited



Sanjay Dhir
DIN 02452461
Whole Time Director cum Chief Financial Officer

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The General Manager
Corporate Relationship Department
BSE LIMITED
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai -400 001
Maharashtra

Date: 10th May, 2022

SUBJECT: Declaration on Un-modified Audit Report

Ref: Zenlabs Ethica Limited {Scrip Code: 530697}

Respected Sir/ Madam,

Pursuant to Regulation 33(3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, we hereby declare that M/s N.Kumar Chhabra & Co, Chartered Accountants (FRN: 000837N), the Statutory Auditors of the company, have issued an Audit Report with unmodified opinion on the Audited Financial Results of the company for the year ended 31st March, 2022.

You are requested to take the same on record.

Thanking You.

For ZENLABS ETHICA LIMITED

SANJAY DHIR
WHOLE TIME DIRECTOR
DIN- 02452461



Independent Auditor’s Report on Audited Annual Financial Results of Zenlabs Ethica Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

To

**The Board of Directors
Zenlabs Ethica Limited**

Opinion

We have audited the accompanying statement of annual financial results (“the statement”) of **Zenlabs Ethica Limited** (“the Company”) for year ended 31st March 2022, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) including relevant circulars issued by the Securities and Exchange Board of India (“SEBI”) from time to time.

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

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31st March 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described *in the Auditor’s Responsibilities for the Audit of the Statement* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (‘the ICAI’) together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these

requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Results

This Statement has been prepared on the basis of the annual financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information of the Company in accordance with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under Section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

As part of an audit in accordance with the Standards on Auditing, specified under Section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place an adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

1. The comparative financial information of the Company for the quarter ending and year ended 31st March 2021 prepared in accordance with Ind AS included in the statement was audited by the predecessor auditor vide their unmodified reports dated 26th May 2021, whose report have been furnished to us by the management and which have been relied upon for the purpose of our review of the statement.
2. The Statement includes the financial results for the quarter ended 31st March 2022, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.

Our opinion is not modified in respect of above matters.

for **N Kumar Chhabra and Co.**

Chartered Accountants

ICAI Firm Registration Number 00837N

**ASHISH
CHHABRA**

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ASHISH CHHABRA
Date: 2022.05.10 18:19:33
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CA. Ashish Chhabra

FCA., Partner

Membership Number 507083

Place: Chandigarh

Date: 10th May 2022

UDIN: 22507083AISJKL4786