

BOARD OF DIRECTORS

Mr. Sanjeev Kumar (DIN -01154896)	:	Managing Director, Promoter Executive Director
Mr. Harpreet Singh Kalra(DIN - 00834180) [upto 09/11/2015 and w.e.f.1 st June, 2016]	:	Promoter Executive Director
Mr. Sanjay Dhir (DIN: 02452461) (w.e.f. 11th August, 2016)	:	Promoter Executive Director
Mr. Satish Kumar (DIN - 00763060)	:	Promoter Non-executive Director
Ms. Him Jyoti (DIN - 02398927)	:	Promoter Non-executive woman Director
Mr. Narang Singh(DIN - 02483894)	:	Independent Non-executive Director
Mr. Pawan Sharma (DIN - 02512690)	:	Independent Non-executive Director
Mr. Ashok Kumar Gupta (DIN – 07330108) [w.e.f. 09/11/2015]	:	Independent Non-executive Director
Mr. Chander Sheel Baweja (DIN: 07346412) (w.e.f.1 st June, 2016)	:	Independent Non-executive Director
Mr. Anurag Malhotra (DIN: 07552713) (w.e.f. 11th August, 2016)	:	Independent Non-executive Director

AUDITORS

M/s. Shiv K Gupta & Associates,
Chartered Accountants. Chandigarh

BANKERS

Bank of India, HDFC Bank, Corporation Bank

COMPANY SECRETARY

Swati Vijan (w.e.f. 1st June 2016)

REGISTRARS AND TRANSFER AGENTS

Bigshare Services Private Limited
E/2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka,
Andheri (East),
Mumbai – 400 072
Tel.: Fax. : 022-4043 0200
E-Mail:investor@bigshareonline.com:

REGISTERED OFFICE

Plot No. 194-195, 3rd Floor,
Industrial Area, Phase II, Ram Darbar, Chandigarh-160002
CIN: L74900CH1993PLC033112
Tel.: 0172-4651105 / 3920738 Fax. : 0172-2656855,
E-Mail: queries@zenlabsethica.com
Website: www.zenlabsethica.com

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23rd Annual General Meeting

Date: 30th September, 2016

Day: Friday

Time: 11.00 a.m.

Place: Plot No.194-195, 3rd floor, Industrial Area, Phase II
Ram Darbar, Chandigarh – 160002.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 23RD ANNUAL GENERAL MEETING OF THE COMPANY ZENLABS ETHICA LIMITED (FORMERLY KNOWN AS NEELKANTH TECHNOLOGIES LIMITED) WILL BE HELD ON FRIDAY, THE 30TH DAY OF SEPTEMBER, 2016 AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT PLOT NO. 194-195, 3RD FLOOR, INDUSTRIAL AREA, PHASE II, RAM DARBAR, CHANDIGARH-160002 AT 11.00 A.M. TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements for the year ended 31st March, 2016 together with the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Satish Kumar (DIN - 00763060) Director of the company who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or amendments or re-enactments thereof for the time being in force), M/s. Vijay Darji and Associates, Chartered Accountants, Mumbai (Firm Registration No. 118614W with ICAI), be and are hereby appointed as Statutory Auditors of the Company, to hold office for a term of 5 (five) years from the conclusion of this Annual General Meeting (subject to ratification of such appointment by Members at every Annual General Meeting) till the conclusion of the 28th Annual General Meeting of the Company on such remuneration as may be decided by the Audit Committee / Board of Directors of the Company from time to time.

SPECIAL BUSINESS:

4. To consider and if thought fit to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Companies Act, 2013 (“the Act”) and the Rules framed thereunder and Regulations 17, 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (including any statutory modifications or amendments or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. Ashok Kumar Gupta (DIN: 07330108) who was appointed by the Board of Directors as an additional Director pursuant to provisions of section 161 of the Companies Act, 2013 (“Act”) and whose term of office expires at this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in section 149 of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under section 160 of the Act proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office for a period of five consecutive years from November 9, 2015 to November 8, 2020.”
5. To consider and if thought fit to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if

any of the Companies Act, 2013 (“the Act”) and the Rules framed thereunder and Regulations 17, 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (including any statutory modifications or amendments or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. Chander Sheel Baweja (DIN: 07346412) who was appointed by the Board of Directors as an additional Director pursuant to provisions of section 161 of the Companies Act, 2013 (“Act”) and whose term of office expires at this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in section 149 of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under section 160 of the Act proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office for a period of five consecutive years from June 1, 2016 to May 31, 2021.”

6. To consider and if thought fit to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Companies Act, 2013 (“the Act”) and the Rules framed thereunder and Regulations 17, 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (including any statutory modifications or amendments or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. Anurag Malhotra (DIN: 07552713) who was appointed by the Board of Director as an additional Director pursuant to provisions of section 161 of the Companies Act, 2013 (“Act”) and whose term of office expires at this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in section 149 of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under section 160 of the Act proposing his candidature for the office of Director be and is hereby appointed as a n Independent Director of the Company to hold office for a period of five consecutive years from August11, 2016 to August10, 2021.”

7. To consider and if thought fit to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** Mr. Harpreet Singh Kalra (DIN: 00834180) who was appointed as an additional Director of the Company with effect from 1st June, 2016 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company in terms of section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the Company has received a notice in writing from a Member under section 160 of the Act proposing his candidature for the office of Director of the Company be and is hereby appointed a Director of the Company.”

8. To consider and if thought fit to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** Mr. Sanjay Dhir (DIN: 02452461) who was appointed as an additional Director of the Company with effect from 11th August, 2016 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company in terms of section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the Company has received a notice in writing from a Member under section 160 of the Act proposing his candidature for the office of Director of the Company be and is hereby appointed a Director of the Company.”

9. To consider and if thought fit to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015, ("Listing Regulations") (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), consent of the Company be and is hereby accorded to enter into the related party transactions by the Company with the respective related parties and for the maximum amounts per annum, as mentioned herein below for the period 1st April, 2016 to 31st March, 2021.

Sr. No.	Name of the Related parties	Name of Director / KMP who is related and nature of Relationship	Nature of Transaction	Amount (Rs in crore)
1	Preet Remedies Private Limited	Mr. Satish Kumar, Mr. Sanjeev Kumar, Mr. Harpreet Singh Kalra & Mr. Sanjay Dhir are common Directors of the company	Purchase of Traded goods	80
2	Quxotic Healthcare	Mr. Sanjeev Kumar, Mr. Satish Kumar, Mr. Harpreet Singh Kalra & Him Jyoti are partners of the firm.	Purchase of Traded goods	75
3	Alpha products	Preet Remedies Pvt. Ltd (group company with common directors)	Purchase of Traded goods	30
4	Ultrachiron healthcare Private Limited	Mr. Sanjeev Kumar is a common Director.	Purchase of Traded goods	15
5	Oasis Pharma & Phytomolecule Private Limited	Mr. Satish Kumar, Mr. Sanjeev Kumar, Mr. Harpreet Singh Kalra & Mr. Sanjay Dhir are common Directors of the company	Purchase of Traded goods	25

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and are hereby authorized to do all such acts, deeds, matters & things to finalise the terms and conditions as may be considered necessary, expedient or desirable, in order to give effect to this Resolution."

On behalf of the Board
For Zenlabs Ethica Limited
(Formerly known as Neelkanth Technologies Limited)

Date: 01st September, 2016
Place: Chandigarh.

Sd/-
Satish Kumar
Director
DIN: 00763060

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF.** A proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company at its Registered Office not later than 48 hours before the Commencement of the meetings. Proxies submitted on behalf of companies, societies etc. must be supported by an appropriate resolution/authority, as applicable. A person shall not act as Proxy for more than 50 members and holding in the aggregate not more than 10 percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than 10 percent of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
 2. **Every** member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning twenty four hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged shall be required to be provided to the Company.
 3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
 4. The Company has notified closure of Register of Members and Share Transfer Books from Friday, September 23rd, 2016 to Friday, September 30th, 2016 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
 5. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
 6. In case of joint holders attending 23rd Annual General Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
 7. Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the Registered Office of the Company on all working days, during business hours up to the date of the 23rd Annual General Meeting.
 8. Brief profile of Directors proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold Directorships and memberships / Chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under Regulation 27(2) of SEBI (LODR) Regulations, 2015 with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
- The Ministry of Corporate Affairs, New Delhi (MCA) has taken a "Green Initiative" by permitting paperless compliance by companies vide its Circular No. 17/2011 dated 21.04.2011 and Circular No.18/2011 dated 29.04.2011 after considering certain provisions of the Information Technology Act, 2000 and has clarified that the service of documents by a company can be made through electronic mode instead of sending physical copy of document(s). In case, you desire to receive the aforesaid documents in electronic mode in lieu of physical mode, kindly update your E-Mail ID with RTA.

10. In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, this Notice and the Annual Report of the Company for the financial year 2015 - 2016 are being sent by e- mail to those Members who have registered their e-mail address with the Company's Registrars and Share Transfer Agents (RTA) (in respect of shares held in physical form) or with their Depository Participants (DPs) (in respect of shares held in electronic form) and made available to the Company by NSDL and CDSL.
11. Members holding shares in electronic form may note that as per the regulations of NSDL and CDSL, the Company is obliged to print the details on the dividend warrants as furnished by these Depositories i.e. bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its RTA cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised by the members only to their DPs.
12. Members are advised to register/update their address, e-mail addresses to their DPs in case of shares held in electronic forms and to the Company's RTA in case of shares held in physical form for receiving all communications, including Annual Report, Notices, Circulars, etc. from the Company.
13. Members desiring any relevant information on accounts at the 23rd Annual General Meeting are requested to write to the Company well in advance to ensure that such requests reach the Company's registered office at least 7 days before the date of the 23rd Annual General Meeting, so as to enable the Company to keep the information ready.
14. Entry to the venue will be strictly regulated by the attendance slip which is annexed to the proxy form. Members are requested to produce the attendance slip duly signed along with photo identity proof i.e. Pan Card / Driving licence / Passport Copy, if any, at the entrance of venue.
15. Members holding shares in physical form and desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 read with Rule 19 of Companies (Share Capital and Debentures) Rules, 2014, may fill SH-13 and send the same to the office of RTA of the Company. In case of shares held in dematerialized form, the nomination / change in nomination should be lodged with their DPs.
16. Members, who hold shares in:
 - a. Multiple De-mat accounts and/ or
 - b. One or more folios in physical form are advised to consolidate their holdings in single De-mat account.
17. Members are requested to correspond with RTA for all matters relating to shareholding in the Company.
18. Members please note that as a measure of economy, copies of the 23rd Annual Report will not be distributed at the 23rd Annual General Meeting venue.
19. Members can opt for one mode of voting i.e. either by physical Assent / Dissent or through e-voting. If Members opt for e-voting then do not vote by Physical Assent / Dissent or vice versa. However, in case Members cast their vote both by Physical Assent / Dissent and e- voting, then voting done through e-voting shall prevail and voting done by Physical Assent / Dissent will be treated as invalid.
20. In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through physical Assent / Dissent, the said resolutions will not be decided on a show of hands at the AGM. The voting right of all shareholders shall be in proportion to

their share in the paid up equity share capital of the Company as on the cut-off date i.e. Friday, September 23rd, 2016, may cast their vote electronically.

21. In Compliance with the provisions of section 108 of the Act and the Rules framed thereunder, and the Regulation 44 of the SEBI (LODR) Regulations, 2015, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. In order to enable its Members, who do not have access to e-voting facility to send their assent or dissent in writing in respect of the resolutions as sent out in this Notice, the Company is enclosing a Ballot Form with the Notice. Instructions for Ballot form are given at the back of the said form and instructions for e-voting are given here in below. Resolutions passed by Members though Ballot Forms or e-voting is /are deemed to have been passed as if they have been passed at the AGM.
22. Mr. Jaspreet Singh Dhawan, Practicing Company Secretary (Membership No. 23227) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process (including the ballot forms received from the Members who do not have access to the e- voting process) in a fair and transparent manner.
23. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remove e-voting or by ballot form shall be above to exercise their right at the meeting.
24. The members who have cast their vote by remote e-voting or by ballot form prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
25. Members can opt for only one mode of voting, i.e. either by Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and vote cast though ballot Form shall be treated as invalid.
26. Members who do not have access to e-voting facility may send duly completed Assent / Dissent Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Jaspreet Singh Dhawan, Practicing Company Secretary (Membership No. 23227), at the Registered Office of the Company not later than Thursday, September 29th, 2016 (5.00 p.m. IST). Members have the option to request for physical copy of the Assent / Dissent Form by sending an e-mail to queries@zenlabsethica.com by mentioning their Folio / DP ID and Client ID No. However, the duly completed Assent / Dissent Form should reach M/s Bigshare Services Private Limited. Unit: Neelkanth Technologies Limited E/2, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai – 400 072 not later than Thursday, September 29, 2016 (5.00 p.m. IST) Assent/Dissent Form received after this date will be treated as invalid.
27. The instructions for shareholders voting electronically are as under:
 - i. The voting period begins on Tuesday the September 27, 2016 (9.00 a.m. IST) and ends on Thursday, September 29th 2016 (5.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut- off date Friday the September 23, 2016 of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - ii. The shareholders should log on to the e-voting website www.evotingindia.com.

- iii. Click on Shareholders.
- iv. Now Enter your User ID:
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number ch is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- xi. Click on the EVSN 160831119 for the relevant Neelkanth Technologies Limited on which you choose to vote.
- xii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A Confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to Change your vote, click on “CANCEL” and accordingly modify your vote.
- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on “Click here to print” Option on the Voting page.
- xvii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android, Apple and Windows based mobiles. The m-Voting app can be downloaded from Google Play Store, App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix. Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email

to helpdesk.evoting@cdslindia.com.

A. In case of members receiving the physical copy of the Notice of The AGM (for Members whose e-mail address are not registered with the Company/Depositories):

- i. Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- ii. Initial password is provided in the enclosed ballot form: EVEN (E-voting Event Number) + USER ID and PASSWORD.

B. Other instructions:

1. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of Friday the September 23rd, 2016.
2. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
3. The scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witness not in the employment of the company and make, not later than three days for conclusion of the meeting, a consolidated Scrutinizers report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
4. The Results declared along with the Scrutinizers Report shall be placed on the Company's website www.zenlabsethica.com and on the website of CDSL www.evoting.cdsl.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE ("BSE") where the shares of the Company are listed.
28. The shareholders can also access the Annual Report 2015-2016 of the Company circulated to the Members of the Company and other information about the Company on Company's website, i.e., www.zenlabsethica.com or on Stock Exchange websites, which are www.bseindia.com.
29. Members are requested to come and occupy their seats at least 15 minutes before commencement of 23rd Annual General Meeting. Due to SECURITY REASONS, note that briefcase / bags / eatables / electronic gadgets such as a mobile, laptop, camera, etc., will NOT be allowed along with members / proxies in the 23rd Annual General Meeting venue during meeting hours. In case any member/proxy brings electronic gadgets or other items mentioned above the same has to be deposited with security outside the 23rd AGM venue at the owners' risk.
30. Members who are holding shares in identical order of names in more than one folio are requested to write to the Company requesting the Company to consolidate their holdings in one folio.
31. As per Section 118(10) of the Companies Act, 2013 read with the Secretarial Standards for General Meeting issued by Institute of Company Secretaries of India **"NO GIFTS, GIFT COUPONS OR CASH IN LIEU OF GIFTS SHALL BE DISTRIBUTED TO MEMBERS AT OR IN CONNECTION WITH THE 23rd ANNUAL GENERAL MEETING"**.
32. Route Map showing directions to reach to the venue of the AGM is being provided in the Annual report. The route map has been uploaded on the website of the Company.

EXPLANATORY STATEMENT

As required by Section 102(2) of the Companies Act, 2013

Item No.4:

The Board of Directors appointed Mr. Ashok Kumar Gupta (DIN -07330108) as an Additional Director of the Company with effect from 9th November, 2015. In terms of section 161 of the Companies Act, 2013, Mr. Ashok Kumar Gupta (DIN -07330108) holds office as Additional Director upto the date of this Annual General Meeting. .

Mr. Ashok Gupta, aged 65 years has completed his bachelor's degree in Arts and is currently looking after the General Administrative field of the company. Prior to this Mr. Ashok Gupta was working as an employee in government services. He is neither director nor not a member of any Committee in other company and nor hold any shares of our Company. He was also elected as the member of Audit Committee and Stakeholders' Grievance Committee.

In terms of provisions of Section 149 of the Act, and Regulation 16(1) (b) of the SEBI Listing Regulations, 2015, Mr. Ashok Gupta is eligible for appointment as an Independent Director. The Company has received a declaration from him that he meets with criteria of independence as prescribed under the Companies Act

In the opinion of the Board, Mr. Ashok Kumar Gupta fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for appointment as an Independent Director and is independent of the management. The copy of the letter for appointment of Mr. Ashok Gupta as an Independent Director setting out the terms and conditions would be available for inspection by the members at the Registered Office of the Company.

The Board considers that his association would be of benefit to the Company and it is desirable to avail services of Mr. Ashok Kumar Gupta as an Independent Director. Accordingly, the Board recommends the appointment of Mr. Ashok Kumar Gupta as an Independent Director of the Company for the approval of the shareholders.

Except Mr. Ashok Kumar Gupta, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, in the resolution set out at Item No. 4.

Item No.5:

The Board of Directors appointed Mr. Chander Sheel Baweja (DIN -07346412) as an Additional Director of the Company with effect from 1st June, 2016 In terms of section 161 of the Companies Act, 2013, Mr. Chander Sheel Baweja (DIN -07346412) holds office as Additional Director upto the date of this Annual General Meeting.

Mr. Chander Sheel Baweja, aged 59 years has completed his Post Graduation degree in Public Administration degree and is currently working with Preet Plastics. He has 30 years of work experience in technical department. Prior to this Mr. Baweja was working as a employee in Punjab Government Corporation. He is neither director nor not a member of any Committee in other company and nor hold any shares of our Company.

In terms of provisions of Section 149 of the Act, and Regulation 16(1) (b) of the SEBI Listing Regulations, 2015, Mr. Chander Sheel Baweja is eligible for appointment as an Independent Director. The Company has received a declaration from Mr. Chander Sheel Baweja that he meets with criteria of independence as prescribed under the Companies Act.

In the opinion of the Board, Mr. Chander Sheel Baweja (DIN -07346412) fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for appointment as an Independent Director and is independent of the management. The copy of the letter for appointment of Mr. Chander Sheel Baweja as an Independent Director setting out the terms and conditions would be available for inspection by the members at the Registered Office of the Company.

The Board considers that his association would be of benefit to the Company and it is desirable to avail services of Mr. Chander Sheel Baweja (DIN -07346412) as an Independent Director. Accordingly, the Board recommends the appointment of Mr. Ashok Kumar Gupta as an Independent Director of the Company for the approval of the shareholders.

Except Mr. Chander Sheel Baweja (DIN -07346412), none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, in the resolution set out at Item No.5.

ItemNo.6:

The Board of Directors appointed Mr. Anurag Malhotra (DIN - 07552713) as an Additional Director of the Company with effect from 11th August, 2016. In terms of section 161 of the Companies Act, 2013, Mr. Anurag Malhotra (DIN - 07552713) holds office as Additional Director upto the date of this Annual General Meeting.

Mr. Anurag Malhotra, aged 47 years has completed his Graduate in Arts and is currently working as A Professional in the field of Advertising and Event Management since last 15 years. He also has a work background of computers, insurance and telecom sector. He is neither director nor a member of any Committee in any other company and nor hold any shares of our Company.

In terms of provisions of Section 149 of the Act, and Regulation 16(1) (b) of the SEBI Listing Regulations, 2015, Mr. Malhotra is eligible for appointment as an Independent Director. The Company has received a declaration from Mr. Malhotra that he meets with criteria of independence as prescribed under the Companies Act.

In the opinion of the Board, Mr. Anurag Malhotra (DIN - 07552713) fulfils the conditions specified in the Companies Act, 2013 and rules madethereunder for appointment as an Independent Director and is independent of the management. The copy of the letter for appointment of Mr. Anurag Malhotra as an Independent Director settingout the terms and conditions would be available for inspection bythe members at the Registered Office of the Company.

The Board considers that his association would be of benefit to the Company and it is desirable to avail services of Mr. Anurag Malhotra (DIN - 07552713) asan Independent Director. Accordingly, the Board recommends the appointment of Mr. Ashok Kumar Guptaas an Independent Directorof the Company for the approval of the shareholders.

Except Mr. Anurag Malhotra (DIN - 07552713), none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned orinterested, in the resolution set out at Item No.6.

ItemNo.7:

The Board of Directors appointed Mr. Harpreet Singh Kalra (DIN: 00834180) as additional Director with effect from 01st June, 2016. As per the provisions of Section 161(1) of the Act, he holds office of Additional Director only upto the date of the forthcoming Annual General Meeting of the Company, and is eligible for appointment as a Director.

Mr. Harpreet Singh Kalra, aged 48 years has completed his highly equivalent degree and has over 25 years of rich experience in a pharma manufacturing sector. Mr. Kalra is also director in Oasis Pharma and Phytomolecules Private Ltd, Preet Remedies Pvt. Ltd, Quadriga Biotech Pvt. Ltd & Zen Labs India Pvt. Ltd and is not a member of any Board related Committee and holds 7,31,626 shares of the Company.

The Board of Directors accordingly recommends the Resolutions set out at Item No. 7 of the accompanying Notice for the approval of the Members.

None of the Directors/Key Managerial Personnel of the Company/their relatives other than Mr. Kalra are in anyway, concerned or interested, financially or otherwise, in this resolution.

ItemNo.8:

The Board of Directors appointed Mr. Sanjay Dhir (DIN: 02452461) as additional Director with effect from 11th August, 2016. As per the provisions of Section 161(1) of the Act, he holds office of Additional Director only upto the date of the forthcoming Annual General Meeting of the Company, and is eligible for appointment as Director.

Mr. Sanjay Dhir, aged 45 years has completed his Bachelor's degree in Pharma field and Masters in Business Administration degree and is currently looking after the Marketing and Advertising field for the company. Prior to this Mr. Dhir was working as a Vice President of Ind Swift Technologies for about 7 years. Mr. Dhir is also director in Oasis Pharma and Phytomolecules Private Ltd, Preet Remedies Pvt. Ltd & Zen Labs India Pvt. Ltd and is not a member of any Board related Committee and holds 7,31,884 shares of the Company.

The Board of Directors accordingly recommends the Resolutions set out at Item No. 8 of the accompanying Notice for the approval of the Members.

Except Mr. Sanjay Dhir and Mrs. Him Jyoti, none of the Directors/Key Managerial Personnel of the Company are, in anyway, concerned or interested, financially or otherwise, in aforementioned resolution(s).

Item No. 9:

The Company is part of promoter group entities (Preet Remedies) in which parties mentioned in the item no. 9 of the Notice are 'Related Party' as per definition under Section 2(76) of the Companies Act, 2013 and Regulation 2(zb & zc) of the SEBI Listing Regulations, 2015.

As per Regulation 23 of Listing Regulations transactions with a related party shall be considered material if the transaction/transaction(s) to be entered into individually or taken together with

previous transactions during a financial year exceeds 10 (ten) percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company and shall require approval of the shareholders through resolution in General Meeting.

The proviso to Section 188 also states that nothing in Section 188(1) will apply to any transaction entered into by the Company in its ordinary course of business and at arms' length basis. Presently, transactions of the company don't fall under the provisions of Section 188 of the Companies Act, 2013 and SEBI Regulations, 2015. However, in view of increased activity particularly after the acquisition of M/s. Zen Labs India who in turn was engaged with trading business of the said related parties mentioned in Item No. 9 of the Notice, the company expects that going forward the threshold limit of materiality will be exceeded. However, the transactions will still be in the ordinary course of business and at arm's length price and the rules will not be applicable but as a part of good corporate governance, company has included the resolution for prior approval from its members.

The other disclosures required to be made under the provisions of the Companies Act, 2013 are given herein below:

Sr. No	Particulars	Information	
1.	Name of the Director or Key Managerial Personnel who is related, if any	Name of the Director	Name of the related party
		Sanjeev Kumar – Director	PREET REMEDIES PRIVATE LIMITED
		Satish Kumar – Director	
		Sanjay Dhir – Director	
		Harpreet Singh Karla - Director	
		Sanjeev Kumar – Partner	QUXOTIC HEALTHCARE
		Satish Kumar – Partner	
		Him Jyoti – Partner	
Harpreet Singh Kalra- Partner			
Sanjeev Kumar	ALPHA PRODUCTS		
Satish Kumar			
Sanjay Dhir			
Harpreet Singh Kalra			
Sanjeev Kumar – Managing Director cum CEO.	ULTRACHIRON HEALTHCARE PRIVATE LIMITED		
Sanjeev Kumar Satish Kumar	OASIS PHARMA AND PHYTOMOLECULES PRIVATE LIMITED		

		Sanjay Dhir Harpreet Singh Kalra	
3	Nature, material terms monetary value and particulars of the contract or arrangement	The Company business model comprises of trading goods of group entities and of other companies. Considering the nature of the industry / business in which the Company operates the Company expects the level of transactions to be above materiality threshold.	
4	Any other information relevant or important for the members to take a decision on the proposed resolution	The transactions of the Company with the aforementioned related parties put up for approval are in the ordinary course of business and on arms' length basis and these transactions based on business requirements and are necessary for the smooth and efficient functioning of your Company.	

The Company will however, report such transactions every year as a part of Financial Statements required by the regulations.

The above contracts/arrangements/transactions were approved by the Audit Committee and the Board of Directors as the same are in the interest of the Company.

The Board of Directors recommends the Special Resolution set out in Item No. 9 of the accompanying Notice for the approval by the members.

None of the Directors or their relatives thereof Except Mr. Sanjeev Kumar, Managing Director cum CEO, Mr. Sanjay Dhir, CFO, Mr. Harpreet Singh Karla, Director, Mrs. Him Jyoti, Director and Mr. Satish Kumar, Director of the Company are, in any way, concerned or interested in the Special Resolution set out in Item No. 9 of this Notice.

On behalf of the Board
For Zenlabs Ethica Limited
(Formerly known as Neelkanth Technologies Limited)

Date: 01st September, 2016
Place: Chandigarh.

Sd/-
Satish Kumar
Director
DIN: 00763060

ZENLABS ETHICA LIMITED

(FORMERLY KNOWN AS NEELKANTH TECHNOLOGIES LIMITED)

Regd. Office: Plot No. 194-195, 3rd Floor, Industrial Area, Phase II, Ram Darbar, Chandigarh-160002
CIN: L74900CH1993PLC033112

Tel No. 0172-4651105

Website: www.zenlabsethica.com

Email ID: queries@zenlabsethica.com

ATTENDANCE SLIP

(To be presented at the entrance)

Members Name	DP ID
Proxy Name	Folio No./Client ID

I/We hereby record my/our presence at the **23rd ANNUAL GENERAL MEETING** of the Company held on Friday, September 30th, 2016 at 11.00 a.m. at the registered office of the Company situated at Plot No. 194-195, 3rd Floor, Industrial Area, Phase II, Ram Darbar, Chandigarh.160002.

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. JOINT SHAREHOLDER(S) MAY OBTAIN ADDITIONAL SLIP AT THE VENUE OF THE MEETING.

Signature of the Member/Proxy

Form No. MGT-11
ZENLABS ETHICA LIMITED

(FORMERLY KNOWN AS NEELKANTH TECHNOLOGIES LIMITED)

Regd. Office: Plot No. 194-195, 3rd Floor, Industrial Area, Phase II, Ram Darbar, Chandigarh-160002
 CIN: L74900CH1993PLC033112

Tel No. 0172-4651105
 Website: www.zenlabsethica.com
 Email ID: queries@zenlabsethica.com

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member (s) : Registered
 Address:.....
 E.Mail Id:..... Folio No./Client Id
 DP ID.....

I/We, being the member(s) holding ofshares of the above named Company, hereby appoint

1.Name:.....Address:.....

 E.mail ID.....Signature:..... or failing him.....

2.Name:.....
 Address:.....
 E.mail ID:.....Signature:..... or failing him

3.Name:.....Address:.....
 E.mail ID:.....Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company, to be held at Plot No. 194-195, 3rd Floor, Industrial Area, Phase II, Ram Darbar, Chandigarh-160002 on Friday, 30th September, 2016 at 11.00 A.M. thereof in respect of such resolutions as are indicated below:

Resolution No	Resolutions		
		For	Against
	Ordinary Business		
1	To receive, consider and adopt the audited accounts the year ended 31 st March, 2016 along with notes and schedules thereon as on that date and the reports of directors and Auditors thereon.		
2	To appoint a Director in place of Mr. Sanjeev Kumar (DIN: 01154896) Managing Director of the company who retires by rotation and being eligible offers himself for re-appointment.		
3	To appointment of M/s. Vijay Darji and Associates, Chartered Accountants, Mumbai, as Statutory Auditors of the Company and to fix their remuneration for the financial year ended March 31 2017.		

	Special Business	For	Against
4.	To consider the proposal of regularization of Mr. Ashok Kumar Gupta(DIN - 07330108) as an Additional Independent Non Executive Director of the company.		
5	To consider the proposal of regularization of Mr. Chander Sheel Baweja (DIN: 07346412) as an Additional Independent Non Executive Director of the company.		
6.	To consider the proposal of regularization of Mr. Anurag Malhotra (DIN: 07552713) as an Additional Director of the company.		
7	To consider the proposal of regularization of Mr. Harpreet Singh Kalra (DIN - 00834180) as an Additional Director of the company.		
8	To consider the proposal of regularization of Mr. Sanjay Dhir (DIN: 02452461) as an Additional Independent Non Director of the company.		
9	Approval of related party transactions		

Signed this.....day of2016

Affix Revenue stamp



Signature of shareholder Signature of Proxy holder(s)

Notes:

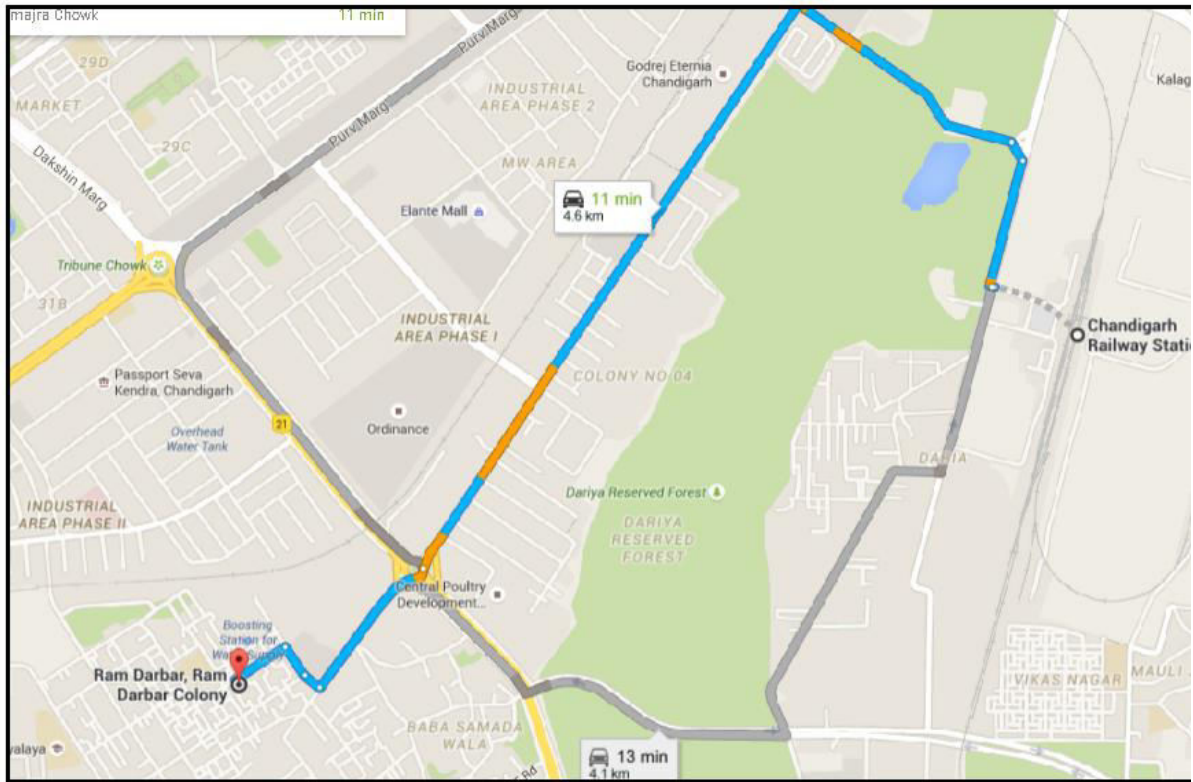
- i. If you opt to cast your vote by e-voting, there is no need to fill up and sign this form.
- ii. Last date for receipt of Assent/ Dissent Form: Thursday the 29th September, 2016 (5.00 pm IST)
- iii. Please read the instructions printed overleaf carefully before exercising your vote.

General Instructions

1. Shareholders have option to vote either through e-voting i.e. electronic means or to convey assent/dissent. If a shareholder has opted for physical Assent/Dissent Form, then he/she should not vote by e-voting and vice versa. However, in case Shareholders cast their vote through physical assent/dissent form and e-voting, then vote cast through e-voting shall be treated as valid.
2. The notice of Annual General Meeting is dispatch/ e-mailed to the members whose names appear on the Register of Members as on cut- off date and voting rights shall be reckoned on the paid-up value of the shares registered in the name of the shareholders as on the said date.
3. Voting through physical assent/ dissent form cannot be exercised by a proxy. However, corporate and institutional shareholders shall be entitled to vote through their authorised representatives with proof of their authorization, as stated below.

Instructions for voting physically on Assent / Dissent Form

1. A member desiring to exercise vote by Assent/ Dissent should complete this (no other form or photocopy thereof is permitted) and send it to the Scrutinizer, at their cost to reach the Scrutinizer at the registered office of the Company on or before the close of working hours i.e. (5.00 p.m. IST) on Thursday, the 29th September, 2016. All Forms received after this date will be strictly treated as if the reply from such Member has not been received.
2. This Form should be completed and signed by the Shareholder (as per the specimen signature registered with the Company/ Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Shareholder and in his absence, by the next named Shareholder.
3. In respect of shares held by corporate and institutional shareholders (companies, trusts, societies etc.) the completed Assent/ Dissent Form should be accompanied by a certified copy of the relevant Board Resolution/ appropriate authorization, with the specimen signature(s) of the authorized signatory (ies) duly attested.
4. The consent must be accorded by recording the assent in the column "FOR" or dissent in the column "AGAINST" by placing a tick mark (√) in the appropriate column in the Form. The assent or dissent received in any other form shall not be considered valid.
5. Members are requested to fill the Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.
6. There will be one Assent/ Dissent Form for every folio / Client id irrespective of the number of joint holders.
7. A member may request for a duplicate Assent/ Dissent Form, if so required and the same duly completed should reach the Scrutinizer not later than the specified under instruction No.1 above.
8. Members are requested not to send any other paper along with the Assent / Dissent Form. They are also requested not to write anything in the Assent/ Dissent form except giving their assent or dissent and putting their signature. If any such other paper is sent the same will be destroyed by the Scrutinizer.
9. The Scrutinizers decision on the validity of the Assent/ Dissent Form will be final and binding.
10. Incomplete, unsigned or incorrectly ticked Assent/ Dissent Forms will be rejected.



DIRECTORS' REPORT

To,
The Members,
ZENLABS ETHICA LIMITED
(FORMERLY KNOWN AS NEELKANTH TECHNOLOGIES LIMITED)
Chandigarh.

Your Directors have great pleasure in presenting 23rd Annual Report along with the Audited Balance Sheet and Profit And Loss Account, for the year ended 31st March, 2016.

1. FINANCIAL RESULTS:

(Rs. In '000)

Particulars	Year ended on 31-03-2016	Year ended on 31-03-2015
Total Income	160039.18	00.00
Depreciation	578.12	92.30
Net Profit/(Loss) before Tax	900.97	(602.21)
Less: Provision for Taxation:		
Provision for Current Taxation	528.00	
Provision for Deferred Taxation	(821.18)	--
Provision for FBT	--	--
(Excess)/Short provision of FBT	--	--
Earlier year TDS / income tax	--	61.76
MAT credit	(508.22)	
Interim & Final Dividend	--	--
Dividend Tax paid	--	--
Net Profit/(Loss) after Tax	1702.38	(663.97)
Balance b/f from Previous Year	(16531.31)	(15681.12)
Balance c/f to Balance Sheet	(14120.43)	(16531.31)

2. TRANSFER TO RESERVES:

During the financial year 2015-16 the Company has transferred an amount of Rs. 17,02,382/- (Profit earned during the year) to its General Reserves.

3. OPERATIONS

The Company had earned a profit of Rs. 17, 02,382/- from its operation during the year. During the year, company acquired Zenlabs India (a partnership firm) dealing in trading of pharmaceutical products, The said acquisition was approved by the members in its extraordinary general meeting held on 05th December, 2015. The company total turnover has shown significant improvement as compare to the last year after this acquisition. The Board is optimist that with the acquisition of the new business, company is moving in right direction which will help in the future growth of the company

The government thrust on public and private investments and policy initiatives such as GST and ease of doing business will provide a very good positive boost to the economy. We expect to build on these strengths as we are poised to make most of business opportunities offered by the rapidly evolving business environment.

4. DIVIDEND

In view to expand the business of the company, the Directors of the Board do not recommend any dividend.

5. CHANGES IN SHARE CAPITAL, IF ANY

During the year under review, Company's authorised share capital was increased from Rs. 4 crores (Rupees Four Crore only) divided into 40,00,000 (Forty Lakhs only) equity shares of Rs. 10/- (Rupees Ten only) to Rs. 7 crores (Rupees Seven Crore only) divided into 70,00,000 (Seventy Lakhs only) equity shares of Rs. 10/- (Rupees Ten only).

During the year under review, Company's paid up share capital has been increased from Rs. 3,61,75,000/- (Rupees Three Crore Sixty One Lakh Seventy Five Thousand only) divided into 36,17,500 (Thirty Six Lakh Seventeen Thousand Five Hundred only) equity shares of Rs. 10/- to Rs. 6,20,00,140/- (Rupees Six Crore Twenty Thousand One Hundred Forty only) divided into 62,00,014 (Sixty Two Lakh Fourteen only) equity shares of Rs. 10 each at par on preferential basis.

6. POSTAL BALLOT

The shareholders have approved the following resolutions through a postal ballot concluded on January 15th 2016:

1. Alteration of object clause of Memorandum of Association.
2. Change of name of the Company.

7. EXTRACT OF ANNUAL RETURN:

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure A and is attached to this Report.

8. NUMBER OF BOARD MEETINGS

7(Seven) meeting of the Board were held during the year. For details of the meetings of the Board, During the year Board on 28th May, 2015, 29th May, 2015, 14th August, 2015, 09th November, 2015, 08th December, 2015, 02nd January, 2016 and 13th February, 2016. The gap between two meetings did not exceed 120 days.

9. AUDIT COMMITTEE:

The Board has constituted the Audit Committee in terms of the requirements of the Companies Act,

2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year Audit committee met 4 (four) times.

10. **DECLARATION OF INDEPENDENT DIRECTORS:**

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(7) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

11. **AUDITORS:**

M/s. Shiv K. Gupta & Associates, Chartered Accountants, Chandigarh (Firm Registration No. 006946N) who are Statutory Auditors of the Company shall hold office till the conclusion of the forthcoming Annual General Meeting. However, they have expressed their unwillingness to be appointed as Statutory Auditor after the conclusion of 23rd Annual General Meeting.

The Board of Directors of the Company subject to approval of the Members had appointed M/s. Vijay Darji and Associates, Chartered Accountants, Mumbai (Firm Registration No. 118614W) as Statutory Auditors of the Company in place of the M/s. Shiv K. Gupta & Associates, Chartered Accountants, Chandigarh, being the retiring Auditor.

The auditor's report does not contain any qualifications, reservation or adverse remark.

12. **DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 134 (3) (c) of Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i. That in the preparation of the annual accounts, the applicable accounting standard had been followed along with proper explanation relating to material departures
- ii. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit or Loss of the Company for that period.
- iii. That the Directors have taken proper and sufficient care for the maintenances of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors have prepared the Annual accounts on a going concern basis.
- v. That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating
- vi. That the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

13. SECRETARIAL AUDITOR & REPORT

The Board of Directors of the Company has appointed M/s. HS Associates, Practicing Company Secretary; to conduct the Secretarial Audit for the financial year 2015-2016. The Secretarial audit report for the financial year ended 31st March, 2016 is **Annexure B**, to this Report.

As regards the observations made in the said Secretarial Audit report regarding the intimation of the change of the name, to BSE and appointment of Company Secretary, the same had been done subsequent to the report.

14. PUBLIC DEPOSITS:

During the period under review the Company has neither accepted nor invited any Public deposits and hence the provisions of Section 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 are not applicable.

15. PARTICULARS OF EMPLOYEES:

None of the employees of the Company were in receipt of remuneration in excess of limits pursuant to Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules 2014.

16. CORPORATE GOVERNANCE:

The company falls under the criteria 15(2) (a) of the Listing Obligations & Disclosure requirements (LODR) Regulations, 2015 as the Paid up capital of the company was below Rs. 10 Crores and net worth was below Rs. 25 Crores as on the last day of the previous financial year.

As on 31st March, 2016, the Company's Paid up Capital is of Rs. 6,20,00,140/- (Rupees Six Crore Twenty Lakhs One Hundred Forty only) and Net worth is of Rs. 4,78,79,704/- (Rupees Four Crore Seventy Eight Lakhs Seventy Nine Thousand Seven Hundred Four Only).

Hence, compliance with Corporate Governance provisions as per Listing Obligations & Disclosure requirements (LODR) Regulations, 2015 are not applicable to company.

17. INDEPENDENT DIRECTORS MEETING/ BOARD EVALUATION

The Board has carried out evaluation of its own performance, the Directors individually and that of its committees as per the provisions of the companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The meeting of the Independent Directors was held on 29th March, 2016, as per schedule IV of the Companies Act, 2013.

18. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year Mr. Satish Kumar, Director of the Company is retiring by rotation & being eligible offers himself for re-appointment.

Mr. Ashok Kumar Gupta was appointed as an additional Director with effect from 09th November, 2015. Also, Mr. Chander Sheel Baweja and Mr. Harpreet Singh Kalra, resigned during the year and was again appointed as Additional Director with effect from 01st June, 2016. And, Mr. Sanjay Dhir and Mr. Anurag Malhotra were appointed as Additional Directors with effect from 11th August, 2016.

The resolution seeking approval of the members for their appointment have been incorporated in the notice of the forthcoming annual general meeting of the company. The company has received a notice under section 160 of the Act along with the requisite deposit proposing their appointment.

Mr. Sanjiv Kumar Managing Director, Mr. Sanjay Dhir, CFO and Ms. Swati vijan, Company Secretary are Key Managerial person as per the Companies Act, 2013.

19. VIGIL MECHANISM AND WHISTLE BLOWER POLICY

Fraud free and corruption free work culture has been the core of the company's functioning. To meet this objective, the company has formed a Whistle Blower Policy and is available on the Company website at www.zenlabsethica.com.

20. SUBSIDIARIES/ ASSOCIATES/JOINT VENTURES

The Company has no subsidiary/Joint ventures/Associate Companies as per the provisions of Companies Act, 2013.

21. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO AS PER SECTION 217(1) COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

The Provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 regarding Conservation of Energy and Technology Absorption do not apply to your company for the period under review. However, the management has taken all the necessary steps to conserve the resources to the extent possible.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The transactions entered into with related parties as defined under Companies Act, 2013 during the year were in the ordinary course of business and on an arm's length basis, and did not attract provisions of Section 188 of Companies Act, 2013 relating to approval of shareholders. The details as required pursuant to clause (h) of sub section (3) of Section 134 of Companies Act, 2013 in Form 'AOC-2' attached herewith as per **Annexure C.**

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of loans, guarantees and investments have been disclosed in the financial Statements as on 31st March, 2016.

24. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year of the Company to which the financial statements relate and the date of the report.

25. RISK MANAGEMENT POLICY

The Company has adopted a Policy on Risk Management, to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the Company's business. In order to achieve the key objective, this Policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

26. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There were no significant and material orders passed by the Regulators or Courts or tribunals during the financial year which would impact the going concern status of the Company and its future operations.

27. STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS

There are adequate systems of internal financial controls in the Company pursuant to provisions of Section 134(q) r/w Rule 8(5)(viii) of Companies(Accounts) Rules, 2014. The Board has adopted policies and procedures for ensuring orderly and efficient conduct of its business, including adherence to the companies Policies, the safeguarding of its assets, prevention and detection of frauds, and accuracy of the accounting records and timely preparation of financial disclosures.

28. CORPORATE SOCIAL RESPONSIBILITY

The Provisions of Section 134(3) (o) and Section 135 of the Companies Act, 2013 read with Rule 8 of Companies (CSR Policy) Rules, 2014 regarding corporate social responsibility do not apply to the company for the period under review.

29. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL)ACT, 2013

During the period under review, no complaints were received under the policy for prohibition, prevention and redressal of sexual harassment of the women at work place.

30. ACKNOWLEDGEMENTS:

Your Directors would like to express their appreciation for assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

On behalf of the Board
For Zenlabs Ethica Limited
(Formerly known as Neelkanth Technologies Limited)

Sd/-

Date: 01st September, 2016
Place: Chandigarh.

Satish Kumar
Chairman
DIN: 00763060

FORM NO. MGT - 9
EXTRACT OF ANNUAL RETURN
as on the financial year ended 31.03.2016

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L74900CH1993PLC033112
ii	Registration Date	20/07/1993
iii	Name of the Company	Zenlabs Ethica Limited
iv	Category/Sub-Category of the Company	Listed / Company limited by Shares.
v	Whether listed Company (Yes/No)	Yes (BSE Limited)
vi	Address of the Registered Office and contact details	Plot No. 194-195, 3rd Floor, Industrial Area, Phase II, Ram Darbar, Chandigarh 160002
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Big Share Services Pvt Ltd E- 2, Ansa Ind Estate, Saki Vihar Road, Andheri(E), Sakinaka, Mumbai - 400072

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No	Name and Description of Main Product/Services	NIC Code of the Product	% to total turnover of the Company
1	Trading/Marketing in pharmaceutical products	687	98.42%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
	N.A.	N.A.	N.A.	N.A.	N.A.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total *Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01-04-2015				No. of Shares held at the end of the year i.e. 31 03-2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Share	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	0	0	0	2582514	0	2582514	41.65	41.65
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt(s).	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	1612650	0	1612650	44.58	1612650	0	1612650	26.01	(18.57)
e) Bank/ FI	0	0	0	0	0	0	0	0	0
f) Any Other									
Sub-Total (A)(1)	1612650	0	1612650	44.58	4195164	0	4195164	67.66	23.08
(2) Foreign									
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Bank/ FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2)									
Total shareholding of Promoter (A) (A)(1) + (A)(2)	1612650	0	1612650	44.58	4195164	0	4195164	67.66	23.08
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Bank/ FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt(s).	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1)									
2. Non- Institutions									
a) Bodies Corp.	445232	6000	451232	12.47	391707	6000	397707	6.41	(6.06)
i) Indian	0	0	0	0	0	0	0	0	0
i) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	268143	340500	608643	16.82	295743	339300	635043	10.24	(6.58)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	777135	96000	873135	24.14	806260	96000	902260	14.55	(9.58)
c) Others (specify)									

i) Clearing Member	11900	0	11900	0.33	10900	0	10900	0.18	(0.15)
ii) Overseas Bodies Corporate	59940	0	59940	1.66	58940	0	58940	0.95	(0.71)
Total shareholding Public (B) (B)(1) + (B)(2)	1562350	442500	2004850	55.42	1563550	441300	2004850	32.34	(23.08)
Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	3175000	442500	3617500	100.00	3176200	3023814	6200014	100.00	0.00

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01-04-2015			Shareholding at the end of the year i.e. 31-03-2016			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Preet Remedies Pvt Ltd	16,12,650	44.58	0.00	16,12,650	26.01	0.00	(18.57)
2.	Sanjeev Kumar	0	0	0	731626	11.80	0	11.80
3.	Satish Kumar	0	0	0	387378	6.25	0	6.25
4.	Harpreet Singh Kalra	0	0	0	731626	11.80	0	11.80
5.	Sanjay Dhir	0	0	0	731884	11.80	0	11.80
	Total	16,12,650	44.58	0.00	4195164	67.66	0.00	23.08

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Name of Shareholder 01.04.2015	Shareholding at the beginning of the year		Changes during the year		Cumulative Shareholding during the year		Shareholding at the end of the year
		No. of shares	% of total shares of the company	Date of change in shareholding	Changes during the year	No. of shares	% of total shares of the company	
1.	Sanjeev Kumar	-	-	02/01/2016	731626	731626	11.80	731626
2.	Satish Kumar	-	-	02/01/2016	387378	387378	6.25	387378
3.	Harpreet Singh Kalra	-	-	02/01/2016	731626	731626	11.80	731626
4.	Sanjay Dhir	-	-	02/01/2016	731884	731884	11.80	731884
5.	Preet Remedies Pvt Ltd	16,12,650	44.58	Nil	Nil	Nil	Nil	1612650

Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 01-04-2015		Date	Reason	Cumulative Shareholding during the year 31-03-2016		Shareholding at the end of the year as at 31-03-2016	
		No. of Shares	% of total Shares of the company			Shares	% of total Shares	No. of Shares	% of total Shares of the company
1.	Mr. Arvind Bohra	92,810	2.57	4-Dec-15	Transfer	-810	-	92,000	-
				11-Dec-15	Transfer	-3000	-	89,000	-
				18-Dec-15	Transfer	-1000	-	88,000	-
				1-Jan-16	Transfer	-1000	-	87,000	-
				22-Jan-16	Transfer	-2000	-	85,000	-
				29-Jan-16	Transfer	-1000	-	84,000	-
				30-Jan-16	Transfer	-84000	-	0	-
				5-Feb-16	Transfer	82000	-	82,000	-
				29-Feb-16	Transfer	-82000	-	0	-
				4-Mar-16	Transfer	82000	-	82,000	-
				31-Mar-16	Transfer	0	-	82,000	1.32
2.	ATUL BABUBHAI CHAUHAN (HUF)	0	0	8-Jan-16	Transfer	16300	-	16,300	-
				22-Jan-16	Transfer	150	-	16,450	-
				4-Mar-16	Transfer	70160	-	86,610	-
				31-Mar-16	Transfer	1000	-	87,610	-
				31-Mar-16	Transfer	0	-	87,610	1.41
3.	MASTER CAPITAL SERVICES LTD	77,421		30-Jun-15	Transfer	-900	-	76,521	-
				15-Jan-16	Transfer	-100	-	76,421	-
				30-Jan-16	Transfer	-76421	-	0	-
				5-Feb-16	Transfer	76421	-	76,421	-
				29-Feb-16	Transfer	-76421	-	0	-
				4-Mar-16	Transfer	76421	-	76,421	-
				31-Mar-16	Transfer	0	-	76,421	1.23
4.	AALAWA LEASING AND FINANCE LTD	72,950		4-Dec-15	Transfer	-10000	-	62,950	-
				15-Jan-16	Transfer	12700	-	75,650	-
				30-Jan-16	Transfer	-75650	-	0	-
				5-Feb-16	Transfer	75650	-	75,650	-
				29-Feb-16	Transfer	-75650	-	0	-
				4-Mar-16	Transfer	75650	-	75,650	-
				31-Mar-16	Transfer	0	-	75,650	1.22
5	ASHA UMRAOSINGH OSTWAL	65,900	1.82	Nil	Nil	Nil	-	65,900	1.06
6	SHRI LAKHAVI MANAGEMENT CONSULTANCY SERVICES	64,700	1.79	4-Dec-15	Transfer	-10000	-	54,700	-

				30-Jan-16	Transfer	-54700	-	0	-
				5-Feb-16	Transfer	54700	-	54,700	-
				29-Feb-16	Transfer	-54700	-	0	-
				4-Mar-16	Transfer	54700	-	54,700	-
				31-Mar-16	Transfer	0	-	54,700	0.88
7	BHAGYODAY FINANCIAL SERVICES P LTD.	59,940	1.66	11-Dec-15	Transfer	-1000	-	58,940	-
				31-Mar-16	Transfer	0	-	58,940	0.95
8	Siddhu Mercantile Pvt Ltd	59,810	1.65	30-Jan-16	Transfer	-59810	-	0	-
				5-Feb-16	Transfer	59810	-	59,810	-
				29-Feb-16	Transfer	-59810	-	0	-
				4-Mar-16	Transfer	59810	-	59,810	-
				31-Mar-16	Transfer	0	-	59,810	0.96
9	NEWGEN BROKING LTD	53,600	1.48	4-Dec-15	Transfer	-10000	-	43,600	-
				30-Jan-16	Transfer	-43600	-	0	-
				5-Feb-16	Transfer	43600	-	43,600	-
				29-Feb-16	Transfer	-43600	-	0	-
				4-Mar-16	Transfer	43600	-	43,600	-
				31-Mar-16	Transfer	0	-	43,600	0.70
10	MOHAMMED AZMATHULLAH	49700	1.37	30-Jan-16	Transfer	-49700	-	0	-
				5-Feb-16	Transfer	49700	-	49,700	-
				29-Feb-16	Transfer	-49700	-	0	-
				4-Mar-16	Transfer	49700	-	49,700	-
				31-Mar-16	Transfer	0	-	49,700	0.80

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year i.e. 1- 04-2015		Cumulative Shareholding during the year		Shareholding at the end of the year i.e. 31-03-2016	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Mr. Sanjeev Kumar – Managing Director	Nil	Nil	731626	11.80	731626	11.80
2	Mr. Satish Kumar ~ CFO	Nil	Nil	387378	6.25	387378	6.25
3	Mr. Harpreet Singh Kalra*	Nil	Nil	-	-	-	-
4	Mr. Pawan Sharma	Nil	Nil	Nil	Nil	Nil	Nil
5	Mr. Narang Singh	Nil	Nil	Nil	Nil	Nil	Nil
6	Ms. Him Jyoti	Nil	Nil	Nil	Nil	Nil	Nil
7	Mr. Ashok Kumar Gupta	Nil	Nil	Nil	Nil	Nil	Nil

* Note: Mr. Harpreet Singh Kalra resigned during the year.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	Nil	Nil	Nil	Nil
i) Principal Amount				
ii) Interest due but not paid				
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year	8526421	Nil	Nil	8526421
• Addition				
• Reduction				
Net Change	8526421	Nil	Nil	8526421
Indebtedness at the end of the financial year	8526421	Nil	Nil	8526421
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	8526421	Nil	Nil	8526421

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr. Sanjeev Kumar, Managing Director	Mr. Sanjay Dhir		
1.	Gross Salary	6,00,000	1,50,000	Nil	7,50,000
	(a) Salary as per provisions contained (b) in section 17(1) of the Income Tax Act	6,00,000	1,50,000	Nil	7,50,000
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under (d) Section 17(3) Income Tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil

4.	Commission - As % of Profit - Others, specify	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil
	Total (A)	6,00,000	1,50,000	Nil	7,50,000
	Ceiling as per the Act	Nil	Nil	Nil	Nil

B. Remuneration of other directors:

Sr. No.	Particulars of Remuneration	Fee for attending board committee meetings	Commission	Others, please specify	Total Amount
	Independent Directors				
1.	Mr. Pawan Sharma	Nil	Nil	Nil	Nil
2.	Mr. Narang Singh	Nil	Nil	Nil	Nil
3.	Mr. Ashok Kumar Gupta	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil

Sr. No.	Particulars of Remuneration	Fee for attending board committee meetings	Commission	Others, please specify	Total Amount
	Other Non-Executive Directors				
1.	Mr. Sanjeev Kumar	Nil	Nil	Nil	Nil
2.	Mr. Satish Kumar	Nil	Nil	Nil	Nil
3.	Mr. Harpreet Singh Kalra	Nil	Nil	Nil	Nil
4.	Ms. Him Jyoti	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil
	Total (B) = (1+2)	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	Nil	Nil
	Overall Ceiling as per the Act	Nil	Nil	Nil	Nil

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Sanjeev Kumar CEO	Mr. Satish Kumar CFO	
1.	Gross Salary	Nil	Nil	Nil
	Salary as per provisions contained in section 17(1) of the Income Tax Act	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	Nil	Nil	Nil
	Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission - As % of Profit - Others, specify	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
	Total	Nil	Nil	Nil

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal, if any (details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

On behalf of the Board
For Zenlabs Ethica Limited
(Formerly known as Neelkanth Technologies Limited)

Date: 01st September, 2016
Place: Chandigarh.

Sd/-
Satish Kumar
Chairman
DIN: 00763060

SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2016.

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Zenlabs Ethica Limited (Formerly known as
Neelkanth Technologies Limited)
w.e.f. January 22, 2016

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Zenlabs Ethica Limited (Formerly known as Neelkanth Technologies Limited) (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Zenlabs Ethica Limited (Formerly known as Neelkanth Technologies Limited), books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit year covering the financial year ended on March 31, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers and minute books, Forms and returns filed and other records maintained by Zenlabs Ethica Limited (Formerly known as Neelkanth Technologies Limited) ("**The Company**"), for the year ended on March 31, 2016 according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder.
- II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period)**;
 - e. The Securities and Exchange Board of India (issue and listing of Debt Securities) Regulations, 2008 ;**(Not applicable to the Company during the Audit Period)**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Audit period**) and
 - h. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period).**
- VI. Further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test – check basis, the Company has complied with the following laws applicable specifically to the Company
- i. The Environment (Protection) Act, 1986
 - ii. Air (Prevention and Control of Pollution) Act, 1981 and Rules issued by the State Pollution Control Boards; and
 - iii. Water (Prevention and Control of Pollution) Act, 1974 and Rules issued by the State Pollution Control Boards
 - iv. Factories Act, 1948.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with the BSE Limited
- iii. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015(with effect from 1st December, 2015);

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards and Listing Agreement/Obligations mentioned above subject to the following observations:

- During the year, the Company has not appointed Company Secretary as required Pursuant to Section 203 and other applicable provisions of the Companies Act, 2013 and Companies (appointment and Remuneration of Managerial Personnel) Rules, 2014.

- During the year, the company has changed the name from Neelkanth Technologies Limited to Zenlabs Ethica; however the procedure for change of name was not notified on the BSE Portal.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non – Executive Directors and Independent Directors. The changes in constitution of the Board of Directors that took place during the period under review i.e. Shri. Harpreet Singh Kalra (DIN:- 00834180) resigned w.e.f. November 9, 2016 and Shri Ashok Kumar Gupta (DIN :- 07330108) was appointed as an Additional Independent Director of the Company w.e.f. November 9, 2016 were carried out in compliance with the provisions of the Act.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

- The Company has passed following Ordinary/Special Resolutions by way of Extra-ordinary General Meeting held on 5th December, 2015.
 - i. To Increase of authorised capital of the Company.
 - ii. Subsequent to aforesaid increase in authorised share capital of the Company amendment to Memorandum of Association of the Company.
 - iii. Issue of 25,82,514 Equity shares of Rs.10/- each at par aggregating to Rs.2,58,25,140/- on preferential basis to partners of Zen Labs as non-cash consideration for takeover of its business.
- The members have inter alia passed Special Resolutions by way of Postal Ballot on 15th January, 2016.
 - i. Alteration of object clause of Memorandum of Association of the company
 - ii. Change of name of the Company.
- During the year company takeover the business of Zenlabs, a Partnership firm engaged in the business of pharmaceuticals. In consideration of this business takeover, the Company has allotted 25,82,514 equity shares of Rs.10/- each to partners of Zenlabs. This allotment was triggered the Regulations 3 and 4 of SEBI (SAST) Regulations, necessitating an open offer.

In compliance with Regulation 13(4) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations") and in terms of Regulation 3(1) & (2) and 4 of the SEBI (SAST)

Regulations, the Public Announcement of open offer was filed on November 09, 2015 with the BSE Limited ("BSE") on November 10, 2015 with Securities and Exchange Board of India (SEBI).

Date: 11/08/2016

Place: Mumbai

**For HS Associates
Company Secretaries**

Sd/-

Hemant S. Shetye

Partner

FCS No.: 2827

CP.NO:1483

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a)	Name(s) of the related party and nature of relationship	N.A.
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party	Nature of contracts/ arrangement/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	date(s) of approval by the Board, if any	Amount paid as advances, if any:
Preet Remedies Pvt. Ltd.	Purchase of Traded Goods	(1 st January, 2016 to 31 st December, 2020) five years	Rs. 1,86,70,179	13-02-2016	Nil
Quixotic Healthcare	Purchase of Traded Goods	(1 st January, 2016 to 31 st December, 2020) five years	Rs. 6,09,21,774	13-02-2016	Nil
Alpha Products	Purchase	(1 st January, 2016 to 31 st	Rs. 1,98,93,111	13-02-2016	Nil

	of Traded Goods	December, 2020) five years			
Ultrachiron Healthcare Pvt. Ltd	Purchase of Traded Goods	(1 st January, 2016 to 31 st December, 2020) five years	Rs. 55,04,065	13-02-2016	Nil
Oasis Pharma and Phytomolecules Pvt.t Ltd.	Purchase of Traded Goods	(1 st January, 2016 to 31 st December, 2020) five years	Rs. 1,31,26,300	13-02-2016	Nil

On behalf of the Board
For Zenlabs Ethica Limited
(Formerly known as Neelkanth Technologies Limited)

Date: 01st September, 2016
Place: Chandigarh.

Sd/-
Satish Kumar
Chairman
DIN: 00763060

COMPLIANCE CERTIFICATE
[As per Regulation 17(8) of SEBI (LODR) Regulation, 2015]

To,
The Board of Directors,
ZENLABS ETHICA LIMITED
(Formerly Neelkanth Technologies Limited)
Plot No. 194-195, 3rd Floor, Industrial Area, Phase II,
Ram Darbar, Chandigarh - 160002.

We Sanjeev Kumar (DIN : 01154896) ~ Chief Executive Officer & Managing Director and Satish Kumar (DIN : 00763060) ~ Chief Financial Officer & Director of the Company hereby certify that in respect of the financial year ended on March 31, 2016 :

- A. We have reviewed financial statements and the cash flow statement for the year March 31, 2016 and that to the best of their knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Chandigarh
Date: 30-05-2016

Sd/-

Sanjeev Kumar
CEO

Sd/-

Satish Kumar
CFO

DECLARATION

I, SANJEEV KUMAR, CEO of the Company hereby declare that all Board members and Senior Management personnel have affirmed compliance with the code on an annual basis.

On behalf of the Board
For Zenlabs Ethica Limited
(Formerly Known as Neelkanth Technologies Limited)
Sd/-

Date: 30th May, 2016
Place: Chandigarh.

Sanjeev Kumar
Chairman
DIN: 01154896

Independent Auditor's Report

To the Members of

ZENLABS ETHICA LIMITED

Report on the Financial Statements

We have audited the accompanying (Standalone) financial statements of ZELABS ETHICA LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the (Standalone) Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these (Standalone) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these (Standalone) financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the (Standalone) financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (Standalone) financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its Profit/Loss and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1.As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2.As required by section 143 (3) of the Act, we report that:

a.we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b.in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c.the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account

d.in our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e.On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified

as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.

g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note U to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of

Shiv K Gupta & Associates
Chartered Accountants
FRN: 006946N

Sd/-

Shiv K Gupta
Prop.
M.No.: 085397

Place: Chandigarh

Date: 30.05.2016

Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- 1)(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b)The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c)The title deeds of immovable properties are held in the name of the company.
- 2)(a) The management has conducted the physical verification of inventory at reasonable intervals.
- b)The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3)The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4)In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5)The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6)As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7)(a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in

arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.

- b)According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8)In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks.
- 9)Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10)Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11)Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12)In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13)In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14)Based upon the audit procedures performed and the information and explanations given by the management, the company has made preferential allotment of equity shares during the year under review. The company has issued 2582514 fully paid equity shares of Rs. 10 each to the partners of a partnership firm, which has been taken over by the company as on 2nd of January, 2016 as a going concern basis.
- 15)Based upon the audit procedures performed and the information and explanations given by the management, the company has issued fully paid up 2582514 equity shares of Rs. 10 each to its directors other than cash as per the details mentioned in note 2 (b) of notes to accounts annexed with the balance sheet. Accordingly, the company has complied with the compliances of section 192 of the Act.
- 16)In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of

Shiv K Gupta & Associates
Chartered Accountants
FRN: 006946N

Sd/-

Shiv K Gupta
Prop.
M.No.: 085397

Place: Chandigarh
Date: 30.05.2016

Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of ZENLABS ETHICA LIMITED.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of ZENLABS ETHICA LIMITED (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For and on behalf of

Shiv K Gupta & Associates

Chartered Accountants

FRN: 006946N

Sd/-

Shiv K Gupta

Prop.

M. No. : 085397

Place: Chandigarh

Date: 30.05.2016