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Independent Auditor's Report on Consolidated Financial Results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of ZIM Laboratories Limited

1. We have audited the consolidated financial results of **ZIM Laboratories Limited** (the 'Holding Company') and its foreign subsidiary (ZIM Laboratories FZE, UAE) (the Holding Company and its subsidiary together referred to as the 'Group'), for the year ended 31 March 2019, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to Note 3 to the consolidated financial results which states that the figures for the quarter ended 31 March 2019 as reported in these consolidated financial results, are the balancing figures between audited consolidated figures in respect of the full financial year and the published figures consolidated year to date figures up to the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit. These consolidated financial results are based on the consolidated financial statements for the year ended 31 March 2019 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 (the 'Act') and published consolidated year to date figures up to the end of the third quarter of the financial year prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, specified under Section 133 of the Act, and SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Holding Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the consolidated financial statements for the year ended 31 March 2019 and our review of consolidated financial results for the nine months period ended 31 December 2018.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditor on separate financial statements and on other financial information of the subsidiary, the consolidated financial results:
 - (i) include the financial statements for the year ended 31 March 2019, of ZIM Laboratories FZE, UAE.



ZIM Laboratories Limited**Independent Auditor's Report on Consolidated Financial Results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

- (ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and
 - (iii) give a true and fair view of the consolidated net profit (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the year ended 31 March 2019.
4. We did not audit the financial statements of the subsidiary, whose financial statements (before eliminating inter company balances) reflect total assets of ₹1,361.33 lakhs and net assets of ₹ 438.24 lakhs as at 31 March 2019 and total revenues (before eliminating inter company transactions) of ₹ 1,030.64 lakhs for the year ended on that date, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose report has been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, in so far as it relates to the aforesaid subsidiary, are based solely on the report of such other auditor.

Further, this subsidiary is located outside India whose financial statements have been prepared in accordance with the accounting principles generally accepted in their respective country and which have been audited by other auditors in accordance with the International Standards on Auditing. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the financial information of such subsidiary located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial results is not modified in respect of this matter with respect to our reliance on the work done by and the report of the other auditors.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No: 001076N/N500013



Adi P. Sethna

Partner

Membership No. 108840

Place : Nagpur

Date : 22 May 2019

ZIM Laboratories Limited

Registered Office : Sadoday Gyan(Ground Floor),Opp.NADT,Nelson Square Nagpur - 440013, Maharashtra, India
CIN:L99999MH1984PLC032172, Website: www.zimlab.in

**STATEMENT OF CONSOLIDATED FINANCIAL RESULTS
FOR THE QUARTER AND YEAR ENDED 31 MARCH 2019**

(Rs. in lakhs, unless otherwise stated)

Sr. No.	Particulars	Quarter ended			Year ended	Year ended
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
		(Unaudited) Refer Note 3	(Unaudited)	(Unaudited) Refer Note 3	(Audited)	(Audited)
1	Income					
	a) Revenue from operations (refer note 6)	9,458.84	9,805.33	7,150.28	33,537.03	27,426.52
	b) Other income	79.55	72.06	157.84	204.94	342.24
	Total income	9,538.39	9,877.39	7,308.12	33,741.97	27,768.76
2	Expenses					
	a) Cost of materials consumed	4,122.31	4,103.62	3,320.59	14,303.47	12,400.42
	b) Purchases of stock-in-trade	467.77	385.48	236.78	1,659.16	1,778.64
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	154.33	228.34	366.12	(12.00)	(90.10)
	d) Excise duty (refer note 6)	-	-	-	-	146.54
	e) Employee benefits	1,197.15	1,280.78	1,143.56	4,826.01	4,080.35
	f) Finance costs	248.18	251.29	293.82	1,059.08	934.39
	g) Depreciation and amortisation	322.78	275.74	261.33	1,141.83	978.95
	h) Other expenses	2,492.31	2,545.38	1,172.81	8,557.38	5,632.30
	Total expenses	9,004.83	9,070.63	6,795.01	31,534.93	25,861.49
3	Profit before exceptional item and tax (1-2)	533.56	806.76	513.11	2,207.04	1,907.27
4	Exceptional Items (refer note 7)	-	-	586.30	-	586.30
5	Profit before tax (3+4)	533.56	806.76	1,099.41	2,207.04	2,493.57
6	Tax expense/ (credit)					
	Current Tax (refer note 8)	156.95	168.57	(289.74)	479.94	-
	Tax (deferred) adjustment pertaining to earlier years	(2.05)	12.48	-	10.43	(125.62)
	Deferred Tax	148.39	36.63	609.99	182.48	708.20
	Total tax expense / (credit)	303.29	217.68	320.25	672.85	582.58
7	Profit after tax (5-6)	230.27	589.08	779.16	1,534.19	1,910.99
8	Other comprehensive income - profit/(loss)					
(i)	a) Items that will not be reclassified to profit or loss	(50.44)	(4.73)	5.52	(64.63)	(18.92)
	b) Tax expense/(credit) on the items that will not be reclassified to profit or loss	17.63	1.65	(1.91)	22.58	6.55
(ii)	a) Items that will be reclassified to profit or loss	(13.01)	(21.36)	(1.72)	(7.07)	(1.75)
	b) Tax expense/(credit) on the items that will be reclassified to profit or loss	-	-	-	-	-
	Other comprehensive income (net of tax) - profit/(loss)	(45.82)	(24.44)	1.89	(49.12)	(14.12)
9	Total comprehensive income (7+8)	184.45	564.64	781.05	1,485.07	1,896.87
10	Paid-up equity share capital (face value of Rs. 10/- each)	1,611.95	1,611.95	805.97	1,611.95	805.97
11	Other equity (reveluation reserve : Rs. Nil)	-	-	-	13,499.89	12,854.32
12	Earnings per share (face value of Rs. 10/- each) (not annualised) (Rs.)					
	Basic	1.43	3.65	4.84	9.52	11.87
	Diluted	1.42	3.63	4.81	9.45	11.79



Notes:

- 1) The above results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 22 May 2019. There are no qualifications in the audit report issued for the year ended 31 March 2019.
- 2) This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as amended from time to time, prescribed under Section 133 of the Companies Act, 2013.
- 3) The figures for the quarters ended 31 March 2019 and 31 March 2018 are the balancing figures between the audited figures for the years ended as on that date and the year to date figures upto the end of third quarter of the respective financial years, on which auditors had performed a limited review.
- 4) Pursuant to the communication with the BSE, the Company has completed the procedures required for listing of its equity shares on BSE. Accordingly, the shares of the Company have been listed effective 8 June 2018.
- 5) The Company is principally engaged in a single business segment which is "pharmaceuticals".
- 6) Excise duty on sales was included under Revenue from operations and disclosed separately under expenses upto all reporting periods ended 30 June 2017. Post implementation of Goods and Service tax (GST) with effect from 01 July 2017, revenue from operations is reported net of GST and hence to that extent results are not comparable.
- 7) Exceptional item (gain) represents write back of provision made against doubtful debts and doubtful advances.
- 8) The current tax figures for the quarter ended 31 March 2018 represent write back of tax provisions recognised in the earlier quarters, on account of deductions confirmed towards the close of the year.
- 9) During the previous quarter, the Company allotted 8,059,753 equity shares in the ratio of 1:1 as fully paid up bonus shares by capitalisation of securities premium by Rs. 805.97 Lakhs, pursuant to an ordinary resolution passed after taking the consent of shareholders. Earnings per share and dividend of previous periods have been adjusted for bonus shares issued in current period.
- 10) The Board of Directors has recommended Equity dividend of Rs. 0.50 per share (Previous year of Rs. 0.50 per share) for the financial year 2018-19.

Place: Nagpur
Date: 22 May 2019


Anwar S. Daud
Managing Director



ZIM Laboratories Limited
Consolidated Balance Sheet as at 31 March 2019

	As at 31 March 2019 Rs. lakhs	As at 31 March 2018 Rs. lakhs
ASSETS		
Non-current assets		
Property, Plant and Equipment	9,943.71	9,293.44
Capital work-in-progress	775.50	477.33
Intangible assets	657.10	122.33
Intangible assets under development	556.19	351.95
Financial Assets		
Investment	5.15	5.15
Other financial assets	352.73	162.02
Deferred tax assets (net)	207.60	367.50
Income tax (current-tax) assets (net)	240.90	242.75
Other non-current assets	697.02	1,512.55
	13,435.90	12,535.02
Current assets		
Inventories	5,505.27	5,156.08
Financial Assets		
Trade receivables	9,309.70	8,922.34
Cash and cash equivalents	49.91	146.88
Bank balances other than cash and cash equivalents	244.40	205.85
Loans	24.77	9.31
Other financial assets	120.96	108.04
Other current assets	4,154.12	2,745.55
	19,409.13	17,294.05
TOTAL ASSETS	32,845.03	29,829.07
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,611.95	805.97
Other equity	13,499.89	12,854.32
	15,111.84	13,660.29
Liabilities		
Non-current liabilities		
Financial Liabilities		
Borrowings	2,216.01	2,028.36
	2,216.01	2,028.36
Current liabilities		
Financial Liabilities		
Borrowings	4,014.67	4,956.23
Trade payables		
-total outstanding due of micro enterprises and small enterprises	-	-
-total outstanding due of creditors other than micro enterprises and small enterprises	7,195.25	6,626.41
Other financial liabilities	2,377.79	2,086.85
Other current liabilities	1,487.17	428.41
Current Tax Liabilities (net)	374.99	-
Provisions	67.31	42.52
	15,517.18	14,140.42
TOTAL LIABILITIES	17,733.19	16,168.78
TOTAL EQUITY AND LIABILITIES	32,845.03	29,829.07

Place: Nagpur
Date: 22 May 2019



Anwar S. Daud
Anwar S. Daud
Managing Director
DIN: 00023529

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Independent Auditor's Report on Standalone Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Zim Laboratories Limited

1. We have audited the standalone financial results of Zim Laboratories Limited (the 'Company') for the year ended 31 March 2019, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to Note 3 to the standalone financial results which states that the figures for the quarter ended 31 March 2019, as reported in these standalone financial results, are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit. These standalone financial results are based on the financial statements for the year ended 31 March 2019 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 (the 'Act') and published year to date figures up to the end of the third quarter of the financial year prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, specified under Section 133 of the Act, and SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these standalone financial results based on our audit of the standalone financial statements for the year ended 31 March 2019 and our review of standalone financial results for the nine months period ended 31 December 2018.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



Zim Laboratories Limited

Independent Auditor's Report on Standalone Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

3. In our opinion and to the best of our information and according to the explanations given to us, the standalone financial results:
- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and
 - (ii) give a true and fair view of the standalone net profit (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the year ended 31 March 2019.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Adi P. Sethna

Partner

Membership No. 108840

Place : Nagpur

Date : 22 May 2019



Zeal & Innovation in Medicine

ZIM Laboratories Limited

Registered Office : Sadoday Gyan(Ground Floor),Opp.NADT,Nelson Square Nagpur - 440013, Maharashtra, India
CIN:I.99999MH1984PLC032172, Website: www.zimlab.in

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2019

(Rs. in lakhs, unless otherwise stated)

Sr. No.	Particulars	Quarter ended			Year ended	Year ended
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
		(Unaudited) Refer Note 3	(Unaudited)	(Unaudited) Refer Note 3	(Audited)	(Audited)
1	Income					
	a) Revenue from operations (refer note 6)	9,362.66	9,704.52	7,063.11	33,172.14	27,336.38
	b) Other income	79.55	72.06	157.84	204.94	342.24
	Total income	9,442.21	9,776.58	7,220.95	33,377.08	27,678.62
2	Expenses					
	a) Cost of materials consumed	4,122.31	4,103.62	3,320.59	14,303.47	12,400.42
	b) Purchases of stock-in-trade	467.77	385.48	236.78	1,659.16	1,778.64
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	154.33	228.34	366.12	(12.00)	(90.10)
	d) Excise duty (refer note 6)	-	-	-	-	146.54
	e) Employee benefits	1,191.95	1,276.36	1,143.56	4,814.25	4,080.35
	f) Finance costs	248.18	251.29	293.82	1,059.08	934.39
	g) Depreciation and amortisation	295.23	275.74	261.33	1,114.28	978.95
	h) Other expenses	2,196.92	2,472.68	1,170.19	8,164.99	5,624.37
	Total expenses	8,676.69	8,993.51	6,792.39	31,103.23	25,853.56
3	Profit before exceptional item and tax (1-2)	765.52	783.07	428.56	2,273.85	1,825.06
4	Exceptional Items (refer note 7)	-	-	586.30	-	586.30
5	Profit before tax (3+4)	765.52	783.07	1,014.86	2,273.85	2,411.36
6	Tax expense/ (credit)					
	Current Tax (refer note 8)	156.95	168.57	(164.12)	479.94	-
	Tax (deferred) adjustment pertaining to earlier years	(2.05)	12.48	(125.62)	10.43	(125.62)
	Deferred Tax	148.39	36.63	609.99	182.48	708.20
	Total tax expense / (credit)	303.29	217.68	320.25	672.85	582.58
7	Profit after tax (5-6)	462.23	565.39	694.61	1,601.00	1,828.78
8	Other comprehensive income - profit/(loss)					
	a) Items that will not be reclassified to profit or loss	(50.44)	(4.73)	5.52	(64.63)	(18.92)
	b) Tax expense/(credit) on the items that will not be reclassified to profit or loss	17.63	1.65	(1.91)	22.58	6.55
	Other comprehensive income (net of tax) - profit/(loss)	(32.81)	(3.08)	3.61	(42.05)	(12.37)
9	Total comprehensive income (7+8)	429.42	562.31	698.22	1,558.95	1,816.41
10	Paid-up equity share capital (face value of Rs. 10/- each)	1,611.95	1,611.95	805.97	1,611.95	805.97
11	Other equity (reveluation reserve : Rs. Nil)				13,509.99	12,790.54
12	Earnings per share (face value of Rs. 10/- each) (not annualised) (Rs.)					
	Basic	2.87	3.51	4.32	9.93	11.36
	Diluted	2.84	3.48	4.29	9.86	11.28



Notes:

- 1) The above results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 22 May 2019. There are no qualifications in the audit report issued for the year ended 31 March 2019.
- 2) This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as amended from time to time, prescribed under Section 133 of the Companies Act, 2013.
- 3) The figures for the quarters ended 31 March 2019 and 31 March 2018 are the balancing figures between the audited figures for the years ended as on that date and the year to date figures upto the end of third quarter of the respective financial years, on which auditors had performed a limited review.
- 4) Pursuant to the communication with the BSE, the Company has completed the procedures required for listing of its equity shares on BSE. Accordingly, the shares of the Company have been listed effective 8 June 2018.
- 5) The Company is principally engaged in a single business segment which is "pharmaceuticals".
- 6) Excise duty on sales was included under Revenue from operations and disclosed separately under expenses upto all reporting periods ended 30 June 2017. Post implementation of Goods and Service tax (GST) with effect from 01 July 2017, revenue from operations is reported net of GST and hence to that extent results are not comparable.
- 7) Exceptional item (gain) represents write back of provision made against doubtful debts and doubtful advances.
- 8) The current tax figures for the quarter ended 31 March 2018 represent write back of tax provisions recognised in the earlier quarters, on account of deductions confirmed towards the close of the year.
- 9) During the previous quarter, the Company allotted 8,059,753 equity shares in the ratio of 1:1 as fully paid up bonus shares by capitalisation of securities premium by Rs. 805.97 Lakhs, pursuant to an ordinary resolution passed after taking the consent of shareholders. Earnings per share and dividend of previous periods have been adjusted for bonus shares issued in current period.
- 10) The Board of Directors has recommended Equity dividend of Rs. 0.50 Per share (Previous year of Rs. 0.50 per share) for the financial year 2018-19.

Place: Nagpur
Date: 22 May 2019


Anwar S. Daud
Managing Director



ZIM Laboratories Limited
Standalone Balance Sheet as at 31 March 2019

	As at 31 March 2019 Rs. lakhs	As at 31 March 2018 Rs. lakhs
ASSETS		
Non-current assets		
Property, Plant and Equipment	9,943.71	9,293.44
Capital work-in-progress	775.50	477.33
Intangible assets	133.69	122.33
Intangible assets under development	556.19	351.95
Investment in subsidiary	448.35	4.03
Financial Assets		
Investment	5.15	5.15
Other financial assets	352.73	162.02
Deferred tax assets (net)	207.60	367.50
Income tax (current-tax) assets (net)	240.90	242.75
Other non-current assets	697.02	1,512.55
	13,360.84	12,539.05
Current assets		
Inventories	5,505.27	5,156.08
Financial Assets		
Trade receivables	9,039.57	8,834.07
Cash and cash equivalents	36.11	146.40
Bank balances other than cash and cash equivalents	244.40	205.85
Loans	24.77	9.31
Other financial assets	120.96	108.04
Other current assets	4,153.78	2,744.90
	19,124.86	17,204.65
TOTAL ASSETS	32,485.70	29,743.70
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,611.95	805.97
Other equity	13,509.99	12,790.54
	15,121.94	13,596.51
Liabilities		
Non-current liabilities		
Financial Liabilities		
Borrowings	2,216.01	2,028.36
	2,216.01	2,028.36
Current liabilities		
Financial Liabilities		
Borrowings	4,014.67	4,956.23
Trade payables		
-total outstanding due of micro enterprises and small enterprises	-	-
-total outstanding due of creditors other than micro enterprises and small enterprises	7,195.25	6,626.41
Other financial liabilities	2,033.68	2,086.85
Other current liabilities	1,461.85	406.82
Current Tax Liabilities (net)	374.99	-
Provisions	67.31	42.52
	15,147.75	14,118.83
TOTAL LIABILITIES	17,363.76	16,147.19
TOTAL EQUITY AND LIABILITIES	32,485.70	29,743.70

Place: Nagpur
Date: 22 May 2019



Anwar S. Daud
Anwar S. Daud
Managing Director
DIN: 00023529