

Ref No.: ZLL/BM/BSE

Date : 06.08.2019

BSE Limited,  
Market Operations Dept.  
P. J. Towers, Dalal Street,  
Mumbai- 400 001  
Company Code- 541400

Dear Sir,

**Sub : Outcome of Board Meeting.**

**Ref : Our Notice dt. 29.07.2019**

This is to inform you that the Board of Directors at its meeting held today have inter-alia considered and approved Financial Results (Consolidated and Standalone) of the company for the quarter ended 30.06.2019. Copy of financial results (Consolidated and Standalone) along with Limited Review Report issued by Walker Chandiook & Co LLP, Statutory Auditor of the Company is enclosed.

The Board Meeting commenced at 1.00 p.m. and concluded at 4.45 p.m.

Thanking you,

Yours faithfully,  
For ZIM LABORATORIES LIMITED



(Piyush Nikhade)  
Company Secretary and Compliance Officer



## ZIM LABORATORIES LIMITED

[www.zimlab.in](http://www.zimlab.in) | [info@zimlab.in](mailto:info@zimlab.in) | CIN: L99999MH1984PLC032172

Works: B-21, 22, MIDC Area, Kalmeshwar - 441501 Dist. Nagpur,  
Maharashtra, India. ☎ +91.7118.271370 | Fax: +91.7118.271470

Regd. office: Sadoday Gyan, (Ground Floor), Opp. NADT, Nelson Square,  
Nagpur -440013. Maharashtra, India. ☎ +91.712.2588070

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

**To the Board of Directors of ZIM Laboratories Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of **ZIM Laboratories Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 30 June 2019, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016 (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.



# Walker Chandiook & Co LLP

## **ZIM Laboratories Limited**

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

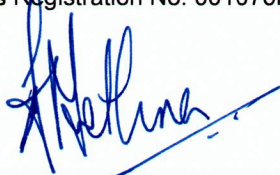
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4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, the SEBI Circular and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No: 001076N/N500013



**Adi P. Sethna**

Partner

Membership No. 108840

**UDIN No: 19108840AAAARJ7327**

Place : Nagpur

Date : 6 August 2019

## **ZIM Laboratories Limited**

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

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### **Annexure 1**

#### **List of entities included in the Statement**

ZIM Laboratories FZE  
ZIM Health Technologies Limited



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**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 UNAUDITED CONSOLIDATED FINANCIAL RESULTS  
FOR THE QUARTER ENDED 30 JUNE 2019**

(Rs. in lakhs, unless otherwise stated)

Sr. No.	Particulars	Quarter ended			Year ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		(Unaudited)	(Unaudited) (refer note 3)	(Unaudited)	(Audited)
1	<b>Income</b>				
	a) Revenue from operations	6,740.74	9,458.84	7,105.41	33,537.03
	b) Other income	105.15	79.55	33.96	204.94
	<b>Total income</b>	<b>6,845.89</b>	<b>9,538.39</b>	<b>7,139.37</b>	<b>33,741.97</b>
2	<b>Expenses</b>				
	a) Cost of materials consumed	3,434.39	4,122.31	3,114.68	14,303.47
	b) Purchases of stock-in-trade	659.15	467.77	435.84	1,659.16
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(368.57)	154.33	(10.70)	(12.00)
	d) Employee benefits	1,280.44	1,197.15	1,162.94	4,826.01
	e) Finance costs	324.29	248.18	262.97	1,059.08
	f) Depreciation and amortisation	335.59	322.78	258.72	1,141.83
	g) Other expenses	1,424.37	2,492.31	1,519.32	8,557.38
	<b>Total expenses</b>	<b>7,089.66</b>	<b>9,004.83</b>	<b>6,743.77</b>	<b>31,534.93</b>
3	<b>Profit /(Loss) before tax (1-2)</b>	<b>(243.77)</b>	<b>533.56</b>	<b>395.60</b>	<b>2,207.04</b>
4	<b>Tax expense/ (credit)</b>				
	Current Tax	-	156.95	60.36	479.94
	Tax (deferred) adjustment pertaining to earlier years	-	(2.05)	-	10.43
	Deferred Tax (refer note 8)	(252.42)	148.39	(44.20)	182.48
	<b>Total tax expense / (credit)</b>	<b>(252.42)</b>	<b>303.29</b>	<b>16.16</b>	<b>672.85</b>
5	<b>Profit after tax (3-4)</b>	<b>8.65</b>	<b>230.27</b>	<b>379.44</b>	<b>1,534.19</b>
6	<b>Other comprehensive income - (loss)</b>				
	a) Items that will not be reclassified to profit or loss	(16.16)	(50.44)	(4.73)	(64.63)
	b) Tax (expense)/credit on the items that will not be reclassified to profit or loss	4.71	17.63	1.65	22.58
	a) Items that will be reclassified to profit or loss	(5.38)	(13.01)	0.46	(7.07)
	b) Tax (expense)/credit on the items that will be reclassified to profit or loss	-	-	-	-
	<b>Other comprehensive income (net of tax) - (loss)</b>	<b>(16.83)</b>	<b>(45.82)</b>	<b>(2.62)</b>	<b>(49.12)</b>
7	<b>Total comprehensive income (5+6)</b>	<b>(8.18)</b>	<b>184.45</b>	<b>376.82</b>	<b>1,485.07</b>
8	Paid-up equity share capital (face value of Rs. 10/- each)	1,618.07	1,611.95	805.97	1,611.95
9	Other equity (reveluation reserve : Rs. Nil)				13,499.89
10	Earnings per share (face value of Rs. 10/- each) (not annualised) (Rs. )				
	Basic	0.05	1.43	2.35	9.52
	Diluted	0.05	1.42	2.34	9.45



**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 6 August 2019. There are no qualifications in the limited review report issued for the quarter ended 30 June 2019.
- 2) This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standard) (Amendment) Rules, 2016.
- 3) The figures for the quarter ended 31 March 2019 are the balancing figures between the audited figures in respect of the full financial year ended 31 March 2019 and the unaudited year-to-date figures upto 31 December 2018, on which auditors have carried out a limited review.
- 4) The Company is principally engaged in a single business segment which is "pharmaceuticals".
- 5) On 6 October 2018, 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 for the quarter ended 30 June 2018 has been adjusted for bonus shares issued during the previous year.
- 6) During the current period, the Company has acquired entire shareholding in 'Zim Health Technologies Limited'. Accordingly, the current period consolidated financial results include financial results of the Company, Zim Laboratories FZE and Zim Health Technologies Limited.
- 7) The Company has adopted Ind AS 116, 'Leases', effective 1 April 2019, using modified retrospective approach, as a result of which comparative information are not required to be restated. The Company has discounted lease payments using the incremental borrowing rate as at 1 April 2019 for measuring lease liabilities at Rs.146.13 lakhs and accordingly recognised right-of-use assets at Rs.156.94 lakhs by adjusting retained earnings by Rs. 3.63 lakhs (net of tax), as at the aforesaid date. In the Statement of Profit and Loss for the current period, the nature of expenses in respect of operating leases are recognised as amortisation of right-of-use of assets and finance cost, as compared to lease rent in previous periods, and to this extent results for the current period are not comparable.

The Impact of adopting Ind AS-116 on the financial results for the quarter ended 30 June 2019 is as follows:

Particulars	(Rs. in lakhs)		
	Quarter ended 30.06.2019 (Erstwhile basis)	Quarter ended 30.06.2019 (As per Ind AS-116)	Increase/ (Decrease) in Profit
Other expenses	1,443.54	1,424.37	19.17
Finance costs	319.55	324.29	(4.74)
Depreciation and amortisation	317.29	335.59	(18.30)
Loss Before tax	(239.90)	(243.77)	(3.87)

- 8) Deferred tax credit for the quarter ended 30 June 2019, includes credit due to change in applicable tax rates from 34.94% to 29.12% on net deferred tax liabilities as at 1 April 2019.

Place: Nagpur  
Date: 6 August 2019



  
Anwar S. Daud  
Managing Director

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**Walker Chandiook & Co LLP**

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Indiabulls Finance Centre,  
SB Marg, Elphinstone (W)  
Mumbai - 400 013  
India

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**Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of ZIM Laboratories Limited**

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of **ZIM Laboratories Limited** ('the Company') for the quarter ended 30 June 2019, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), SEBI Circular CIR/CFD/FAC/62/2016 dated 5 July 2016 (hereinafter referred to as 'the SEBI Circular'), and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



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## **ZIM Laboratories Limited**

**Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

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4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, the SEBI Circular, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No: 001076N/N500013



**Adi P. Sethna**

Partner

Membership No. 108840

**UDIN No: 19108840AAAABI 4388**

**Place:** Nagpur

**Date:** 6 August 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 UNAUDITED STANDALONE FINANCIAL RESULTS  
FOR THE QUARTER ENDED 30 JUNE 2019**

(Rs. in lakhs, unless otherwise stated)

Sr. No.	Particulars	Quarter ended			Year ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		(Unaudited)	(Unaudited) (refer note 3)	(Unaudited)	(Audited)
1	<b>Income</b>				
	a) Revenue from operations	6,685.59	9,362.66	6,991.10	33,172.14
	b) Other income	112.01	79.55	33.96	204.94
	<b>Total income</b>	<b>6,797.60</b>	<b>9,442.21</b>	<b>7,025.06</b>	<b>33,377.08</b>
2	<b>Expenses</b>				
	a) Cost of materials consumed	3,434.39	4,122.31	3,114.68	14,303.47
	b) Purchases of stock-in-trade	659.15	467.77	435.84	1,659.16
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(368.57)	154.33	(10.70)	(12.00)
	d) Employee benefits	1,270.33	1,191.95	1,162.94	4,814.25
	e) Finance costs	324.29	248.18	262.97	1,059.08
	f) Depreciation and amortisation	308.22	295.23	258.72	1,114.28
	g) Other expenses	1,419.54	2,196.92	1,515.81	8,164.99
	<b>Total expenses</b>	<b>7,047.35</b>	<b>8,676.69</b>	<b>6,740.26</b>	<b>31,103.23</b>
3	<b>Profit/(Loss) before tax (1-2)</b>	<b>(249.75)</b>	<b>765.52</b>	<b>284.80</b>	<b>2,273.85</b>
4	<b>Tax expense/ (credit)</b>				
	Current Tax	-	156.95	60.36	479.94
	Tax (deferred) adjustment pertaining to earlier years	-	(2.05)	-	10.43
	Deferred Tax (refer note 7)	(252.41)	148.39	(44.20)	182.48
	<b>Total tax expense / (credit)</b>	<b>(252.41)</b>	<b>303.29</b>	<b>16.16</b>	<b>672.85</b>
5	<b>Profit after tax (3-4)</b>	<b>2.66</b>	<b>462.23</b>	<b>268.64</b>	<b>1,601.00</b>
6	<b>Other comprehensive income - (loss)</b>				
	a) Items that will not be reclassified to profit or loss	(16.16)	(50.44)	(4.73)	(64.63)
	b) Tax (expense)/credit on the items that will not be reclassified to profit or loss	4.71	17.63	1.65	22.58
	<b>Other comprehensive income (net of tax) - (loss)</b>	<b>(11.45)</b>	<b>(32.81)</b>	<b>(3.08)</b>	<b>(42.05)</b>
7	<b>Total comprehensive income (5+6)</b>	<b>(8.79)</b>	<b>429.42</b>	<b>265.56</b>	<b>1,558.95</b>
8	Paid-up equity share capital (face value of Rs. 10/- each)	1,618.07	1,611.95	805.97	1,611.95
9	Other equity (revaluation reserve : Rs. Nil)				13,509.99
10	Earnings per share (face value of Rs. 10/- each) (not annualised) ( Rs. )				
	Basic	0.02	2.87	1.67	9.93
	Diluted	0.02	2.84	1.65	9.86



**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 6 August 2019. There are no qualifications in the limited review report issued for the quarter ended 30 June 2019.
- 2) This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standard) (Amendment) Rules, 2016.
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- 4) The Company is principally engaged in a single business segment which is "pharmaceuticals".
- 5) On 6 October 2018, 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 for the quarter ended 30 June 2018 has been adjusted for bonus shares issued during the previous year.
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The Impact of adopting Ind AS-116 on the financial results for the quarter ended 30 June 2019 is as follows:

Particulars	(Rs. in lakhs)		
	Quarter ended 30.06.2019 (Erstwhile basis)	Quarter ended 30.06.2019 (As per Ind AS-116)	Increase/ (Decrease) in Profit
Other expenses	1,438.71	1,419.54	19.17
Finance costs	319.55	324.29	(4.74)
Depreciation and amortisation	289.92	308.22	(18.30)
Loss Before tax	(245.88)	(249.75)	(3.87)

- 7) Deferred tax credit for the quarter ended 30 June 2019, includes credit due to change in applicable tax rates from 34.94% to 29.12% on net deferred tax liabilities as at 1 April 2019.

Place: Nagpur  
Date: 6 August 2019



  
Anwar S. Daud  
Managing Director