



Corporate Office & Communication Address:

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CIN No. L23209GJI982PLC005062

June 12, 2020

To, The Manager- CRD Bombay Stock Exchange Limited Pjiroze Jeejeebhoy Towers, Mumbai 400 001 Scrip Code: 524820	To, The Listing Head National Stock Exchange of India Limited, Bandra-Kurla Complex Bandra (E) ,Mumbai-400 051 Scrip Symbol : PANAMAPET
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Sub.: Outcome of the Board Meeting

Dear Sir,

We hereby inform you that the Board of Directors of the Company at its meeting held today at its corporate office inter-alia resolved the following:

1. Approved and taken on record the standalone and consolidated audited financial results for the quarter/year ended March 31, 2020 and the audited financial statements (standalone and consolidated) for the year ended March 31, 2020.
2. Recommended a dividend @ Rs 1.2/- per equity share of Rs. 2 each (60%) for the financial year ended March 31,2020. The dividend on Equity Shares shall be paid or warrants thereof will be dispatched within two weeks from the conclusion of the ensuing Annual General Meeting.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the following:

- a. Copy of audited financial results (standalone and consolidated) for the quarter and year ended March 31, 2020.
- b. Auditors' Report on the Audited financial results- standalone and consolidated.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we hereby confirm that the reports of the auditors are with unmodified opinion with respect to the audited (standalone and consolidated) financial results of the company for the quarter/year ended March 31, 2020.

The Board meeting commenced at 1:20 P.M and concluded at 2:10 P.M

Further, disclosure w.r.t. material impact of COVID-19 pandemic, pursuant to the SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020 is given on notes of enclosed results .

We request you to kindly bring the above information to the notice of members.

Thanking You,

For Panama Petrochem Limited


Gayatri Sharma
Company Secretary & Compliance officer
Copy to : The Luxembourg Stock Exchange

Independent Auditor's Report on Ind AS Standalone Financial Results of Panama Petrochem Limited, pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Board of Directors
Panama Petrochem Limited

Opinion:

We have audited the accompanying statements of financial results of **Panama Petrochem Limited** (the "Company") for the quarter and year ended March 31, 2020 together with notes thereon (the "Financial Statement") attached herewith being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015").

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

- a. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- b. gives a true and fair view in conformity with Indian Accounting Standards prescribed under Section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2020.

Basis for Opinion:

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.



Emphasis of Matter:

Note 6 to the financial results which describe the Management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company. The Management believes that no adjustments are required in the Financial Statements as it does not impact the financial year ended March 31, 2020, however, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of above matter.

Management's Responsibilities for the Standalone Financial Results:

This Statement, is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related audited standalone financial statements for the year ended March 31, 2020. The Company's Board of Directors are responsible for the preparation and presentation of the Standalone Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the 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 Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the financial reporting process of the company.

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the quarter and year ended March 31, 2020:

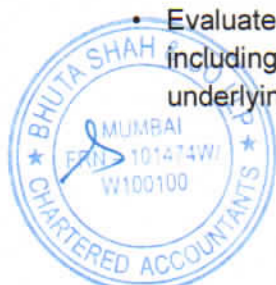


Our objectives is to obtain reasonable assurance about whether the Standalone Financial Results as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Results.

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

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

(b) Review of the standalone financials results for the quarter ended March 31, 2020:

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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.

A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 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.



Other Matters:

The statement includes the results for the quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year which were subject to limited review by us. Our report on the statement is not modified in respect of this matter.

For BHUTA SHAH & CO LLP
Chartered Accountants
Firm Registration No. 101474W / W100100



Harsh Bhuta
Partner
Membership No. 137888
UDIN:



Mumbai; 12 June, 2020

PANAMA PETROCHEM LIMITED

Regd. Office:- Plot No. 3303, G.I.D.C., Ankleshwar-393002
Corp. Office:- 4th Floor, Aza House, Turner Rd., Near Tawa Restaurant, Bandra (W), Mumbai - 50

CIN : L23209GJ1982PLC005062



PART I

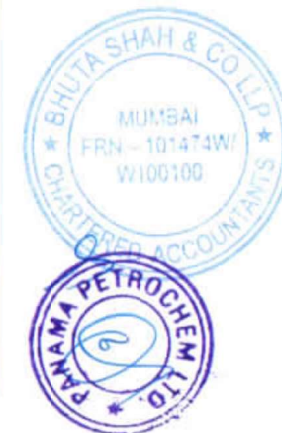
AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2020

₹ In Lakhs

Sr. No.	PARTICULARS	STAND ALONE				
		Quarter Ended			Year Ended	
		31 March	31 December	31 March	31 March	
		2020	2019	2019	2020	2019
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Income					
	(a) Revenue from operations	18,334.61	18,794.73	31,214.10	81,345.77	1,07,810.49
	(b) Other income	72.36	60.56	73.86	281.33	253.61
	Total Income	18,406.97	18,855.29	31,287.96	81,627.10	1,08,064.10
2	Expenses					
	(a) Cost of material consumed	15,910.94	15,929.80	26,161.62	69,414.18	89,368.68
	(b) Purchase of Stock-in-trade	108.72	49.44	484.56	736.63	2,103.78
	(c) (Increase)/decrease in inventories of traded goods and finished goods	194.15	395.64	173.62	971.60	(90.79)
	(d) Employee benefits expense	214.60	288.80	203.20	922.64	839.99
	(e) Finance costs	176.95	304.12	657.69	1,334.61	1,956.00
	(f) Depreciation and amortization expense	120.77	120.33	99.17	471.78	393.96
	(g) Exchange (gain)/loss	(83.25)	(67.01)	(137.58)	(70.37)	1,020.47
	(h) Other expenditure	1,350.35	1,390.94	2,287.39	5,686.73	6,705.62
	Total Expenses	17,993.23	18,412.06	29,929.69	79,467.80	1,02,297.71
3	Profit before tax (1-2)	413.74	443.23	1,358.27	2,159.30	5,766.39
4	Tax Expense					
	(a) Current tax	82.00	117.00	395.00	490.00	1,808.82
	(b) Deferred tax	39.75	5.68	75.25	(153.30)	157.03
	Total tax expenses	121.75	122.68	470.25	336.70	1,965.85
5	Profit/(loss) for the period (3-4)	291.99	320.55	888.01	1,822.60	3,800.54
6	OTHER COMPREHENSIVE INCOME:					
	A) (i) Items that will not be reclassified subsequently to profit or loss	5.18	(1.07)	(10.43)	1.98	(10.43)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(1.31)	0.27	4.85	(0.40)	3.64
	B) (i) Items that will be reclassified to profit or loss	(4.76)	(1.45)	2.51	(6.78)	2.65
	(ii) Income tax relating to items that will be reclassified to profit or loss	1.20	0.37	(0.93)	1.71	(0.92)
	Total Other Comprehensive Income	0.31	(1.88)	(3.99)	(3.49)	(5.06)
7	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD / YEAR: (5-6)	292.30	318.67	884.02	1,819.11	3,795.48
	(Comprising of Profit/(Loss) and Other Comprehensive Income for the Period)					
8	Paid-up Equity Share Capital (Face Value ₹ 2 each)	1,209.87	1,209.87	1,209.87	1,209.87	1,209.87
9	Reserves excluding Revaluation Reserve as at balance sheet date				37,038.51	36,094.54
10	Basic and diluted earnings per shares (₹)	0.48	0.53	1.47	3.01	6.28



Panama Petrochem Limited		₹ In Lakhs	
Audited standalone Balance Sheet as at 31 March 2020			
PARTICULARS	STAND ALONE		
	As at	As at	
	31 March 2020	31 March 2019	
	(Audited)	(Audited)	
Assets			
1. Non-current assets			
(a) Property, Plant and Equipment	10,367.26	9,982.21	
(b) Capital work-in-progress	1,723.76	1,105.05	
(c) Investment property	1,008.63	1,026.73	
(d) Right -of-use assets	92.49	-	
(e) Intangible Assets	-	-	
(f) Financial Assets			
(i) Investments	5,192.68	5,199.46	
(ii) Others	70.22	49.52	
(g) Other non-current assets	61.27	47.81	
Total Non Current Assets	18,516.31	17,410.78	
2. Current assets			
(a) Inventories	19,247.73	31,070.45	
(b) Financial Assets			
(i) Investments	-	-	
(ii) Trade Receivables	19,092.70	26,369.01	
(iii) Cash and cash equivalents	3,009.24	338.18	
(iv) Bank Balances other than (iii) above	352.04	184.24	
(v) Loans	46.12	109.73	
(vi) Others	432.35	319.99	
(c) Current Tax Assets (Net)	306.78	167.62	
(d) Other Current Assets	1,023.05	2,304.56	
Total Current Assets	43,510.01	60,863.78	
Total Assets	62,026.32	78,274.56	
Equity and Liabilities			
Equity			
(a) Equity Share Capital	1,209.87	1,209.87	
(b) Other Equity	37,038.51	36,094.54	
Total Equity	38,248.38	37,304.41	
Liabilities			
1. Non-current Liabilities			
(a) Lease liabilities	48.92	-	
(b) Provisions	87.95	73.12	
(c) Deferred Tax Liabilities (Net)	747.04	901.64	
(d) Other Non-current Liabilities	-	-	
Total Non -current Liabilities	883.91	974.76	
2. Current Liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	48.67	-	
(ii) Borrowings	72.01	10,467.63	
(iii) Trade Payables	-	-	
(a) Total outstanding dues of micro enterprises and small enterprises	-	-	
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	22,029.20	27,919.55	
(iii) Other Financial Liabilities (Other than those specified in 'c])	541.15	1,475.43	
(b) Other Current Liabilities	184.57	115.91	
(c) Provisions	18.43	16.87	
(d) Current Tax Liabilities (Net)	-	-	
Total Current Liabilities	22,894.03	39,995.39	
Total Equity and Liabilities	62,026.32	78,274.56	

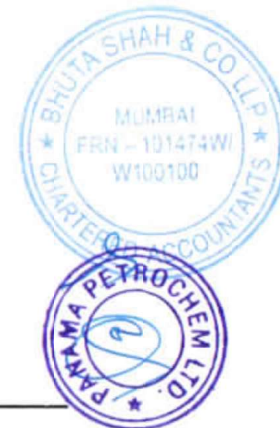


Panama Petrochem Limited
Standalone Statement of Cash Flows as at 31 March 2020

PARTICULARS	₹ in Lakhs	
	As at	As at
	31 March 2020	31 March 2019
	(Audited)	(Audited)
A. Cash Flows from operating activities		
Profit before tax from continuing operation	2,159.30	5,766.39
Adjustments for -		
Depreciation on property, plant and equipment and investment property	471.78	393.96
Finance costs	1,334.61	1,956.00
(Profit)/loss on sale of property, plant and equipment (net)	(0.79)	(1.48)
Unrealized foreign exchange loss/(gain)	222.83	(745.96)
Interest income	(30.76)	(22.34)
Dividend income	(0.06)	(0.08)
Lease rental	(227.87)	(209.53)
Bad debts, provision for doubtful debts	(19.67)	17.73
Operating profit before working capital changes	3,909.37	7,154.69
(Increase)/decrease in trade Receivables	7,758.35	1,212.33
(Increase)/decrease in inventories	11,822.72	8,391.65
(Increase)/decrease in loans and advances	(120.63)	(125.60)
(Increase)/decrease in other current assets	1,245.78	1,530.32
Increase/(decrease) in trade Payables	(6,724.16)	(20,695.40)
Increase/(decrease) in other financial liabilities and provisions	(724.35)	(164.48)
	17,167.08	(2,696.49)
Income tax paid	(629.16)	(2,047.71)
Net cash flow from/(used in) operating activity (A)	16,537.92	(4,744.20)
B. Cash flows from investing activities		
Additions to property, plant and equipment and investment property	(1,455.76)	(2,109.33)
Sales of property, plant and equipment	9.26	13.14
Redclassified on account of adoption of Ind AS 116	(145.05)	-
Redemption/maturity of bank deposits (having original maturity of more than three months)	(183.72)	(36.06)
Advances given to subsidiary	70.75	(56.10)
Repayment of advance given to subsidiary received	-	-
Interest received	37.34	20.10
Rent received	227.87	209.53
Dividend received	0.06	0.08
Net cash flow from/(used in) investing activities (B)	(1,439.25)	(1,958.64)
C. Cash flows from financing activities		
Proceeds/ (Repayment) from/of short-term borrowing (net)	(10,395.62)	7,504.32
Interest paid	(1,305.46)	(1,961.06)
Dividend paid	(722.27)	(726.23)
Dividend tax paid	(149.22)	(149.22)
Net cash flow from/(used in) financing activities (C)	(12,572.57)	4,667.81
Net increase/(decrease) in cash and cash equivalents (A+B+C)	2,526.10	(2,035.03)
Effect of exchange differences on cash & cash equivalents held in foreign currency	148.61	(80.32)
Cash and cash equivalents at the beginning of the year	361.57	2,476.92
Cash and cash equivalents at the end of the year	3,036.28	361.57
Components of Cash and Cash Equivalents		
Cash on hand	2.84	4.76
With banks		
- on current accounts	3,006.40	333.42
- on deposit accounts	-	-
- on unpaid dividend accounts *	27.04	23.39
Total Cash and Cash Equivalents	3,036.28	361.57

* The company can utilize these balances only towards the settlement of the respective unpaid dividend.

The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind As 7 specified under section 133 of the Companies Act, 2013.



Notes:

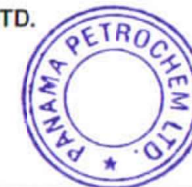
- 1) The results for the quarter and year ended 31 March 2020 were reviewed and recommended by the Audit Committee and approved by the Board of Directors in their meeting held on 12th June 2020 . The above results for the year ended 31 March 2020 have been audited by statutory auditors of the Company in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2) The results has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, to the extent applicable.
- 3) The Company's business segment consists of a single primary segment of Specialty petroleum products, as per Indian Accounting Standard (Ind AS-108) Operating Segment.
- 4) The Board of Directors in it's meeting held today, have recommended for the approval of members a Dividend of ₹ 1.20/- per equity share of ₹ 2/- each for the financial year 2019-2020.
- 5) The figures of the quarters ended 31 March 2020 and 31 March 2019 are balancing figures between the audited figures in respect of the full financial year ended on 31 March 2020 and 31 March 2019 (Ind AS) respectively and the published year to date Ind AS figures upto third quarters ended on 31 December 2019 and 31 December 2018 respectively, which were subjected to a limited review.
- 5) The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised Provision for Income Tax for quarter and year ended on March 31, 2020 and re-measured its deferred tax assets based on the rate prescribed in the aforesaid section and recognized the effect of change by revising the effective income tax rate. The rate of income tax is changed from 34.94% to 25.17% during the year ended March 31, 2020. There remeasurement of accumulated deferred tax asset has resulted in a one-time additional deferred tax credit of Rs. 274.67 Lakhs.
- 6) World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on 11th March, 2020. Consequent to this, Government of India declared lockdown on 23rd March, 2020 and the Company temporarily suspended the operations in all its manufacturing units in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, product supply, unavailability of personnel, closure/lock down of production facilities etc. during the lock-down period. The management believes that no adjustments are required in the financial statements as it does not impact the current financial year, however, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.
- 7) Figures of corresponding previous year/period(s) have been restated/regrouped/reclassified wherever necessary.



Place: Mumbai
Date: 12th June 2020

For PANAMA PETROCHEM LTD.

Amin A Rayani
(Managing Director & CEO)
DIN:00002652



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

To The Board of Directors
Panama Petrochem Limited

Opinion:

We have audited the accompanying statements of Consolidated financial results of **Panama Petrochem Limited** (the Parent) and its subsidiary Company i.e. **Panol Industries RMC FZE** (collectively referred to as 'the Group') for the quarter and year ended March 31, 2020 together with notes thereon (the "Financial Statement") attached herewith being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015").

In our opinion and to the best of our information and according to the explanations given to us, the Consolidated Financial Results:

- a. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- b. gives a true and fair view in conformity with Indian Accounting Standards prescribed under Section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2020.

Basis for Opinion:

We conducted our audit of the Statement in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.



Emphasis of Matter:

Note 8 to the Consolidated financial results which describe the Management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company. The Management believes that no adjustments are required in the Financial Statements as it does not impact the financial year ended 31 March, 2020, however, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Consolidated Financial Results:

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors, and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2020 has been compiled from the related audited Consolidated Financial Results. The Company's Board of Directors are responsible for the preparation and presentation of the Consolidated Financial Results that give a true and fair view of the consolidated net profit and Consolidated other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the 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 Consolidated Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Results, the respective Board of Directors of the company included in the group are responsible for assessing the ability of the respective Company's, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Respective Board of Directors either intends to liquidate their respective Companies or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.



Auditor's Responsibilities

(a) Audit of the Consolidated Financial Results for the quarter and year ended March 31, 2020:

Our objectives is to obtain reasonable assurance about whether the Consolidated Financial Results as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.



However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Consolidated Financial Results of the Company to express an opinion on the Consolidated Financial Results.

Materiality is the magnitude of misstatements in the Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Results.

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

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

(b) Review of the Consolidated financial results for the quarter ended March 31, 2020

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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.

A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 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.

The Statement includes the results of the subsidiary i.e. Panol Industries RMC, FZE.



Other Matters:

The consolidated financial results includes the financial information/ financial results of the subsidiary which have been reviewed by its auditor, whose financial information / financial results reflect total assets of Rs.18,861.73 lakhs as at March 31, 2020 and total revenues of Rs. 4,846.33 and Rs. 18,969.66 lakhs for the quarter and year ended 31st March 2020 respectively, total comprehensive income and net profit after tax of Rs.344.56 and Rs.1,055.55 lakhs for the quarter and year ended March 31, 2020 respectively, as considered in the consolidated unaudited financial results. These interim financial information / financial results have been reviewed by subsidiary auditor whose reports have been furnished to us by the Management and our conclusion on the Statement, is so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of other auditor and procedure followed by us as stated in Paragraph 3 above.

Our opinion is not modified in respect of the above matter.

In the Statement, the figures for the quarter ended March 31, 2020 and March 31, 2019 as reported in these financial results are the balancing figures between figures in respect of the full financial year and the published year to date figures up to the end of third quarter of the relevant financial year, which were subjected to a limited review.

For BHUTA SHAH & CO LLP
Chartered Accountants
Firm Registration No.101474W / W100100



Harsh Bhuta
Partner
Membership No. 137888
UDIN:



Mumbai: 12 June, 2020

PANAMA PETROCHEM LIMITED

Regd. Office:- Plot No. 3303, G I D.C., Ankleshwar-393002
Corp. Office:- 4th Floor, Aza House, Turner Rd., Near Tawa Restaurant, Bandra (W), Mumbai - 50

CIN : L23209GJ1982PLC005062



PART I

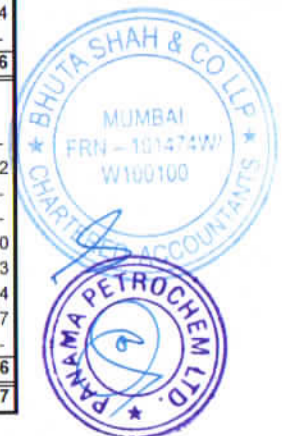
AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2020

₹ In Lakhs

Sr. No.	PARTICULARS	Consolidated				
		Quarter Ended			Year Ended	
		31 March	31 December	31 March	31 March	
		2020	2019	2019	2020	2019
			(Audited)	(Audited)	(Audited)	
1	Income					
	(a) Revenue from operations	23,155.54	24,131.12	36,519.37	1,00,275.39	1,26,932.57
	(b) Other income	97.76	64.87	79.07	321.39	272.13
	Total Revenue	23,253.30	24,195.99	36,598.44	1,00,596.78	1,27,204.70
2	Expenses					
	(a) Cost of material consumed	19,257.56	19,322.77	30,194.23	80,902.90	95,808.41
	(b) Purchase of stock-in-trade	108.72	49.44	4,605.77	736.63	13,334.01
	(c) (Increase)/decrease in inventories of traded goods and finished goods	567.55	1,149.56	(4,411.40)	4,490.42	(2,338.37)
	(d) Employee benefits expense	234.31	307.63	213.36	995.52	887.68
	(e) Finance cost	249.13	410.91	860.56	1,744.27	2,516.87
	(f) Depreciation and amortization expense	196.18	184.41	148.59	725.24	592.37
	(g) Exchange (gain)/loss	(84.67)	(28.63)	(135.22)	(38.18)	1,029.02
	(h) Other expenditure	1,966.22	2,039.41	3,155.84	7,825.53	8,220.49
	Total Expenses	22,495.00	23,435.50	34,631.74	97,382.33	1,20,050.48
3	Profit before tax (1-2)	758.30	760.49	1,966.70	3,214.45	7,154.22
4	Tax Expense					
a	(a) Current tax	82.00	117.00	395.00	490.00	1,808.82
b	(b) Deferred tax	39.75	5.68	75.25	(153.30)	157.03
	Total tax expenses	121.75	122.68	470.25	336.70	1,965.85
5	Profit/(less) for the period (3-4)	636.55	637.81	1,496.45	2,877.75	5,188.37
6	OTHER COMPREHENSIVE INCOME:					
	A) (i) Items that will not be reclassified subsequently to profit or loss	5.18	(1.07)	(9.22)	1.98	(10.43)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(1.31)	0.27	3.50	(0.40)	3.64
	B) (i) Items that will be reclassified to profit or loss	(4.76)	(1.45)	2.65	(6.78)	2.65
	(ii) Income tax relating to items that will be reclassified to profit or loss	1.20	0.37	(0.93)	1.71	(0.92)
	Total Other Comprehensive Income	0.31	(1.88)	(3.99)	(3.49)	(5.06)
7	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD / YEAR: (5-6)	636.86	635.93	1,492.46	2,874.26	5,183.31
	(Comprising of Profit/(Loss) and Other Comprehensive Income for the Period)					
8	Paid-up Equity Share Capital (Face Value ₹ 2 each)	1,209.87	1,209.87	1,209.87	1,209.87	1,209.87
9	Reserves excluding Revaluation Reserve as at balance sheet date				42,092.34	40,166.98
10	Basic and diluted earnings per shares (₹)	1.05	1.05	2.47	4.76	8.58



PARTICULARS	STAND ALONE		CONSOLIDATED	
	As at	As at	As at	As at
	31 March 2020 (Audited)	31 March 2019 (Audited)	31 March 2020 (Audited)	31 March 2019 (Audited)
Assets				
1. Non-current assets				
(a) Property, Plant and Equipment	10,367.26	9,982.21	16,151.71	14,599.45
(b) Capital work-in-progress	1,723.76	1,105.05	1,723.76	1,105.05
(c) Investment property	1,008.63	1,026.73	1,008.63	1,026.74
(d) Right -of-use assets	92.49	-	92.49	-
(e) Intangible Assets	-	-	-	-
(f) Financial Assets				
(i) Investments	5,192.68	5,199.46	7.06	13.84
(ii) Others	70.22	49.52	70.22	49.52
(g) Other non-current assets	61.27	47.81	61.27	911.37
Total Non Current Assets	18,516.31	17,410.78	19,115.14	17,705.97
2. Current assets				
(a) Inventories	19,247.73	31,070.45	25,392.84	38,359.61
(b) Financial Assets				
(i) Investments	-	-	-	-
(ii) Trade Receivables	19,092.70	26,369.01	25,106.47	31,389.97
(iii) Cash and cash equivalents	3,009.24	338.18	3,045.30	724.58
(iv) Bank Balances other than (iii) above	352.04	184.24	1,043.14	846.33
(v) Loans	46.12	109.73	46.12	109.73
(vi) Others	432.35	319.99	425.46	245.85
(c) Current Tax Assets (Net)	306.78	167.62	306.78	167.62
(d) Other Current Assets	1,023.05	2,304.56	1,209.62	2,370.41
Total Current Assets	43,510.01	60,863.78	56,575.73	74,214.10
Total Assets	62,026.32	78,274.56	75,690.87	91,920.07
Equity and Liabilities				
Equity				
(a) Equity Share Capital	1,209.87	1,209.87	1,209.87	1,209.87
(b) Other Equity	37,038.51	36,094.54	42,092.34	40,166.98
Total Equity	38,248.38	37,304.41	43,302.21	41,376.85
Liabilities				
1. Non-current Liabilities				
(a) Lease liabilities	48.92	-	48.92	-
(b) Provisions	87.95	73.12	87.95	73.12
(c) Deferred Tax Liabilities (Net)	747.04	901.64	747.04	901.64
(d) Other Non-current Liabilities	-	-	-	-
Total Non -current Liabilities	883.91	974.76	883.91	974.76
2. Current Liabilities				
(a) Financial Liabilities				
(i) Lease liabilities	48.67	-	48.67	-
(ii) Borrowings	72.01	10,467.63	4,969.17	15,989.52
(iii) Trade Payables	-	-	-	-
(a) Total outstanding dues of micro enterprises and small enterprises	22,029.20	27,919.55	25,718.69	31,520.10
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	541.15	1,475.43	541.15	1,475.43
(iii) Other Financial Liabilities (Other than those specified in [c])	184.57	115.91	208.64	566.54
(b) Other Current Liabilities				
(c) Provisions	18.43	16.87	18.43	16.87
(d) Current Tax Liabilities (Net)	-	-	-	-
Total Current Liabilities	22,894.03	39,995.39	31,504.75	49,568.46
Total Equity and Liabilities	62,026.32	78,274.56	75,690.87	91,920.07



Panama Petrochem Limited
Consolidated of Cash Flows as at 31 March 2020

PARTICULARS	₹ In Lakhs	
	As at	As at
	31 March 2020 (Audited)	31 March 2019 (Audited)
A. Cash Flows from operating activities		
Profit before tax from continuing operation	3,214.45	7,154.22
Adjustments for -		
Depreciation on property, plant and equipment and investment property	725.24	592.37
Finance costs	1,744.27	2,516.87
(Profit)/loss on sale of property, plant and equipment (net)	(0.79)	(1.48)
Foreign currency translation reserve	(73.76)	(83.64)
Unrealized foreign exchange loss/(gain)	222.84	(745.99)
Interest income	(49.15)	(40.86)
Dividend income	(0.06)	(0.08)
Lease rental	(227.87)	(209.53)
Bad debts, provision for doubtful debts	(19.67)	17.73
Operating profit before working capital changes	5,535.50	9,199.61
(Increase)/decrease in trade Receivables	6,765.54	(3,640.55)
(Increase)/decrease in inventories	12,966.77	6,143.30
(Increase)/decrease in loans and advances	(117.13)	(128.44)
(Increase)/decrease in other current assets	1,144.13	3,005.83
Increase/(decrease) in trade Payables	(6,635.22)	(20,648.79)
Increase/(decrease) in other financial liabilities and provisions	(1,150.91)	286.13
	18,508.68	(5,782.90)
Income tax paid	(629.16)	(2,047.71)
Net cash flow from/(used in) operating activity (A)	17,879.52	(7,830.61)
B. Cash flows from investing activities		
Additions to property, plant and equipment and investment property	(2,012.87)	(2,325.83)
Sales of property, plant and equipment	9.26	13.14
Reclassified on account of adoption of Ind AS 116	(145.05)	-
Redemption/maturity of bank deposits (having original maturity of more than three months)	(212.73)	(92.94)
Interest received	59.23	35.78
Rent received	227.87	209.53
Dividend received	0.06	0.08
Net cash flow from/(used in) investing activities (B)	(2,074.23)	(2,160.24)
C. Cash flows from financing activities		
Proceeds/ (Repayment) from/of short-term borrowing (net)	(11,020.35)	11,476.84
Interest paid	(1,737.69)	(2,476.83)
Dividend paid	(722.27)	(726.23)
Dividend tax paid	(149.22)	(149.22)
Net cash flow from/(used in) financing activities (C)	(13,629.53)	8,124.56
Net increase/(decrease) in cash and cash equivalents (A+B+C)	2,175.76	(1,866.29)
Effect of exchange differences on cash & cash equivalents held in foreign currency	148.61	(80.32)
Cash and cash equivalents at the beginning of the year	747.97	2,694.58
Cash and cash equivalents at the end of the year	3,072.34	747.97
Components of Cash and Cash Equivalents		
Cash on hand	25.90	11.91
With banks		
- on current accounts	3,019.40	712.67
- on deposit accounts	-	-
- on unpaid dividend accounts *	27.04	23.39
Total Cash and Cash Equivalents	3,072.34	747.97

* The company can utilize these balances only towards the settlement of the respective unpaid dividend.

The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind As 7 specified under section 133 of the Companies Act, 2013.



Notes:

- 1) The consolidated results for the quarter and year ended 31 March 2020 were reviewed and recommended by the Audit Committee and approved by the Board of Directors in its meeting held on 12th June 2020. The above results for the year ended 31 March 2020 have been audited by statutory auditors of the Company in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2) The statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, to the extent applicable.
- 3) The Company's business segment consists of a single primary segment of Specialty petroleum products, as per Indian Accounting Standard (Ind AS-108) Operating Segment.
- 4) The consolidated results for the year ended 31 March 2020 include the results of its 100% wholly owned subsidiary viz Panol Industries RMC FZE
- 5) The Board of Directors in its meeting held today, have recommended for the approval of members a Dividend of ₹ 1.20/- per equity share of ₹ 2/- each for the financial year 2019-2020.
- 6) The figures for the quarters ended 31 March 2020 and 31 March 2019 are balancing figures between the audited figures in respect of the full financial year ended on 31 March 2020 and 31 March 2019 (Ind AS) respectively and the published year to date Ind AS figures upto third quarters ended on 31 December 2019 and 31 December 2018 respectively, which were subjected to a limited review.
- 7) The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised Provision for Income Tax for quarter and year ended on March 31, 2020 and re-measured its deferred tax assets based on the rate prescribed in the aforesaid section and recognized the effect of change by revising the effective income tax rate. The rate of income tax is changed from 34.94% to 25.17% during the year ended March 31, 2020. There remeasurement of accumulated deferred tax asset has resulted in a one-time additional deferred tax credit of Rs. 274.67 Lakhs.
- 8) World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on 11th March, 2020. Consequent to this, Government of India declared lockdown on 23rd March, 2020 and the Company temporarily suspended the operations in all its manufacturing units in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, product supply, unavailability of personnel, closure/lock down of production facilities etc. during the lock-down period. The management believes that no adjustments are required in the financial statements as it does not impact the current financial year, however, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.
- 9) Figures of corresponding previous year/period(s) have been restated/regrouped/reclassified wherever necessary.

Place: Mumbai
Date:



For PANAMA PETROCHEM LTD

Amin A Rayani
(Managing Director & CEO)
DIN:00002652

