



Zim & Innovation in Medicine

Zim Laboratories Limited

Registered Office : Sadoday Gyan(Ground Floor),Opp.NADT,Nelson Square Nagpur - 440013, Maharashtra, India

CIN:U99999MH1984PLC032172, Website: www.zimlab.in

SPECIAL PURPOSE INTERIM STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTH ENDED 31 DECEMBER 2017

₹ in Lakhs

Sr. no.	Particulars	Quarter ended			Nine months ended	
		31.12.2017 (Unaudited)	30.09.2017 (Unaudited) (refer note 5)	31.12.2016 (Unaudited) (refer note 5)	31.12.2017 (Unaudited)	31.12.2016 (Unaudited) (refer note 5)
1	Income					
	Revenue from operations	7,505.90	6,273.50	5,686.75	20,273.27	16,895.64
	Other income	25.99	147.06	121.31	184.40	145.81
	Total income	7,531.89	6,420.56	5,808.06	20,457.67	17,041.45
2	Expenses					
	a) Cost of materials consumed	3,578.95	2,909.63	2,524.97	9,079.83	7,037.81
	b) Purchases of stock-in-trade	388.90	226.13	311.94	1,541.86	1,177.39
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(185.77)	(157.82)	40.65	(456.22)	(14.19)
	d) Excise duty (refer note 9)	-	-	118.04	146.53	398.68
	e) Employee benefits	1,019.61	1,054.06	873.54	2,936.79	2,457.23
	f) Finance costs	150.97	294.70	345.84	640.57	888.97
	g) Depreciation and amortisation	251.70	237.05	227.20	717.62	676.46
	h) Other expenses	1,612.48	1,449.19	1,234.05	4,454.18	3,582.95
	Total expenses	6,816.84	6,012.94	5,676.23	19,061.16	16,205.30
3	Profit before tax (1-2)	715.05	407.62	131.83	1,396.51	836.15
4	Total tax expense / (benefit)	87.15	116.92	(39.57)	262.34	115.01
5	Profit after tax (3-4)	627.90	290.70	171.40	1,134.17	721.14
6	Other comprehensive income					
	a) Items that will not be reclassified to profit or loss	8.15	8.15	8.15	24.44	24.44
	b) Tax expense/(benefit) on the items that will not be reclassified to profit or loss	(2.82)	(2.82)	(2.82)	(8.46)	(8.46)
	Other comprehensive income (net of tax)	5.33	5.33	5.33	15.98	15.98
7	Total comprehensive income (5+6)	622.57	285.37	166.07	1,118.19	705.16
8	Paid-up equity share capital	805.98	805.98	802.91	805.98	802.91
9	Earnings per share (face value of ₹ 10/- each) (not annualised) (₹)					
	Basic	7.79	3.61	2.13	14.11	9.01
	Diluted	7.74	3.58	2.11	14.01	8.91



Notes:

1) This result is prepared in connection with the direct listing of the Company to be filed with the BSE Limited (BSE) or may be shared with and relied on as necessary by the Merchant Bankers duly appointed in this regard or any other regulatory authority in connection with the direct listing.

2) The Company has received notice from BSE Limited (BSE) whereby the Company has been provided with an option to either complete the procedures for direct listing of its equity shares on nationwide stock exchange or provide exit to public shareholders by acquiring their equity shares at rates determined by independent valuer. Pursuant to receipt of such notice, the Company has initiated the procedures for direct listing of its equity shares on BSE.

3) The financial results for the quarter and nine months ended 31 December 2017 and for the quarter ended 30 September 2017 are in compliance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) notified by the Ministry of Corporate Affairs. Consequently, the financial results for the corresponding quarter and nine months ended 31 December 2016 have been restated to comply with Ind AS to make them comparable.

4) The Company has adopted Ind AS notified by the Ministry of Corporate Affairs with effect from 01 April 2017 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder. The date of transition is 01 April 2016. The impact of transition has been accounted in the retained earnings as at 01 April 2016 and accordingly, the comparative period results for the quarter and nine month ended 31 December 2016 have been restated.

In the view of various clarifications being issued by the Ind AS transition facilitation group (ITFG) constituted by the Accounting Standard Board of the Institute of Chartered Accountants of India, it may be possible that the interim financials may undergo adjustments on finalisation of the full year Ind AS financial statements as at and for the year ending 31 March 2018 due to treatments/method suggested by ITFG on application of Ind AS.

5) The statutory auditors of the Company have been engaged to carry out the review only in respect of the financial results for the quarter and nine months ended 31 December 2017. The Ind AS compliant financial results pertaining to the quarter ended 30 September 2017 and quarter and nine months ended 31 December 2016 (including the reconciliation reported under Note 6 below) have not been subjected to review or audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.

6) Reconciliation of Net profit under previous GAAP and the Total Comprehensive Income as per Ind AS for the quarter and nine months ended 31 December 2016 is as per the table below:

Particulars	₹ in Lakhs	
	Quarter ended 31.12.2016	Nine months ended 31.12.2016
Net profit after tax for the period under erstwhile Indian GAAP	169.87	716.57
Re-classification of actuarial loss on defined employee benefit obligations	8.15	24.44
Loan processing charges recognised	(3.71)	(11.14)
Others	(0.09)	(0.27)
Deferred tax impact on above adjustments	(2.82)	(8.46)
Net profit after tax for the period under Ind AS	171.40	721.14
Other comprehensive income (net of tax)	(5.33)	(15.98)
Total comprehensive income	166.07	705.16

7) The above results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors of the Company at their respective meetings held on 13 February 2018.

8) The Company is principally engaged in single business segment which is "pharmaceuticals".

9) Excise duty on sales was included under Revenue from operations and disclosed separately under Expenses upto all reporting period 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.

For and on behalf of the board of directors of Zim Laboratories Limited


Anwar S. Daud
Managing Director


Zulfiqar M. Kamal
Director & CFO

Place: Nagpur
Date: 13 February 2018

