

Date: 30<sup>th</sup> May, 2019

To

The Manager – Listing,  
BSE Limited,  
P.J. Tower, Dalal Street,  
Mumbai – 400 001  
Scrip Code: 540359

**Subject: Outcome of Board Meeting and Results for Quarter and Financial year ended 31<sup>st</sup> March, 2019.**

Dear Sirs,

Further to our letter dated 23<sup>rd</sup> May, 2019 and pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirement), Regulations 2015 we wish to inform you that the Board of Directors of the Company in its meeting held today, i.e. 30<sup>th</sup> May, 2019, have considered and approved the Audited standalone financial results for the quarter and financial year ended 31<sup>st</sup> March, 2019.

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

1. Audited Standalone Financial Results for the quarter and year ended 31<sup>st</sup> March, 2019.
2. Independent Auditor's Report on the Audited Financial Results for the quarter and year ended 31<sup>st</sup> March, 2019.
3. Statement on Impact of Audit Qualification on Standalone Financial results for the year ended March 31, 2019 in compliance with SEBI Circular No. CIR/CFD/CMD/56/2016 Dated May 27, 2016.

The Meeting of Board of Directors was commenced at 2.00 p.m. and concluded at 3.30 pm.

You are requested to take the same on your records.

Yours faithfully,

For and Behalf of  
Parmax Pharma Limited

  


Alkesh Gosalia  
Managing Director (Finance and Operation)

## Statement of Standalone Audited Results for the Quarter and Year Ended 31.03.2018

(in Rs.)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
(Refer Notes Below)		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
I.	Revenue from operations	32261325	18686906	31592065	120126358	119015986
II.	Other income	327820	67258	181290	481988	472423
III.	<b>Total Income (I+II)</b>	<b>32589145</b>	<b>18754164</b>	<b>31773355</b>	<b>120608346</b>	<b>119488409</b>
IV.	<b>Expenses</b>					
	(a) Cost of materials consumed	1958588	9207125	13289710	39233109	70645775
	(b) Purchase of stock-in-trade	0	0	0	0	0
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-2335568	-1295207	-3758815	12174762	-12830395
	(d) Employee benefits expense	5283443	5352005	2706351	20754610	21313498
	(e) Finance Costs	-48222	37035	56933	325496	335776
	(f) Depreciation and amortisation expense	2559484	2595586	3103261	10302507	10929861
	(g) Other expenses	16345164	5771995	13536115	36836606	29077352
	<b>Total expenses (IV)</b>	<b>23762889</b>	<b>21668539</b>	<b>28933555</b>	<b>119627090</b>	<b>119471867</b>
V.	<b>Profit/(Loss) from operations before exceptional items and tax (I-IV)</b>	<b>8826256</b>	<b>-2914375</b>	<b>2839800</b>	<b>981256</b>	<b>16542</b>
VI.	Exceptional Items	0	0	0	0	0
VII.	<b>Profit/ (Loss) before tax (V-VI)</b>	<b>8826256</b>	<b>-2914375</b>	<b>2839800</b>	<b>981256</b>	<b>16542</b>
VIII.	Tax expense:					
	(1) Current tax	750000	0	0	750000	250000
	(2) Deferred tax	-555741	0	0	-555741	-238884
IX.	<b>Net Profit / (Loss) for the period from continuing operations (VII-VIII)</b>	<b>8631997</b>	<b>-2914375</b>	<b>2839800</b>	<b>786997</b>	<b>5426</b>
X.	Profit/(loss) from discontinued operations	0	0	0	0	0
XI.	Tax expense of discontinued operations	0	0	0	0	0
XII.	<b>Profit/(loss) from Discontinued operations (after tax) (X-XI)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
XIII.	<b>Profit (Loss) for the period (IX+XII)</b>	<b>8631997</b>	<b>-2914375</b>	<b>2839800</b>	<b>786997</b>	<b>5426</b>
XIV.	Other Comprehensive Income					
	A. (i) Items that will not be reclassified to profit or loss					
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0	0	0	0	0
	B. (i) Items that will be reclassified to profit or loss					
	(ii) Income tax relating to items that will be reclassified to profit or loss					
XV.	<b>Total Comprehensive Income for the period (XIII+XIV) Comprising Profit (Loss) and Other comprehensive Income for the period)</b>	<b>8631997</b>	<b>-2914375</b>	<b>2839800</b>	<b>786997</b>	<b>5426</b>
XVI.	<b>Paid-up equity share capital (Face Value Rs 10)</b>	<b>37413000</b>	<b>37413000</b>	<b>37413000</b>	<b>37413000</b>	<b>37413000</b>
XVII.	<b>Earnings per share (for continuing operation &amp; discontinuing operation) (of Rs. 10/- each):</b>					
	(a) Basic	2.31	-0.78	0.76	0.21	0.00
	(b) Diluted		-			





**Notes:**

1. The above unaudited financial results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 30th May, 2019 and the same have been audited by the Statutory Auditors in compliance with Regulation 33 of SEBI (LODR) Reg., 2015. The Statutory Auditors have issued an unqualified audit report.
2. The Company is operating in single (pharmaceutical) segment, so above results are for single segment only.
3. Statement of Audited Financial Results of the company for the quarter and year ended 31st March, 2019, in the prescribed format under Schedule III of Companies Act, 2013
4. The figures for the previous period have been regrouped wherever necessary.

**FOR. PARMAX PHARMA LIMITED**



**Alkesh Gosalia**  
**Managing Director (Finance and Operations)**

Place: Hadamtala (Rajkot)  
Date: 30.05.2019

## Statement of Assets and Liabilities

Sr. No.	Particulars	As at 31.03.2019 (Audited)	As at 31.03.2018 (Audited)
I.	<b>Assets</b>		
1	Non-current assets		
	(a) Property, Plant and Equipment	49178115	58626140
	(b) Capital work-in-progress	33084385	0
	(c) Investment Property	0	0
	(d) Goodwill	0	0
	(e) Other Intangible assets	0	0
	(f) Intangible assets under development	0	0
	(g) Biological Assets other than bearer plants	0	0
	(h) Financial Assets	0	0
	(i) Investments	2006000	6000
	(ii) Trade receivables	0	0
	(iii) Loans	1686813	780699
	(i) Deferred tax assets (net)	794625	238884
	(j) Other non-current assets	19806997	15492466
	<b>Total Non-Current Assets</b>	<b>106556934</b>	<b>75144189</b>
2	Current assets		
	(a) Inventories	39696524	32178226
	(b) Financial Assets	0	0
	(i) Investments	0	0
	(ii) Trade receivables	11460215	19720057
	(iii) Cash and cash equivalents	15674079	9576862
	(iv) Bank balances other than (iii) above	0	0
	(v) Loans	23505599	29644061
	(vi) Others (to be specified)	0	0
	(c) Current Tax Assets (Net)	0	0
	(d) Other current assets	0	0
	<b>Total Current Assets</b>	<b>90336417</b>	<b>91119206</b>
	<b>Total Assets</b>	<b>196893351</b>	<b>166263392</b>
II.	<b>EQUITY AND LIABILITIES</b>		
1	Equity		
	(a) Equity Share capital	44511500	44511500
	(b) Other Equity	1841656	1054659
	<b>Total Equity</b>	<b>46353156</b>	<b>45566159</b>
2	LIABILITIES		
i.	Non-current liabilities		
	(a) Financial Liabilities	0	0
	(i) Borrowings	52386207	19598216
	(ii) Trade payables	0	0
	(iii) Other financial liabilities (other than those specified in item (b), to be specified)	0	0
	(b) Provisions	0	0
	(c) Deferred tax liabilities (Net)	0	0
	(d) Other non-current liabilities	0	0
	<b>Total of Non-Current Liabilities</b>	<b>52386207</b>	<b>19598216</b>
ii.	Current liabilities		
	(a) Financial Liabilities	0	0
	(i) Borrowings	0	0
	(ii) Trade payables	91855912	96484318
	(iii) Other financial liabilities (other than those specified in item (c))	0	0
	(b) Other current liabilities	3239479	2131148
	(c) Provisions	3058593	2483551
	(d) Current Tax Liabilities (Net)	0	0
	<b>Total of Current Liabilities</b>	<b>98153984</b>	<b>101099017</b>
	<b>Total Equity and Liabilities</b>	<b>196893351</b>	<b>166263392</b>

FOR, PARMAX PHARMA LIMITED



**Alkesh Gosalia**  
**Managing Director**  
 (Finance and Operations)



Place: Hadamtala (Rajkot)  
 Date: 30.05.2019

**Regd. Off. & Factory :** Plot No. 20, Survey No. 52, Rajkot-Gondal National Highway No. 27, Hadamtala, Tal. Kotda Sangani, Dist. Rajkot-360 311, Gujarat, INDIA. **Tel.:** Fac:+91-2827-270534 - 35 **Fax :** +91-2827-270536 **e-mail :** info@parmaxpharma.com **CIN :** L24231GJ1994PLC023504

**Correspondence Add.:** A/1102, Bilipatra Apts., B/h. Balaji Hall, Nr. Dholakiya School, Off. 150 Ft. Ring Road, Nana Mauva, Rajkot – 360 004, Gujarat (INDIA)



# B A SHAH S R MEHTA & Co.

## Chartered Accountants

Partner  
**Shailesh R Mehta**  
B.Com. F.C.A.  
M.No. 038000

Partner  
**Malay B Shah**  
B.Com. F.C.A.  
M. No. 159526

Partner  
**Zarna M Shah**  
M.Com. F.C.A.,DISA  
M. No. 144246

**Independent Auditor's Report on annual financial results of PARMAX PHARMA LIMITED pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

### INDEPENDENT AUDITOR'S REPORT

**TO THE BOARD OF DIRECTORS OF  
PARMAX PHARMA LIMITED**

1. We have audited the accompanying Statement of Financial Results of **PARMAX PHARMA LIMITED** ("the company") for the quarter and year ended March 31, 2019 ("the Statement"), being submitted by Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5,2016.
2. This Statement is the responsibility of the Company's Management and is approved by Board of Directors. The Statement, as it relates to the quarter ended March 31,2019 and for the year ended March 31, 2019, has been compiled from the related Interim financial statements prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") and as it relates to the year ended March 31,2019, has been compiled from the related annual financial statements prepared in accordance with Indian Accounting Standards, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express opinion on the Statement based on our audits of such interim financial statements and annual financial statements.
3. We conducted our audits in accordance with auditing standards generally accepted in India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation and fair presentation of the Statement 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 the Company's internal financial controls. An audit also includes



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**Branch Office:**  
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# B A SHAH S R MEHTA & Co.

## Chartered Accountants

Partner  
**Shailesh R Mehta**  
B.Com. F.C.A.  
M.No. 038000

Partner  
**Malay B Shah**  
B.Com. F.C.A.  
M. No. 159526

Partner  
**Zarna M Shah**  
M.Com. F.C.A.,DISA  
M. No. 144246

evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

#### 4. Basis of Qualified Opinion

Company has maintained stock records up till Raw material cost however conversion cost as required under IND AS 2- INVENTORIES has not been maintained/made available by company to verify and quantify value of W I P Stocks and its impact on true and correctness of Financial Statements prepared in accordance with Indian Accounting Standards, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

#### 5. In our opinion and to the best of our information and according to the explanations given to us, subject to the matter referred to in **Basis of Qualified Opinion Paragraph 4** above, the outcome and consequent adjustment to these financial results of which **cannot be** presently determined, The Statement:

- i) include the quarterly and year to date financial results of the company.
- ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5,2016; and
- iii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of **the Net profit** and total comprehensive income and other financial information of the group for the quarter and year ended March 31, 2019 with attention to the above matter.

For **B A SHAH S R MEHTA & Co**  
Chartered Accountants

FRN/ 128796W

*Malay B Shah*  
Malay B Shah  
M.No.159526



Place: Rajkot

Date: 30.05.2019

#### Head Office:

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**Statement on Impact of Audit Qualifications (for audit report with qualified opinion) submitted along-with Annual Audited Financial Results for the year ended March 31, 2019 [See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulation , 2016]**

Sl. No.	Particulars	Audited figures (as reported before adjusting qualifications)	Adjusted Figures(Audited figures after adjusting for qualifications)
1.	Turnover / Total income	120608346	120608346
2.	Total Expenditure	119627090	119627090
3.	Net Profit/(Loss)	981256	981256
4.	Earnings Per Share	0.21	0.21
5.	Total Assets	196893351	196893351
6.	Total Liabilities	150540195	150540195
7.	Net Worth	46353156	46353156
8.	Any other financial item(s) (as felt appropriate by the management)		

**\*NO adjustment made as impact not quantifiable**

**II. Audit Qualification**

**a.Details of Audit qualification:**

Company has maintained stock records at Raw material cost however conversion cost as per IND AS 2- INVENTORIES has not been maintained/made available by company to verify and quantify value of WIP Stocks and its impact on true and correctness of Financial Statements prepared in accordance with Indian Accounting Standards, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

**b. Type of Audit qualification :** Qualified Opinion

**c. Frequency of qualification:** First time

**d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:**

Not Applicable





**e. For Audit Qualification(s) where the impact is not quantified by the auditor:**

**(i) Management's estimation on the impact of audit qualification:**

The Company is in to the business of Manufacturing of Bulk Drugs & Drug Intermediates, The Company has mainly two business models : i) Manufacturing of Products for its Principal(s) on contract manufacturing / job work basis where RMs validation process is provided by principal and ii) Company's own developed products, which are manufactured against receipt of orders. In both models the manufacturing process has different number of stages, different production parameters and different time cycle at end of the year different products are lying in different condition at different stages.

The Company manufactured these products against Purchase Order (P.O.) raised by its customers and some of its material were lying in its finished form, which could not be dispatched due to certain issues with customers at the end of financial year hence due to these factors, valuation of Work-in Progress (WIP) becomes more complex and complicated, to have exact valuation / estimation of various WIP and semi finished stocks by the Auditors.

Due to application of different methods by the Auditors and Company's management for evaluation of Inventories, the estimated impact will be approximately of Rs. 44,50,000/- in Profit and Loss account.

**(ii) If management is unable to estimate the impact, reasons for the same**

Not Applicable

**(iii) Auditor's comments on (i) or (ii) above :**

As per the explanation provided by the management in point (i) above- the impact of valuation of inventory lying in work in progress at various stages and being subject to approval by company's buyers at respective stage till product becomes final and in dispatch form, seems reasonable on understanding complex manufacturing processes and in turn its valuation part affecting profit of the company.

For **B A SHAH S R MEHTA & Co**

Chartered Accountants

FRN: 128796W

*Malay B. Shah*

Malay B Shah  
M.No.159526

Place: Rajkot  
Date: 30.05.2019



For, **Parmax Pharma Ltd**



*A.K. Gosalia* Managing Director  
*Asha Daftary* Chairman  
*Keyur Vora* CFO  
(Finance and Operations) Audit Committee  
Alkesh Gosalia Asha Daftary Keyur Vora  
DIN: 01130615 DIN: 07433167 PAN: AAYPV6633Q