



PHAARMASIA

Phaarmasia Ltd.

16, Phase III, IDA, Jeedimetla, Hyderabad - 500 055. INDIA.
Tel : 91-40-23095002 / 23095690, Fax : 91-40-23097323
E-mail : phaarmasia@gmail.com URL: www.phaarmasia.com

CIN: L24239TG1981PLC002915

30th May, 2017

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.

Dear Sir,

Sub.: Declaration regarding Audit report with unmodified opinion with respect to Annual Audited Financial Results for the financial year ended 31st March, 2017.

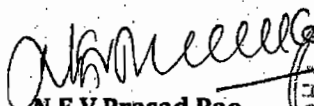
Ref: Scrip Code - 523620 (Phaarmasia Limited)

Pursuant to regulation 33(3)(d) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, it is hereby declared and confirmed that Auditors Report obtained from M/s. K. S. Ramakrishna & Co. Chartered Accountants, on Annual Audited Financial Results of the Company for the financial year ended 31st March, 2017 has an unmodified opinion.

Kindly take the above information on your records.

Yours faithfully,

FOR PHAARMASIA LIMITED


N.E.V Prasad Rao
Chief Financial Officer





INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
M/s PHAARMASIA LIMITED, HYDERABAD

Report on the Financial Statements

We have audited the accompanying financial statements of "M/s PHAARMASIA LIMITED", which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash flow statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and Cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at **31st March, 2017**;
- b) In the case of the Statement of Profit and Loss, of the *Profit* for the year ended on that date;
- c) In the case of the Cash Flow Statement, of the Cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A, a statement on the matters Specified in paragraphs 3 and 4 of the Order.

As required by section 143(3) of the Act, we further report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet , Statement of Profit and Loss and Cash flow statement , dealt with by this Report are in agreement with the books of account;



- d. In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014
- e. On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- (i) The Company does not have any pending litigations which would impact its financial Position;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.
 - (iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note [29.3];

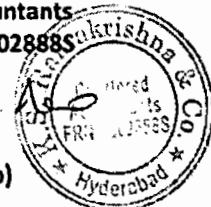
Place : Hyderabad
Date : 30-05-2017

For K.S.Ramakrishna & Co.,
Chartered Accountants
Firm Regn No: 0028885

K. Rama Rao

(K.Rama Rao)
Partner

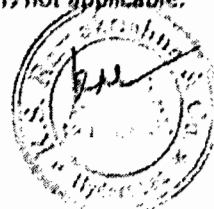
Membership No.206039



ANNEXURE-A TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its Fixed Assets:
 - a. The company has maintained proper records showing full particulars, including quantitative details and situations of Fixed Assets.
 - b. As per the information and explanation given to us, the Fixed Assets of the company have been physically verified by the management according to the phased programme, which is designed to cover all the Fixed Assets, at reasonable intervals and the said programme is considered reasonable, and no material discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company. The Company has taken 1233.14 Square Meters of land on lease for its unit II from Divya Lakshmi Enterprises for a period of 80 years.
- (ii) In respect of its Inventories:
 - a. As explained to us, Inventories have been physically verified by the management at regular intervals during the year.
 - b. In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c. The company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- (iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act; therefore the provisions of sub clauses (a), (b) and (c) of clause 2 (iii) of CARO, 2016 are not applicable to the Company;
- (iv) According to information given to us, the company has not given any loans, has not done any investment, not given any guarantees and provided securities which are covered u/s 185 and 186 of the companies Act, 2013. Hence this clause is not applicable.



- (v) According to the information and explanation given to us, the company has not accepted deposits within the meaning of the provisions of sections 73 to 76 of the Companies Act and the rules framed there under; therefore the provisions of this clause is not applicable to the Company;
- (vi) As informed to us, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.
- (vii)(a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
- (b) According to the information and explanation given to us, there are no dues payable on account of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess pertaining to any dispute with the relevant authorities other than those mentioned in the notes to accounts.
- (viii) According to the information and explanation given to us, the Company has not Defaulted in repayment of dues to a financial institution or bank, Government or dues to debenture holders.
- (ix) According to the information and explanation to us, the company has no moneys raised by way of public offers (including debt instruments) no has the company taken any term loan.
- (x) Based on the audit procedures applied and according to the information and explanation given to us, we report that no fraud on or by the company has been noticed or reported during the year under audit.
- (xi) The Managerial Remuneration is paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) The company is not a Nidhi Company.
- (xiii) According to information given to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;



- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For K.S.Ramakrishna & Co.,
Chartered Accountants
Firm Regn No: 002888S

K. Rama

(K.Rama Rao)
Partner

Membership No.206039



Place : Hyderabad
Date : 30-05-2017

Annexure - B to INDEPENDENT AUDITOR'S REPORT even date on the standalone Financial Statements of PHAARMASIA LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/s PHAARMASIA LIMITED, Limited ("the Company") as on 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

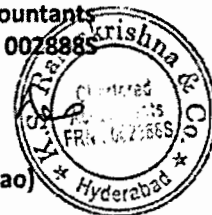
Place : Hyderabad
Date : 30-05-2017

For K.S.Ramakrishna & Co.,
Chartered Accountants
Firm Regn No: 0028885

K. Rama Rao

(K.Rama Rao)
Partner

Membership No.206039



PHAARMASIA LIMITED


Regd. office: PLOT NO.16, PHASE III, I.D.A, JEEDIMETLA, HYDERABAD - 500 055

CIN: L24239TG1981PLC002915, EMAIL ID: pharماسيا@gmail.com, Phone No: 040-23095002; Website: www.pharماسيا.com

SCRIP CODE: 523620

PART - I		Rs. In lakhs (Except Earnings Per Share)				
Statement of Standalone Audited Results for the quarter and year ended 31st March, 2017						
SR. NO.	Particulars	Quarter Ended			Year ended	
		31.03.2017 (Audited)	31.12.2016 (Unaudited)	31.03.2016 (Audited)	31.03.2017 (Audited)	31.03.2016 (Audited)
1	Income from Operations					
	a) Net Sales / Income from Operations (Net of Excise Duty)	491.89	375.77	351.08	1435.94	1315.51
	b) Other Operating Income	13.25	12.78	11.58	58.29	53.40
	Total Income from operations (net)(a+b)	505.13	388.55	362.66	1494.22	1368.91
2	Expenses					
	a. Cost of Material Consumed	219.01	140.41	174.16	649.34	594.12
	b. Purchase of Stock-in-trade	14.70	9.45	0.00	24.15	0.00
	c. (Increase)/Decrease in inventories of finished goods, work-in-progress and stock -in-trade	1.88	28.85	14.39	-0.22	-5.39
	d. Employee benefits expense	48.70	41.29	51.35	155.47	156.26
	e. Depreciation and Amortisation expense	11.17	11.11	2.55	44.03	49.56
	f. Other Expenses	207.39	146.92	127.29	594.58	548.80
	Total Expenses	502.86	378.03	369.75	1467.36	1343.36
3	Profit / (Loss) from Operations before other Income, finance costs and exceptional items (1 - 2)	2.28	10.52	-7.08	26.87	25.55
4	Other Income	0.00	0.00	0.00	0.00	0.00
5	Profit / (Loss) from Operations before finance costs and exceptional items (3 ± 4)	2.28	10.52	-7.08	26.87	25.55
6	Finance Costs	-0.19	0.32	-0.42	0.85	1.06
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)	2.09	10.20	-6.66	26.02	24.49
8	Exceptional Items	0.00	0.00	0.00	0.00	0.00
9	Profit / (Loss) from Ordinary Activities before tax (7 ± 8)	2.09	10.20	-6.66	26.02	24.49
10	Add/Less :Tax Expense-Current	-7.10	-3.06	-5.15	-14.28	-14.49
	Add/Less :Tax Expense-Earlier Years	0.00	0.00	-5.83	0.00	-5.83
11	Net Profit / (Loss) from Ordinary Activities after tax (9 ± 10)	-5.01	7.14	-17.63	11.74	4.18
12	Extraordinary Items	0.00	0.00	0.00	0.00	0.00
13	Net Profit / (Loss) from Ordinary activities for the period (11 ± 12)	-5.01	7.14	-17.63	11.74	4.18
14	Share of Profit / (loss) of associates	0.00	0.00	0.00	0.00	0.00
15	Minority Interest	0.00	0.00	0.00	0.00	0.00
16	Net/(loss) after taxes, minority interest and share of profit/(loss) of associates(13±14±15)*	-5.01	7.14	-17.63	11.74	4.18
17	Paid-up equity share capital (Face Value Rs 10/- per share)	682.70	682.70	682.70	682.70	682.70
18	Reserves excluding Revaluation Reserves	96.87	96.87	96.87	96.87	96.87
19 i	Earnings Per Share (before extrodinary Items) (Rs. 10/- each) (Not Annulised) :					
	(a) Basic	-0.073	0.105	-0.258	0.172	0.061
	(b) Diluted	-0.073	0.105	-0.258	0.172	0.061
19 ii	Earning Per Share (after extrodinary Items) (of Rs. 10/- each)					
	(a) Basic	-0.073	0.105	-0.258	0.172	0.061
	(b) Diluted	-0.073	0.105	-0.258	0.172	0.061

For Pharماسيا Limited

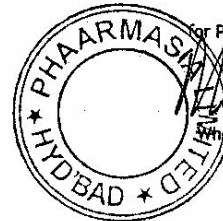

Y.N. Bhaskara Rao
Whole-Time Director
DIN: 00019052

Statement of Asset and Liabilities			
Sr. No.	Particulars	As At 31.03.2017	As At 31.03.2016
A EQUITY AND LIABILITIES			
1	Shareholders' funds		
	(a) Share capital	682.70	682.70
	(b) Reserves and surplus	516.02	504.28
	Sub-total - Shareholders' funds	1198.72	1186.98
2	Minority Interest *	0.00	0.00
3	Non-current liabilities		
	(a) Long-term borrowings	4.58	6.85
	(b) Deferred tax liabilities (net)	0.00	0.00
	(c) Other long-term liabilities	46.85	40.25
	Sub-total - Non-current liabilities	51.44	47.09
4	Current liabilities		
	(a) Short-term borrowings		
	(b) Trade payables	539.75	348.53
	(c) Other current liabilities	105.99	234.84
	(d) Short-term provisions	64.93	52.28
	Sub-total - Current liabilities	710.67	635.65
	TOTAL - EQUITY AND LIABILITIES	1960.83	1869.72
B ASSETS			
1	Non-current assets		
	(a) Fixed assets	1374.44	1411.38
	(b) Non-current investments	0.00	0.00
	(c) Deferred tax assets (net)	6.46	6.46
	(d) Long-term loans and advances	23.19	11.93
	(e) Other non-current assets	0.00	0.00
	Sub-total - Non-current assets	1404.09	1429.77
2	Current assets		
	(a) Current Investments		
	(b) Inventories	103.02	18.92
	(c) Trade receivables	356.41	290.51
	(d) Cash and cash equivalents	15.13	44.16
	(e) Short-term loans and advances	0.26	0.26
	(f) Other current assets	81.92	86.09
	Sub-total - Current assets	556.74	439.95
	TOTAL - ASSETS	1960.83	1869.72

Notes:

- 1) The above Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 30th May, 2017.
- 2) The Previous period/year figures are regrouped/ rearranged wherever necessary.

Hyderabad
30.05.2017



For PHAARMASIA LIMITED

N. Bhaskar Rao
Whole - Time Director
DIN: 00019052