

**National Stock Exchange of India Ltd,**  
Exchange Plaza, 5th Floor,  
Plot No. C/1, G Block,  
Bandra Kurla Complex,  
Bandra (East),  
Mumbai – 400 051.

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

Dear Sir/ Madam,

**Sub: Outcome of Board Meeting held on 17<sup>th</sup> May 2021.**

The Board of Directors of the Company at their meeting held from 06:00 pm to 09:15 pm today, *inter alia*, took the following decisions:

- i. Took on record and duly approved the Audited Financial Results of the Company for the quarter and year ended 31<sup>st</sup> March 2021 which is enclosed herewith along with the Auditors' Report on the Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2021 as **Annexure 1.**

In terms of second proviso to regulation 33(3)(d) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, a declaration by CFO confirming that the Auditors have given an Unmodified Opinion on the Annual Audited Financial Results of the Company for the financial year ended 31<sup>st</sup> March 2021 is also enclosed as **Annexure 2.**

- ii. Accepted the resignation of Mr. Debashis Dey as the Company Secretary and Compliance Officer of the Company after the end of working hours on Friday, 25<sup>th</sup> June 2021.

This is for your information and record.

Thanking you,

Yours faithfully,

For **Sun Pharma Advanced Research Company Ltd**



**Debashis Dey**  
Company Secretary

**Encls:** A/a

Independent Auditor's Report on the Quarterly and Year to Date Audited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To  
The Board of Directors of  
Sun Pharma Advanced Research Company Limited

Report on the audit of the Financial Results

### Opinion

We have audited the accompanying statement of quarterly and year to date standalone financial results of Sun Pharma Advanced Research Company Limited (the "Company") for the quarter and year ended March 31, 2021 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

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

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss and other comprehensive loss and other financial information of the Company for the quarter and year ended March 31, 2021.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended (the "Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements 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 Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

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## Management's Responsibilities for the Financial Results

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive loss of the Company and other financial information in accordance with the applicable accounting standards 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 of 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, 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 Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement 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 the Statement.

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 Statement, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

# **S R B C & C O L L P**

Chartered Accountants

- 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 Company's ability 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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.

## Other Matter

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S R B C & C O L L P  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

per Paul Alvares  
Partner  
Membership No.: 105754

UDIN: 21105754AAAACN4235

Place of Signature: Pune  
Date: May 17, 2021

## Sun Pharma Advanced Research Company Limited

Regd. Office: Plot No. 5 & 6/1, Savli, G. I. D. C. Estate, Savli - Vadodara Highway,

Manjusar, Vadodara – 391 775. Tel. : +91-2667 666800

CIN : L73100GJ2006PLC047837. Website : www.sparc.life

### Statement of Audited Financial Results for the Quarter and Year Ended March 31, 2021

₹ in Lakhs

Particulars	Quarter ended			Year ended	Year ended
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Audited	Unaudited	Audited	Audited	Audited
	(Refer Note 6)		(Refer Note 6)		
Revenue from operations	2,806	2,181	2,271	25,296	7,682
Other income	33	160	312	541	976
<b>Total income</b>	<b>2,839</b>	<b>2,341</b>	<b>2,583</b>	<b>25,837</b>	<b>8,658</b>
<b>Expenses</b>					
Cost of materials consumed	218	559	449	1,818	2,392
Employee benefits expense	2,210	2,265	2,438	9,158	9,309
Clinical trial expenses / products development expense	3,403	3,451	6,695	18,823	16,893
Professional charges	1,150	1,247	1,384	4,972	4,228
Finance costs	402	350	157	1,065	267
Depreciation and amortisation expense	260	276	273	1,092	948
License and fees	79	74	73	945	2,398
Other expense	789	881	1,068	3,078	3,463
<b>Total expenses</b>	<b>8,511</b>	<b>9,103</b>	<b>12,537</b>	<b>40,951</b>	<b>39,898</b>
<b>Loss before tax</b>	<b>(5,672)</b>	<b>(6,762)</b>	<b>(9,954)</b>	<b>(15,114)</b>	<b>(31,240)</b>
Tax expense	-	-	-	-	-
<b>Loss for the year</b>	<b>(5,672)</b>	<b>(6,762)</b>	<b>(9,954)</b>	<b>(15,114)</b>	<b>(31,240)</b>
<b>Other comprehensive income / (loss) (OCI)</b>					
Items that will not be reclassified to profit or loss (net actuarial gain / (loss) on employee defined benefit plan)	350	(66)	(307)	153	(247)
<b>Total comprehensive income / (loss) for the year</b>	<b>(5,322)</b>	<b>(6,828)</b>	<b>(10,261)</b>	<b>(14,961)</b>	<b>(31,487)</b>
Paid-up equity share capital (Face value ₹ 1 each)	2,621	2,621	2,621	2,621	2,621
Other equity				(19,446)	(4,485)
Basic and diluted earnings per share of ₹ 1 each	(2.16)	(2.58)	(3.80)	(5.77)	(11.92)
	Not annualised	Not annualised	Not annualised		
<i>See accompanying notes to the audited financial results</i>					

#### Notes :

- 1 The above audited financial results have been prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as amended, prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued there under and as per the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and have been taken on record by the Board of Directors at its meeting held on May 17, 2021 after being reviewed by the Audit Committee.
- 2 The Company has only one reportable business segment namely 'Pharmaceutical Research & Development'.
- 3 The Company has a negative net worth as at March 31, 2021 and the current liabilities exceed current assets. The board of directors of the Company, at its meeting held on May 12, 2021, has approved preferential issue of warrants each convertible into one equity shares of the Company, to raise fund upto of ₹ 1,20,096.96 Lakhs. The Company has also received a financial support letter from its parent Company which is valid till the time the Company is able to raise funds from external sources.
- 4 The global wide spread of COVID-19 has been a fluid and challenging situation facing all the industries. The Company has taken all possible effective measures to limit and keep the impact of COVID-19 under control in order to ensure business continuity with minimal disruption. The Company has considered internal and external information while finalizing various estimates in relation to its audited financial results captions upto the date of approval of the audited financial results by the Board of Directors. The Company continues to pay close attention to the development of COVID-19, and will further evaluate and actively respond to such impact on the financial position and financial performance of the Company.
- 5 The date of implementation of the Code on Wages 2019 and the Code on Social Security, 2020 is yet to be notified by the Government. The Company will assess the impact of these Codes and give effect in the subsequent financial results when the Rules/Schemes thereunder are notified.
- 6 The figures of the last quarters are the balancing figures between audited figures in respect of the full financial year up to March 31, 2021 and the unaudited published year-to-date figures up to December 31, 2020, being the date of the end of the third quarter of the respective financial years which were subjected to limited review.
- 7 Previous period figures have been regrouped / rearranged, wherever necessary.

By order of the Board

Dilip S. Shanghvi  
Chairman and Managing Director

Mumbai, May 17, 2021

**Sun Pharma Advanced Research Company Limited**  
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 Manjusar, Vadodara – 391 775. Tel. : +91-2667 666800  
 CIN : L73100GJ2006PLC047837. Website : www.sparc.life  
**Statement of Audited Assets and Liabilities as at March 31, 2021**

	₹ in Lakhs	
Particulars	As at 31.03.2021 Audited	As at 31.03.2020 Audited
<b>ASSETS</b>		
<b>(A) Non-current assets</b>		
(a) Property, plant and equipment	8,987	10,299
(b) Capital work-in-progress	523	357
(c) Other intangible assets	69	88
(d) Intangible assets under development	-	2,849
(e) Financial assets		
(i) Loans	40	0
(f) Deferred tax assets (Net)	-	-
(g) Income tax assets (Net)	7,024	6,771
(h) Other non-current assets	15	173
<b>Total non-current assets (A)</b>	<b>16,658</b>	<b>20,537</b>
<b>(B) Current assets</b>		
(a) Financial assets		
(i) Investments	643	849
(ii) Trade receivables	1,758	1,605
(iii) Cash and cash equivalents	930	35
(iv) Bank balance other than cash and cash equivalents	1	11
(v) Loans	7	77
(vi) Other financial assets	0	0
(b) Other current assets	2,642	4,142
<b>Total current assets (B)</b>	<b>5,981</b>	<b>6,719</b>
<b>(C) Assets held for sale</b>	<b>331</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>22,970</b>	<b>27,256</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	2,621	2,621
(b) Other equity	(19,446)	(4,485)
<b>Total equity</b>	<b>(16,825)</b>	<b>(1,864)</b>
<b>Liabilities</b>		
<b>(A) Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	11,672	638
(b) Other liabilities	3,924	3,924
(c) Provisions	864	1,023
<b>Total non-current liabilities (A)</b>	<b>16,460</b>	<b>5,585</b>
<b>(B) Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	8,000	6,000
(ii) Trade payables		
(a) Total outstanding dues of micro and small enterprises	7	1
(b) Total outstanding dues of creditors other than micro and small enterprises	9,899	15,883
(iii) Other financial liabilities	4,345	459
(b) Other current liabilities	509	661
(c) Provisions	575	531
<b>Total current liabilities (B)</b>	<b>23,335</b>	<b>23,535</b>
<b>Total liabilities</b>	<b>39,795</b>	<b>29,120</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>22,970</b>	<b>27,256</b>

\*All "0" represents amounts less than ₹ 1 Lakh.

## Sun Pharma Advanced Research Company Limited

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### Statement of Audited Cash Flow for the Year Ended March 31, 2021

₹ in Lakhs

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
	Audited	Audited
<b>A. Cash flow from operating activities</b>		
Loss before tax	(15,114)	(31,240)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	1,092	948
Profit on sale/write off of property, plant and equipment (net)	(26)	(13)
Finance costs	1,065	267
Interest income	0	(1)
Net Gain on sale of financial assets measured at fair value through profit or loss	(56)	(614)
Net Gain arising on financial assets measured at fair value through profit or loss	0	(53)
Net unrealised foreign exchange loss	61	410
Sundry balances written back, net	(20)	-
Products development expense	2,849	-
<b>Operating loss before working capital changes</b>	<b>(10,149)</b>	<b>(30,296)</b>
<b>Working capital adjustments :</b>		
(Increase) / decrease in trade receivables	(154)	(583)
(Increase) / decrease in other assets	1,535	(632)
Increase / (decrease) in trade payables	(6,018)	7,178
Increase / (decrease) in other liabilities	(188)	3,988
Increase / (decrease) in provisions	37	250
<b>Cash used in operations</b>	<b>(14,937)</b>	<b>(20,095)</b>
Income tax paid (net of refund)	(252)	(986)
<b>Net cash used in operating activities (A)</b>	<b>(15,189)</b>	<b>(21,081)</b>
<b>B. Cash flow from investing activities</b>		
Payments for purchase of property, plant and equipment (including capital work-in-progress, intangible assets and intangible assets under development)	(600)	(5,404)
Proceeds from disposal of property, plant and equipment	482	39
Proceeds from sale/(used in) purchase of investments (net)	263	20,876
Bank balances not considered as cash and cash equivalents		
Fixed deposits placed	(1)	(10)
Fixed deposits matured	10	31
Earmarked balances with banks	-	1
Interest received	1	2
<b>Net cash generated from investing activities (B)</b>	<b>155</b>	<b>15,535</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from borrowings	40,500	6,000
Re-payment of borrowings*	(23,759)	(258)
Paid to investor education and protection fund	-	(1)
Interest paid	(813)	(195)
<b>Net cash generated from financing activities (C)</b>	<b>15,929</b>	<b>5,546</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>895</b>	<b>0</b>
Cash and cash equivalents at the beginning of the year	35	35
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	0	-
Cash and cash equivalents at the end of the year	<b>930</b>	<b>35</b>
* Includes payment of lease obligation.		
**All "0" represents amounts less than ₹ 1 Lakh.		





Annexure 2

17<sup>th</sup> May 2021

**National Stock Exchange of India Ltd,**  
Exchange Plaza, 5th Floor,  
Plot No. C/1, G Block,  
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Bandra (East),  
Mumbai – 400 051.

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

*Ref: Scrip Code: NSE: SPARC; BSE: 532872*

Dear Sir/ Madam,

**Sub: Declaration in terms of regulation 33(3)(d) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.**

In terms of second proviso to regulation 33(3)(d) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, we confirm that the Auditors have given an Unmodified Opinion on the Annual Audited Financial Results of the Company for the financial year 2020-21.

Thanking you,

Yours faithfully,  
For **Sun Pharma Advanced Research Company Ltd**

**Chetan Rajpara**  
Chief Financial Officer