



SPARC/Sec/SE/2023-24/014

May 22, 2023

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

Scrip Symbol: SPARC

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

Scrip Code: 532872

Dear Sir/ Madam,

Sub: Outcome of the Board Meeting held today i.e. May 22, 2023

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we hereby intimate that the Board of Directors of the Company at its meeting held today i.e. May 22, 2023, inter alia, have

1. considered and approved the Audited Financial Results for the quarter and financial year ended March 31, 2023.

Pursuant to Regulation 30 and 33 of the Listing Regulations, we enclose herewith the following:

- a) Audited Financial Results of the Company, for the quarter and year ended March 31, 2023
 - b) Auditor's Report on the aforesaid Audited Financial Results of the Company
 - c) Declaration regarding Auditor's Report with unmodified opinion.
2. considered and approved for seeking approval from the shareholders of the Company by passing an enabling special resolution at the ensuing Annual General Meeting of the Company, to authorize the Board to raise the funds by way of issuing equity shares, convertible warrants, preference shares/ bonds /debentures /any other instruments whether convertible into equity or not, American Depository Receipts ("ADRs"), Global Depository Receipts ("GDRs"), Foreign Currency Convertible Bonds ("FCCBs"), or any other securities (hereinafter collectively referred to as "Securities") or combination of such Securities, in one or more tranches, by way of public / private offerings, qualified institutions placement, rights offering or any combination thereof or through any other permissible mode in accordance with applicable laws, for an aggregate consideration of up to Rs.1,800 Crores (Rupees One Thousand Eight Hundred Crores Only) or in equivalent foreign currency, subject to necessary approvals as may be required under the applicable laws.

Sun Pharma Advanced Research Company Ltd.

17/B, Mahal Industrial Estate, Off Mahakali Caves Road, Andheri (East), Mumbai 400 093, Maharashtra, India.
Tel.: (91-22) 6645 5645 | Fax.: (91-22) 6645 5685 | CIN: L73100GJ2006PLC047837 | Website: www.sparc.life

Registered office : Plot no. 5&6/1, Savli GIDC Estate, Manjusar 391775, District: Vadodara, Gujarat, India.



The meeting of the Board of Directors of the Company commenced at 11:30 hours and concluded 13:30 hours.

This is for your information and dissemination.

For **Sun Pharma Advanced Research Company Ltd.**

Dinesh Lahoti
Company Secretary and Compliance Officer
ICSI Membership No.: A22471

Encl: As above

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 financial results of Sun Pharma Advanced Research Company Limited (the "Company") for the quarter and year ended March 31, 2023 (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, 2023.

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.

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.
- 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



S R B C & CO LLP

Chartered Accountants

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, 2023 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2023 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 & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Amit Singh

Partner

Membership No.: 408869

UDIN: **23408869B6XKKB7385**

Place of Signature: Mumbai

Date: May 22, 2023



Sun Pharma Advanced Research Company Limited

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

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CIN : L73100GJ2006PLC047837. Website : www.sparc.life

Statement of Audited Financial Results for the Quarter and Year Ended March 31, 2023

₹ in Lakhs

Particulars	Quarter ended			Year ended	Year ended
	31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
	Audited	Unaudited	Audited	Audited	Audited
Revenue from operations	4,769	13,109	2,524	23,878	13,725
Other income	1,073	3	22	1,088	684
Total income	5,842	13,112	2,546	24,966	14,409
Expenses					
Cost of materials consumed	578	505	638	2,211	1,827
Employee benefits expense	2,990	2,566	2,360	10,699	9,831
Clinical trial expenses / products development expense (Refer Note 4)	5,829	3,081	3,349	14,947	10,843
Professional charges	3,387	4,269	1,835	13,195	6,743
Finance costs	21	293	222	763	1,333
Depreciation and amortisation expense	294	313	251	1,177	1,016
Other expenses	942	1,070	996	4,232	3,156
Total expenses	14,041	12,097	9,651	47,224	34,749
Profit / (loss) before tax	(8,199)	1,015	(7,105)	(22,258)	(20,340)
Tax expense	-	-	-	-	-
Profit / (loss) for the period	(8,199)	1,015	(7,105)	(22,258)	(20,340)
Other comprehensive income (OCI)					
Items that will not be reclassified to profit or loss (net actuarial gain / (loss) on employee defined benefit plan)	8	42	56	135	170
Total comprehensive income / (loss) for the period	(8,191)	1,057	(7,049)	(22,123)	(20,170)
Paid-up equity share capital (Face value ₹ 1 each)	3,245	2,753	2,719	3,245	2,719
Other equity				48,032	404
Basic earning / (loss) per equity share of ₹ 1 each	(2.55)	0.37	(2.69)	(7.82)	(7.73)
Diluted earning / (loss) per equity share of ₹ 1 each	(2.55)	0.35	(2.69)	(7.82)	(7.73)
	Not annualised	Not annualised	Not annualised	Annualised	Annualised
<i>See accompanying notes to the financial results</i>					

Notes :

- 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 thereunder and as per the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and have been taken on record by the Board of Directors at its meeting held on May 22, 2023 after being reviewed by the Audit Committee.
- On July 08, 2021, the Company had allotted 6,24,74,082 warrants, each convertible into one equity share, on preferential basis at an issue price of ₹178 each, upon receipt of 25% of the issue price (i.e. ₹44.50 per warrant) as warrant subscription money. Balance 75% of the issue price (i.e. ₹133.50 per warrant) is payable within 18 months from the allotment date, at the time of exercising the option to apply for fully paid-up equity share of ₹1 each of the Company, against each warrant held by the warrant holder. As on March 31, 2023, the Company, upon receipt of balance 75% of the issue price (i.e. ₹133.50 per warrant) for 6,24,74,082 warrants, has allotted equal number of fully paid up equity shares against conversion of said warrants exercised by the warrant holders and that no warrants are unexercised as on that date.
- Revenue for the quarter ended December 31, 2022 and year ended March 31, 2023 includes revenue from out-licensing of product 'Sezaby' (phenobarbital sodium powder for injection).
- During the quarter, the Company has paused the development of SCO-120 program due to changing clinical landscape. Pursuant to this, the Company has made provision for committed costs for this program estimated at ₹ 2,700 lakhs.
- The Company had an information security incident (the 'incident') that impacted some of the IT assets and infrastructure which the Company uses. Necessary steps were taken to gauge, contain and mitigate the impact of the incident as well as to safeguard the integrity of the systems infrastructure which included isolating its network and initiating recovery procedures. The Company believes there is no material legal non-compliance by the Company on account of the incident and all known impacts on its financial statements for the year ended March 31, 2023 on account of this incident have been considered. The Company is strengthening its cybersecurity infrastructure and is in the process of implementing improvements to its cyber and data security systems to safeguard against such risks in the future. The Company is also implementing certain long-term measures to augment its security controls systems across the organisation.
- The Company has only one reportable business segment namely 'Pharmaceutical Research & Development'.
- The figures of the last quarters are the balancing figures between audited figures in respect of the full financial year up to March 31, 2023 and the unaudited published year-to-date figures up to December 31, 2022, being the date of the end of the third quarter of the respective financial years which were subjected to limited review.
- Previous period figures have been regrouped / rearranged, wherever necessary.

Mumbai, May 22, 2023

For and on behalf of the Board



Dilip S. Shanghvi

Dilip S. Shanghvi
Chairman



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Statement of Audited Assets and Liabilities as at March 31, 2023

₹ in Lakhs

Particulars	As at 31.03.2023 Audited	As at 31.03.2022 Audited
ASSETS		
(A) Non-current assets		
(a) Property, plant and equipment	10,541	9,140
(b) Capital work-in-progress	187	372
(c) Other intangible assets	34	47
(d) Intangible assets under development	2,513	2,265
(e) Financial assets		
(i) Bank balance other than cash and cash equivalents	15,000	-
(ii) Other financial assets	2,741	2,318
(f) Deferred tax assets (net)	-	-
(g) Income tax assets (net)	6,260	6,692
(h) Other non-current assets	241	60
Total non-current assets (A)	37,517	20,894
(B) Current assets		
(a) Financial assets		
(i) Investments	29,090	1,166
(ii) Trade receivables	3,271	2,774
(iii) Cash and cash equivalents	58	122
(iv) Bank balances other than (iii) above	11,099	0
(v) Loans	54	33
(vi) Other financial assets	416	285
(b) Other current assets	1,507	2,734
Total current assets (B)	45,495	7,114
TOTAL ASSETS	83,012	28,008
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	3,245	2,719
(b) Other equity	48,032	404
Total equity	51,277	3,123
Liabilities		
(A) Non-current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	1,262	244
(b) Provisions	814	815
(c) Other non-current liabilities	11,765	6,684
Total non-current liabilities (A)	13,841	7,743
(B) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	5	7,500
(ia) Lease liabilities	300	178
(ii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	221	57
- Total outstanding dues of creditors other than micro enterprises and small enterprises	14,605	7,161
(iii) Other financial liabilities	1,173	1,139
(b) Other current liabilities	941	579
(c) Provisions	649	528
Total current liabilities (B)	17,894	17,142
Total liabilities	31,735	24,885
TOTAL EQUITY AND LIABILITIES	83,012	28,008

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





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 Statement of Audited Cash Flow for Year Ended March 31, 2023

Particulars	₹ in Lakhs	
	Year ended 31.03.2023 Audited	Year ended 31.03.2022 Audited
A. Cash flow from operating activities		
Loss before tax	(22,258)	(20,340)
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation and amortisation expense	1,177	1,016
Gain / (loss) on disposal of property, plant and equipment (net)	11	(488)
Finance income	763	1,333
Interest income	(758)	(140)
Net gain on sale of financial assets measured at fair value through profit or loss	(208)	(45)
Net gain arising on financial assets measured at fair value through profit or loss	(118)	(1)
Net unrealised foreign exchange gain	(168)	(7)
Sundry balances written off, net	-	1
Operating (loss) / profit before working capital changes	(21,559)	(18,671)
Working capital adjustments :		
(Increase) / decrease in trade receivables	(501)	(1,015)
(Increase) / decrease in other assets	1,041	(2,638)
Increase / (decrease) in trade payables	7,667	(1,936)
Increase / (decrease) in other liabilities	5,648	2,909
Increase / (decrease) in provisions	256	75
Cash used in operations	(7,448)	(21,276)
Direct tax refund received (including interest on refunds) (net)	536	454
Net cash used in operating activities (A)	(6,912)	(20,822)
B. Cash flow from investing activities		
Payments for purchase of property, plant and equipment (including capital work-in-progress, intangible assets and intangible assets under development)	(1,539)	(3,268)
Proceeds from disposal of property, plant and equipment	47	810
Purchase of investment (net)	(27,424)	(478)
Fixed deposits with bank placed	(78,099)	-
Fixed deposits with bank matured	52,000	1
Interest received	187	18
Net cash generated used in investing activities (B)	(54,828)	(2,917)
C. Cash flow from financing activities		
Proceeds from borrowings	22,454	10,700
Re-payment of borrowings	(29,949)	(26,255)
Payment of lease liabilities	(336)	(209)
Proceeds from issue of warrants convertible into equity shares	-	23,426
Transaction costs on issue of warrants convertible into equity shares	-	(808)
Proceeds from issue of equity shares (on conversion of warrants)	70,278	17,500
Interest paid	(771)	(1,422)
Net cash generated from financing activities (C)	61,676	22,932
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(64)	(807)
Cash and cash equivalents at the beginning of the year	122	930
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	-	(0)
Cash and cash equivalents at the end of the year	58	122

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



Handwritten signature in blue ink.



SPARC/Sec/SE/2023-24/015

May 22, 2023

National Stock Exchange of India Ltd.,
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Scrip Symbol: SPARC

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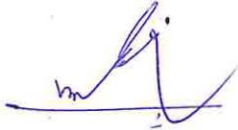
Dear Sir/ Madam,

Sub: Declaration in terms of Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

In terms of Regulation 33(3)(d) of the Listing Regulations, we, Sun Pharma Advanced Research Company Limited (the "Company"), hereby confirm and declare that the Statutory Auditors of the Company i.e. S R B C & Co LLP, Chartered Accountants, Mumbai, having Firm's Registration No. 324982E/E300003, have issued the audit report on Audited Financial Results of the Company for the financial year ended March 31, 2023 with an unmodified opinion.

This is for your information and dissemination.

For Sun Pharma Advanced Research Company Ltd.



Chetan Rajpara
Chief Financial Officer