



UNICHEM
LABORATORIES LTD.

November 2, 2019

Department of Corporate Services
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

Mr. Hari K
Asst. Vice President - Operations
National Stock Exchange of India Ltd
Exchange Plaza, Bandra – Kurla Complex
Bandra (East), Mumbai – 400 051

Dear Sir,

Ref: BSE Scrip Code -506690: NSE Symbol – UNICHEMLAB

Sub: Outcome of Board Meeting

We would like to inform you that Board of Directors at its Meeting held today, i.e. Saturday, November 2, 2019 *inter-alia* approved the Unaudited Financial Results (Standalone and Consolidated) for the quarter and half year ended September 30, 2019. Enclosed herewith please find the Unaudited financial Results (Standalone and Consolidated) for the quarter and half year ended September 30, 2019 and the Limited Review Reports of the Auditors thereon.

The Board meeting commenced at 11.45 am and concluded at 2.30 pm

Kindly take the same on your records.

Thanking you,
FOR UNICHEM LABORATORIES LIMITED

Pradeep Bhandari

Pradeep Bhandari
Head- Legal & Company Secretary
Encl: a/a


UNICHEM LABORATORIES LIMITED

CIN: L99999MH1962PLC012451

Statement of Standalone Unaudited Results for the Quarter & Half Year ended 30th September, 2019.

₹ Lakhs

Particulars	Quarter ended 30th Sep'19 (Unaudited)	Quarter ended 30th Jun'19 (Unaudited)	Quarter ended 30th Sep'18 (Unaudited)	Half year ended 30th Sep'19 (Unaudited)	Half year ended 30th Sep'18 (Unaudited)	For the year ended 31st Mar' 19 (Audited)
CONTINUING OPERATIONS						
I Revenue from operations	22,509.74	23,252.14	24,494.19	45,761.88	44,629.63	96,773.89
II Other income	2,904.90	2,798.35	3,255.81	5,703.25	5,169.40	10,154.23
III Total income (I+II)	25,414.64	26,050.49	27,750.00	51,465.13	49,799.03	1,06,928.12
IV EXPENSES						
Cost of materials consumed (including provisions)	10,218.16	10,078.92	10,472.11	20,297.08	22,144.00	44,317.29
Purchase of stock-in-trade	21.07	36.18	8.24	57.25	10.15	20.86
Changes in inventories of finished goods and work-in-progress	418.75	(128.76)	(451.00)	289.99	(1,941.19)	(3,053.94)
Employee benefits expense	5,212.35	4,886.44	4,132.34	10,098.79	8,344.99	17,755.75
Finance costs	23.08	4.74	6.66	27.82	7.84	61.71
Impairment loss on financial assets (refer note 4)	-	-	-	-	302.83	863.42
Depreciation and amortization expense	1,786.42	1,685.60	1,481.32	3,472.02	2,716.26	6,171.25
Other expenses	10,221.19	10,190.77	10,148.39	20,411.96	19,432.03	42,949.80
Total expenses (IV)	27,901.02	26,753.89	25,798.06	54,654.91	51,016.91	1,09,086.14
V Profit/(loss) before exceptional items and tax (III- IV)	(2,486.38)	(703.40)	1,951.94	(3,189.78)	(1,217.88)	(2,158.02)
VI Exceptional items	-	-	-	-	-	-
VII Profit/(loss) before tax (V-VI)	(2,486.38)	(703.40)	1,951.94	(3,189.78)	(1,217.88)	(2,158.02)
VIII Tax expense						
(1) Current tax	-	-	-	-	-	-
(2) Deferred tax (Refer note 6)	-	(749.82)	183.81	(749.82)	(920.75)	(2,737.77)
(3) Short / (excess) provision for tax (earlier years) [refer note 5]	-	-	-	-	-	(124.45)
IX Profit/(loss) for the period from continuing Operations (VII- VIII)	(2,486.38)	46.42	1,768.13	(2,439.96)	(297.13)	704.20
DISCONTINUED OPERATIONS						
X Discontinued Operations						
A. Profit/(loss) before tax from discontinued operations (refer note 8)	-	-	(359.35)	-	(359.35)	246.96
Profit/(Loss) for the period from discontinued operations (A+B)	-	-	(359.35)	-	(359.35)	246.96
Tax on discontinued operations	-	-	(112.00)	-	(112.00)	71.24
X Profit/(loss) from discontinued operations (after tax)	-	-	(247.35)	-	(247.35)	175.72
XI Profit/(loss) for the period (IX+X)	(2,486.38)	46.42	1,520.78	(2,439.96)	(544.48)	879.92
XII Other Comprehensive Income/(Loss)						
A. (i) Items that will not be reclassified subsequently to profit or loss	(158.09)	0.79	138.02	(157.30)	95.36	(41.41)
(ii) Income tax expense / (credit) relating to items that will not be reclassified to profit or loss	-	(0.25)	(44.19)	(0.25)	(29.75)	12.92
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	-	-	-	-	-	-
Total of Other Comprehensive Income / (Loss)	(158.09)	0.54	93.83	(157.55)	65.61	(28.49)
XIII Total Comprehensive Income for the period (XI+XII)	(2,644.47)	46.96	1,614.61	(2,597.51)	(478.87)	851.43
XIV Paid-up equity share capital (Face value of ₹ 2/- per share)	1,408.12	1,408.12	1,406.86	1,408.12	1,406.86	1,407.67
XV Other Equity (Reserves excluding revaluation reserve)						2,71,785.74
XVI Earnings per equity share (for continuing operation) in ₹:						
(1) Basic	(3.53)	0.07	2.51	(3.46)	(0.42)	1.00
(2) Diluted	(3.53)	0.07	2.51	(3.46)	(0.42)	1.00
XVII Earnings per equity share (for discontinued operation) in ₹:						
(1) Basic	-	-	(0.35)	-	(0.35)	0.25
(2) Diluted	-	-	(0.35)	-	(0.35)	0.25
XVIII Earnings per equity share (for discontinued & continuing operation) in ₹:						
(1) Basic	(3.53)	0.07	2.16	(3.46)	(0.77)	1.25
(2) Diluted	(3.53)	0.07	2.16	(3.46)	(0.77)	1.25

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 N.A. SHAH ASSOCIATES LLP
 MUMBAI


Notes :

- 1 The unaudited standalone financial results for the quarter and half year ended 30th September, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 2nd November, 2019. The statutory auditors have carried out a limited review of the standalone financial results for the quarter and half year ended 30th September, 2019.
- 2 The above unaudited standalone financial results have been prepared in accordance with the guidelines issued by the Securities and Exchange Board of India ("SEBI") and the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013. Effective from 1st April, 2019, the Company has adopted Ind AS 116-Leases and this did not have any material impact on the financial results of the Company.
- 3 Operating Segment : The Company has a single reportable segment i.e. 'Pharmaceuticals'.
- 4 Impairment loss on financial assets in standalone financial results include provision for impairment of long-term investments in its subsidiary "Unichem Farmaceutica Do Brazil Ltda" of ₹ Nil for the quarter ended 30th September 2019 (₹ Nil for the quarter ended 30th June 2019, ₹ Nil for the quarter ended 30th September 2018, ₹ Nil for the half year ended 30th September 2019, ₹ 302.83 lakhs for the half year ended 30th September 2018 and ₹ 302.83 lakhs for year ended 31st March, 2019).
- 5 Short / excess provision for income tax (net) of earlier years is on account of final tax liability as per returns filed and assessments completed.
- 6 Deferred tax assets is recognised on tax loss (which includes weighted deduction in respect of R&D expenditure and excludes exempt income), unabsorbed tax depreciation and other temporary differences which will be offset against deferred tax liability.
- 7 During the quarter ended 30th September 2019, the Company has invested ₹ 143.73 lakhs in equity of wholly owned subsidiary at China namely, "Younikaimo Pharmaceutical (Shanghai) Pvt. Ltd." [Unichem (China) Pvt. Ltd.].
- 8 Loss in discontinued business for the quarter and half year ended 30th September 2018 mainly includes additional provision made towards doubtful recovery of amount receivable from the government authorities of ₹ 328.90 lakhs. Further, profit in discontinued operations (Domestic formulation in India and Nepal) for the year ended 31st March, 2019 mainly includes reversal of provision for doubtful debts of ₹ 521.83 lakhs and other writebacks.
- 9 The General Court of the European Union had on 12th December 2018 rejected the appeal and confirmed the fine of Euro 13.96 Million (equivalent to ₹ 10,846.82 lakhs) imposed by the European Commission jointly and severally on the Company and its subsidiary (Niche Generics Limited, UK). The Company and its subsidiary based on legal advice and merits have filed appeals against the decision of General Court before the Court of Justice of the European Union and outcome of the appeals are awaited. In the view of the Management no provision for the aforesaid fine is considered necessary. The statutory auditors have given Emphasis of Matter in their limited review report on standalone financial results for the quarter and half year ended 30th September 2019.
- 10 The aggregate amount of revenue expenditure incurred on Research and Development as included in the relevant expense heads is as tabulated below:

Particulars	₹ Lakhs					
	Quarter ended 30th Sep'19	Quarter ended 30th Jun'19	Quarter ended 30th Sep'18	Half year ended 30th Sep'19	Half year ended 30th Sep'18	For the year ended 31st Mar'19
Total R&D expenditure	3,941.67	3,986.24	4,104.78	7,927.92	7,710.95	15,905.26

11 Statement of Standalone Assets and Liabilities:

Particulars	₹ Lakhs	
	As at 30th Sep, 2019	As at 31st Mar, 2019
	Unaudited	Audited
I. ASSETS		
Non-current assets		
(a) Property, plant and equipment	76,796.52	78,515.58
(b) Right of use assets	148.71	-
(c) Capital work-in-progress	22,488.99	9,025.44
(d) Investment property	362.75	365.90
(e) Financial assets		
(i) Investments	24,423.17	24,169.70
(ii) Loans	7.29	6.39
(iii) Other financial assets	984.66	974.19
(f) Other non-current assets	5,621.26	4,655.20
	1,30,833.35	1,17,712.40
Current assets		
(a) Inventories	26,188.67	27,417.85
(b) Financial assets		
(i) Investments	48,688.67	80,075.13
(ii) Trade receivables	32,640.00	33,134.65
(iii) Cash and bank balances		
Cash & cash equivalents	27,997.42	18,865.82
Other bank balances	251.35	236.85
(iv) Loans	4.34	5.71
(v) Other financial assets	3,295.29	2,365.48
(c) Other current assets	26,950.92	23,121.29
	1,66,016.66	1,85,222.78
Non Current Assets held for sale	-	87.19
TOTAL ASSETS	2,96,850.01	3,03,022.37

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 N. A. SHAH ASSOCIATES LLP
 MUMBAI

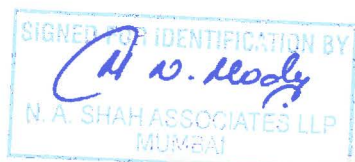
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital		1,408.12	1,407.67
(b) Other equity		2,65,949.53	2,71,785.74
		2,67,357.65	2,73,193.41
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities		130.97	-
(b) Provisions		2,247.95	1,459.90
(c) Deferred tax liabilities (net)		-	749.57
(d) Other long term liabilities		469.21	469.21
		2,848.13	2,678.68
Current liabilities			
(a) Financial liabilities			
(i) Borrowings		1,387.45	-
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises		561.07	258.04
Total outstanding dues of creditors other than micro enterprises and small enterprises		16,478.75	19,011.33
(iii) Lease liabilities		13.57	-
(iv) Other financial liabilities		3,443.20	3,344.79
(b) Other current liabilities		4,053.61	3,411.06
(c) Provisions		706.58	1,125.06
		26,644.23	27,150.28
TOTAL EQUITY AND LIABILITIES		2,96,850.01	3,03,022.37

12

Statement of Standalone Cash flows:

₹ Lakhs

Particulars	Six months ended 30th September, 2019	Six months ended 30th September, 2018
A.Cash Flow from Operating Activities		
Net Profit/(loss) before tax from continuing operations	(3,189.78)	(1,217.88)
Net Profit/(loss) before tax from discontinued operations	-	(359.35)
Net Profit/(Loss) before tax	(3,189.78)	(1,577.23)
Adjustments:		
Depreciation / amortisation (including investment property)	3,475.18	2,527.29
Loss / (profit) on sale / discard of property, plant and equipment (net)	28.93	644.26
Unrealised exchange difference (net)	(631.35)	243.54
Rent income	(22.05)	(127.70)
Guarantee commission income	(76.59)	(128.50)
Finance cost (including interest impact on financial assets / liabilities)	27.82	7.83
Provision for doubtful debts, loans, advances & deposits (net)	33.90	(72.59)
Employees compensation expenses (ESOP)	112.28	53.63
Fair value gain on investments (net)	(2,024.23)	(274.63)
Interest income	(2,137.60)	(2,329.84)
Excess provision for expenses written back	(29.09)	(6.77)
Impairment loss on financial assets - investments in subsidiary	-	302.83
Dividend income	(157.62)	(654.83)
	(1,400.42)	184.52
Operating Profit/(loss) Before Working Capital Changes	(4,590.20)	(1,392.71)
Working capital Adjustments:		
Trade receivables & other assets	(2,495.19)	(12,732.97)
Inventories	1,229.18	(2,950.50)
Trade payable & other liabilities	(1,339.90)	2,942.56
	(2,605.91)	(12,740.91)
Cash Generated from / (used in) Operations	(7,196.11)	(14,133.62)
Direct taxes refund received (payment made)	269.13	(300.72)
Net Cash Flow from/(used in) Operating Activities (A)	(6,926.98)	(14,434.34)



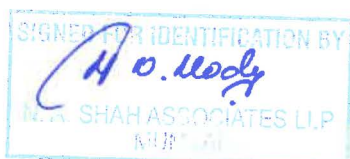
B. Cash Flow from Investing Activities			
Purchase of property, plant & equipment including Capital WIP		(16,399.45)	(6,423.27)
Proceeds from sale of property, plant and equipment		80.98	43.80
Investments made			
- in subsidiaries (at cost)		(143.72)	(3,611.13)
Sale / (purchase) of current investment (net)		17,785.61	17,226.89
Inter - Corporate deposits (placed)/Matured		-	(500.00)
Rent received (including amount received in advance)		22.05	22.77
(Increase) / decrease in escrow bank accounts		(14.53)	1,121.22
Interest received		964.75	422.98
Dividend received		157.62	654.83
Net cash flow from/(used in) Investing Activities (B)		2,453.31	8,958.09
C. Cash Flow from Financing Activities			
Increase / (decrease) in working capital borrowings (net)		1,387.44	-
Proceeds from employee stock option plan		10.35	21.27
Payments of Lease liabilities		(7.17)	-
Receipt / (payment) of long term loan from BIRAC		-	(5.79)
Finance cost paid (Incl. interest impact on financial assets / liabilities)		(30.12)	(173.32)
Dividend paid (inclusive of dividend tax)		(3,381.19)	(4,246.71)
Net cash flow from/(used) in Financing Activities(C)		(2,020.69)	(4,404.55)
Net (Decrease)/ Increase in Cash and Cash Equivalents (A+B+C)		(6,494.36)	(9,880.80)
Cash and Cash Equivalents at the beginning of the period	18,865.82		66,030.88
Add: Current Investments reclassified as cash and cash equivalents during the period	15,625.96		24,856.63
		34,491.78	90,887.51
Cash and Cash Equivalents at end of the period		27,997.42	81,006.71

The figures for the half year ended 30th September, 2018 are approved by the Board of Directors and have not been subjected to Limited review by the Auditors.

By Order of the Board
For Unichem Laboratories Limited

(Signature)
Dr. Prakash A. Mody
Chairman & Managing Director,
DIN No.: 00001285

Place: Mumbai
Date: 2nd November, 2019




UNICHEM LABORATORIES LIMITED

CIN: L99999MH1962PLC012451

Statement of Consolidated Unaudited Results for the Quarter & Half Year ended 30th September, 2019.

₹ Lakhs

Particulars	Quarter ended 30th Sep'19 (Unaudited)	Quarter ended 30th Jun'19 (Unaudited)	Quarter ended 30th Sep'18 (Unaudited)	Half year ended 30th Sep'19 (Unaudited)	Half year ended 30th Sep'18 (Unaudited)	For the year ended 31st Mar' 19 (Audited)
CONTINUING OPERATIONS						
I Revenue from operations	29,560.64	29,773.52	26,115.14	59,334.16	50,232.17	1,18,004.68
II Other income	2,813.28	2,626.23	3,163.54	5,439.51	5,040.89	9,841.29
III Total income (I+II)	32,373.92	32,399.75	29,278.68	64,773.67	55,273.06	1,27,845.97
IV EXPENSES						
Cost of materials consumed (including provisions)	10,732.24	10,787.91	12,329.72	21,520.15	25,776.33	47,691.79
Purchase of stock-in-trade	21.07	36.18	8.24	57.25	10.15	20.86
Changes in inventories of finished goods and work-in-progress	(286.31)	(593.70)	217.76	(880.01)	(2,900.18)	(3,247.73)
Employee benefits expense	6,776.15	6,465.74	5,477.02	13,241.89	11,102.28	23,932.04
Finance costs	185.53	128.04	134.51	313.57	260.05	752.23
Impairment loss on financial assets	-	-	-	-	-	560.59
Depreciation and amortization expense	2,098.15	1,825.26	1,605.91	3,923.41	2,991.72	6,736.68
Other expenses	14,998.09	15,099.02	13,479.11	30,097.11	25,093.32	57,396.56
Total expenses (IV)	34,524.92	33,748.45	33,252.27	68,273.37	62,333.67	1,33,843.02
V Share of profit/(loss) in associate (net of tax)	(2.27)	(23.14)	(57.32)	(25.41)	(28.93)	6.52
VI Profit/(loss) before exceptional items and tax (III- IV+V)	(2,153.27)	(1,371.84)	(4,030.91)	(3,525.11)	(7,089.54)	(5,990.53)
VII Exceptional items	-	-	-	-	-	-
VIII Profit/(loss) before tax (VI-VII)	(2,153.27)	(1,371.84)	(4,030.91)	(3,525.11)	(7,089.54)	(5,990.53)
IX Tax expense						
(1) Current tax	69.46	194.77	(91.65)	264.23	-	713.83
(2) Deferred tax (Refer note 5)	(1.85)	(947.79)	(83.38)	(949.64)	(1,187.94)	(4,024.15)
(3) Short / (excess) provision for tax (earlier years) (Refer note 4)	-	-	-	-	-	(124.45)
X Profit/(loss) for the period from continuing Operations (VIII-IX)	(2,220.88)	(618.82)	(3,855.88)	(2,839.70)	(5,901.60)	(2,555.76)
DISCONTINUED OPERATIONS						
XI Discontinued Operations						
A. Profit/(loss) before tax from discontinued operations (refer note 6)	-	-	(359.35)	-	(359.35)	246.96
Profit/(Loss) for the period from discontinued operations (A+B)	-	-	(359.35)	-	(359.35)	246.96
Tax on discontinued operations	-	-	(112.00)	-	(112.00)	71.24
Profit/(loss) from discontinued operations (after tax)	-	-	(247.35)	-	(247.35)	175.72
XII Profit/(loss) for the period (X+XI)	(2,220.88)	(618.82)	(4,103.23)	(2,839.70)	(6,148.95)	(2,380.04)
XIII Other Comprehensive Income/(Loss)						
A. (i) Items that will not be reclassified subsequently to profit or loss	(158.09)	0.79	138.02	(157.30)	95.36	(41.41)
(ii) Income tax expense / (credit) relating to items that will not be reclassified to profit or loss	-	(0.25)	(44.19)	(0.25)	(29.75)	12.92
B. (i) Items that will be reclassified to profit or loss	165.10	(136.65)	275.62	28.45	406.31	215.46
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Total of Other Comprehensive Income / (Loss)	7.01	(136.11)	369.45	(129.10)	471.92	186.97
XIV Total Comprehensive Income for the period (XII+XIII)	(2,213.87)	(754.93)	(3,733.78)	(2,968.80)	(5,677.03)	(2,193.07)
XV Paid-up equity share capital (Face value of ₹ 2/- per share)	1,408.12	1,408.12	1,406.86	1,408.12	1,406.86	1,407.67
XVI Other Equity (Reserves excluding revaluation reserve)						2,60,583.02
XVII Earnings per equity share (for continuing operation) in ₹:						
(1) Basic	(3.15)	(0.88)	(5.48)	(4.03)	(8.39)	(3.63)
(2) Diluted	(3.15)	(0.88)	(5.48)	(4.03)	(8.38)	(3.63)
XVIII Earnings per equity share (for discontinued operation) in ₹:						
(1) Basic	-	-	(0.35)	-	(0.35)	0.25
(2) Diluted	-	-	(0.35)	-	(0.35)	0.25
XIX Earnings per equity share (for discontinued & continuing operation) in ₹:						
(1) Basic	(3.15)	(0.88)	(5.83)	(4.03)	(8.73)	(3.38)
(2) Diluted	(3.15)	(0.88)	(5.83)	(4.03)	(8.74)	(3.38)

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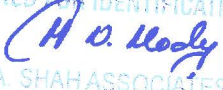
Notes :

- 1 The unaudited consolidated financial results for the quarter and half year ended 30th September, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 2nd November, 2019. The statutory auditors have carried out a limited review of the consolidated financial results for the quarter and half year ended 30th September, 2019.
- 2 The above unaudited consolidated financial results have been prepared in accordance with the guidelines issued by the Securities and Exchange Board of India ("SEBI") and the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013. Effective from 1st April, 2019, the Company has adopted Ind AS 116-Leases and this did not have any material impact on the financial results of the Company.
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- 4 Short / excess provision for income tax (net) of earlier years is on account of final tax liability as per returns filed and assessments completed.
- 5 Deferred tax assets is recognised on tax loss (which includes weighted deduction in respect of R&D expenditure and excludes exempt income), unabsorbed tax depreciation and other temporary differences which will be offset against deferred tax liability.
- 6 Loss in discontinued business for the quarter and half year ended 30th September 2018 mainly includes additional provision made towards doubtful recovery of amount receivable from the government authorities of ₹ 328.90 lakhs. Further, profit in discontinued operations (Domestic formulation in India and Nepal) for the year ended 31st March, 2019 mainly includes reversal of provision for doubtful debts of ₹ 521.83 lakhs and other writebacks.
- 7 The General Court of the European Union had on 12th December 2018 rejected the appeal and confirmed the fine of Euro 13.96 Million (equivalent to ₹ 10,846.82 lakhs) imposed by the European Commission jointly and severally on the Company and its subsidiary (Niche Generics Limited, UK). The Company and its subsidiary based on legal advice and merits have filed appeals against the decision of General Court before the Court of Justice of the European Union and outcome of the appeals are awaited. In the view of the Management no provision for the aforesaid fine is considered necessary. The statutory auditors have given Emphasis of Matter in their limited review report on consolidated financial results for the quarter and half year ended 30th September 2019.
- 8 The aggregate amount of revenue expenditure incurred on Research and Development as included in the relevant expense heads is as tabulated below:

Particulars	Quarter ended 30th Sep'19	Quarter ended 30th Jun'19	Quarter ended 30th Sep'18	Half year ended 30th Sep'19	Half year ended 30th Sep'18	₹ Lakhs
						For the year ended 31st Mar' 19
Total R&D expenditure	3,941.67	3,986.24	4,104.78	7,927.92	7,710.95	15,905.26

9 Statement of Consolidated Assets and Liabilities:

Particulars	₹ Lakhs	
	As at 30th Sep,2019	As at 31st Mar,2019
	Unaudited	Audited
I. ASSETS		
Non-current assets		
(a) Property, plant and equipment	78,724.67	80,449.82
(b) Right of use assets	2,373.44	-
(c) Capital work-in-progress	22,452.41	9,238.89
(d) Investment property	362.75	365.91
(e) Goodwill	154.51	154.51
(f) Other intangible assets	159.69	24.55
(g) Investment accounted for using the equity method.	520.80	546.21
(h) Financial assets		
(i) Investments	12,007.24	12,008.12
(ii) Loans	7.29	6.39
(iii) Other financial assets	984.66	974.19
(i) Deferred tax assets (net)	1,873.33	1,668.45
(j) Other non-current assets	6,797.17	5,595.50
	1,26,417.96	1,11,032.54
Current assets		
(a) Inventories	33,572.15	33,866.46
(b) Financial Assets		
(i) Investments	48,688.67	80,075.13
(ii) Trade receivables	38,721.38	43,604.89
(iii) Cash and bank balances		
Cash & cash equivalents	29,489.17	19,704.67
Other bank balances	626.87	394.26
(iv) Loans	4.34	5.71
(v) Other financial assets	3,295.29	2,365.48
(c) Other current assets	27,714.36	23,824.82
	1,82,112.23	2,03,841.42
Non Current Assets held for sale	-	87.19
TOTAL ASSETS	3,08,530.19	3,14,961.15


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 N. A. SHAH ASSOCIATES LLP
 MUMBAI

II. EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	1,408.12	1,407.67
(b) Other equity	2,54,376.54	2,60,583.02
	2,55,784.66	2,61,990.69
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	1,928.93	-
(b) Provisions	2,247.95	1,459.90
(c) Deferred tax liabilities (net)	-	749.57
(d) Other long term liabilities	469.20	469.21
	4,646.08	2,678.68
Current liabilities		
(a) Financial liabilities		
(i) Borrowings	18,670.83	19,966.55
(ii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	561.07	258.04
Total outstanding dues of creditors other than micro enterprises and small enterprises	19,900.76	21,882.49
(iii) Lease liabilities	432.45	-
(iv) Other financial liabilities	3,477.04	3,371.17
(b) Other current liabilities	4,350.72	3,474.26
(c) Provisions	706.58	1,125.06
(d) Current tax liabilities (net)	-	214.21
	48,099.45	50,291.78
TOTAL EQUITY AND LIABILITIES	3,08,530.19	3,14,961.15

10 Statement of Consolidated Cash flows:

₹ Lakhs

Particulars	Six months ended 30th September, 2019	Six months ended 30th September, 2018
A. Cash Flow from Operating Activities		
Net Profit/(loss) before tax from continuing operations	(3,525.11)	(7,089.54)
Net Profit/(loss) before tax from discontinued operations	-	(359.35)
Net Profit/(Loss) before tax	(3,525.11)	(7,448.89)
Adjustments:		
Depreciation / amortisation (including investment property)	3,926.58	2,998.01
Loss / (profit) on sale / discard of property, plant and equipment (net)	31.03	644.26
Unrealised exchange difference (net)	(437.08)	463.07
Rent income	(22.05)	(127.70)
Share of (profit) / loss from associate	25.41	28.93
Finance cost (including interest impact on financial assets / liabilities)	313.56	260.05
Provision for doubtful debts, loans, advances & deposits (net)	33.90	65.41
Employees compensation expenses (ESOP)	146.30	63.44
Fair value gain on investments (net)	(2,024.23)	(274.63)
Interest income	(2,143.85)	(2,333.75)
Excess provision for expenses written back	(29.09)	(6.77)
Dividend income	(157.62)	(654.83)
	(337.14)	1,125.49
Operating Profit/(loss) Before Working Capital Changes	(3,862.25)	(6,323.40)
Working capital Adjustments:		
Trade receivables & other assets	1,523.06	(16,313.58)
Inventories	294.31	(1,685.20)
Trade payable & other liabilities	(635.35)	2,475.72
	1,182.02	(15,523.06)
Cash Generated from / (used in) Operations	(2,680.23)	(21,846.46)
Direct taxes refund received (payment made)	(211.45)	(753.96)
Net Cash Flow from/(used in) Operating Activities (A)	(2,891.68)	(22,600.42)

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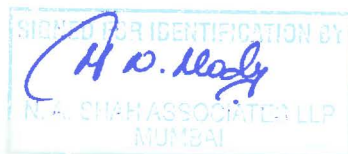
B. Cash Flow from Investing Activities			
Purchase of property, plant & equipment including Capital WIP		(16,535.48)	(6,803.49)
Proceeds from sale of property, plant and equipment		89.08	49.94
Sale / (purchase) of current investment (net)		17,785.61	17,226.89
Inter - Corporate deposits (placed)/Matured		-	(500.00)
Rent received (including amount received in advance)		22.05	22.77
(Increase) / decrease in escrow bank accounts		(232.74)	1,330.22
Interest received		971.00	426.89
Dividend received		157.62	654.83
Net cash flow from / (used in) Investing Activities (B)		2,257.14	12,408.05
C. Cash Flow from Financing Activities			
Increase / (decrease) in working capital borrowings (net)		(1,295.73)	4,923.30
Proceeds from employee stock option plan		10.35	21.27
Payments of Lease liabilities		(224.49)	-
Receipt / (payment) of long term loan from BIRAC		-	(5.79)
Finance cost paid (Incl. interest impact on financial assets / liabilities)		(315.86)	(425.54)
Dividend paid (inclusive of dividend tax)		(3,381.19)	(4,246.71)
Net cash flow from/(used) in Financing Activities(C)		(5,206.92)	266.53
Net (Decrease)/ Increase in Cash and Cash Equivalents (A+B+C)		(5,841.46)	(9,925.84)
Cash and Cash Equivalents at the beginning of the period	19,704.67		66,607.28
Add: Current Investments reclassified as cash and cash equivalents during the period	15,625.96		24,856.63
Cash and Cash Equivalents at end of the period		35,330.63	91,463.91
		29,489.17	81,538.07

11 The consolidated figures for the corresponding quarter ended 30th September 2018 and for the half year ended 30th September 2018 are approved by the Board of Directors and have not been subjected to Limited review by the auditors.

By Order of the Board
For Unichem Laboratories Limited

Dr. Prakash A. Mody
Chairman & Managing Director
DIN No.: 00001285

Place: Mumbai
Date: 2nd November, 2019



Limited Review Report on quarterly and half yearly unaudited standalone financial results of Unichem Laboratories Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To
The Board of Directors
Unichem Laboratories Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results ("the Statement") of Unichem Laboratories Limited ("the Company") for the quarter and half year ended 30th September, 2019, 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 from time to time, which has been initialed by us for identification purpose.

Attention is drawn to the fact that the figures for net cash inflows for the corresponding period from 1st April 2018 to 30th September, 2018, as reported in these unaudited standalone financial results have been approved by the Board of Directors of the Company, but have not been subjected to review. Also refer note 12 of the unaudited standalone financial results for the quarter and half year ended 30th September 2019.

Management's responsibility

2. The Statement which is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

Auditor's responsibility

3. Our responsibility is to issue a report on this Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Conclusion

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards i.e. 'Ind AS' prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Limited Review Report on quarterly and half yearly unaudited standalone financial results of Unichem Laboratories Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (continued...)

5. Emphasis of matter

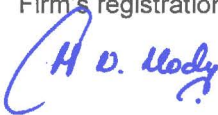
We draw attention to note 9 of notes to the unaudited standalone financial results for the quarter and half year ended 30th September 2019, which informs that the General Court of the European Union had on 12th December 2018 rejected the appeal and confirmed the fine of Euro 13.96 Million (equivalent to Rs.10,846.82 lakhs) imposed by the European Commission jointly and severally on the Company and its subsidiary (Niche Generics Limited, UK). The Company and its subsidiary based on legal advice and merits, have filed appeals against the decision of General Court before the Court of Justice of the European Union and outcome of the appeals are awaited. Considering the above, in view of the management, no provision for the aforesaid fine is considered necessary. This matter was also reported earlier under 'Emphasis of Matter' paragraph in our report for the quarter ended 30th June 2019 and year ended 31st March 2019.

Our conclusion is not modified in respect of this matter.

For N. A. Shah Associates LLP

Chartered Accountants

Firm's registration number: 116560W / W100149



Milan Mody

Partner

Membership number: 103286

UDIN: 19103286 AAAA KS 8514

Place: Mumbai

Date: -2 NOV 2019

Limited Review Report on quarterly and half yearly unaudited consolidated financial results of Unichem Laboratories Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To
The Board of Directors
Unichem Laboratories Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Unichem Laboratories Limited ('the Holding Company'), comprising its subsidiaries (the Holding and its subsidiaries collectively referred to as 'the Group') and its share of the net profit / (loss) after tax and total comprehensive income / loss of its associate for the quarter and half year ended 30th September, 2019 ('the Statement'), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, which has been initialed by us for identification purpose.

Attention is drawn to the fact that in terms of the requirement of the Circular, unaudited consolidated figures for the corresponding quarter and half year ended 30th September, 2018 have been approved by the Holding Company's Board of Directors, but have not been subject to limited review. Also refer note 11 of the unaudited consolidated financial results for the quarter and half year ended 30th September 2019.

Management's responsibility

2. The Statement which is the responsibility of the Holding Company's Management and has been approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India.

Auditor's responsibility

3. Our responsibility is to issue a report on this Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



Limited Review Report on unaudited quarterly and half yearly unaudited consolidated financial results of Unichem Laboratories Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (continued...)

4. These unaudited consolidated financial results:

(a) includes results of the following subsidiaries:

- i. Niche Generics Limited, United Kingdom
- ii. Unichem Pharmaceuticals (USA), Inc., USA
- iii. Unichem Laboratories Limited, Ireland
- iv. Unichem SA (Pty) Limited, South Africa
- v. Unichem Farmaceutica Do Brasil Ltda, Brazil
- vi. Younikaimo Pharmaceutical (Shanghai) Pvt. Ltd., China [Unichem (China) Pvt. Ltd.], incorporated on 27th June, 2019.

(b) includes results of the associate: Synchron Research Services Pvt. Ltd.

Conclusion

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of matter

6. We draw attention to note 7 of notes to the unaudited consolidated financial results for the quarter and half year ended 30th September, 2019, which informs that the General Court of the European Union had on 12th December 2018 rejected the appeal and confirmed the fine of Euro 13.96 Million (equivalent to Rs 10,846.82 lakhs) imposed by the European Commission jointly and severally on the Company and its subsidiary (Niche Generics Limited, UK). The Holding Company and its subsidiary based on legal advice and merits, have filed appeals against the decision of General Court before the Court of Justice of the European Union and outcome of the appeals are awaited. This matter was also reported earlier under 'Emphasis of Matter' paragraph in our report for the quarter ended 30th June 2019 and year ended 31st March 2019.

Our conclusion on the Statement is not modified in respect of above matter.

Other Matters

7. We did not review the interim financial statements of five subsidiaries, whose financial statements reflect total assets of Rs.47,597.79 lakhs as at 30th September 2019, total revenues (including other income) of Rs.21,093.02 lakhs and Rs.41,577.98 lakhs, total net profit after tax of Rs.295.50 lakhs and Rs.654.19 lakhs and total comprehensive income of Rs.472.71 lakhs and Rs.773.85 lakhs for the quarter and half year ended 30th September, 2019 respectively and cash inflows (net) of Rs.533.47 lakhs for the half year ended 30th September 2019, as considered in the unaudited consolidated financial results. These financial results have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the unaudited consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), in so far as it relates to aforesaid subsidiaries located outside India is based on the report of other auditors.



Limited Review Report on unaudited quarterly and half yearly unaudited consolidated financial results of Unichem Laboratories Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (continued...)

8. We also did not review the interim financial information of subsidiary at China whose financial information reflect total assets of Rs.133.89 lakhs as at 30th September 2019, total net loss after tax of Rs.7.25 lakhs and total comprehensive income of Rs.(9.84 lakhs) for the quarter and half year ended 30th September, 2019 respectively and cash inflows (net) of Rs.124.56 lakhs for the half year ended 30th September 2019, as considered in the unaudited consolidated financial results. This financial information is not subject to limited review and have been furnished to us by the Management and our conclusion on the unaudited consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is solely based on the information provided by the management. According to the information and explanations given to us by the Management, this financial information is not material to the Group.
9. The unaudited consolidated financial results also include the Group's share of net loss after tax of Rs.2.27 lakhs and Rs.25.41 lakhs for the quarter and half year ended 30th September 2019 respectively, as considered in the unaudited consolidated financial results, in respect of one associate, whose interim financial statements have not been reviewed by us. This financial information is not subject to limited review and have been furnished to us by the Management and our conclusion on the unaudited consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of the associate are solely based on the information provided by the management. According to the information and explanations given to us by the Management, this financial information is not material to the Group.

Our conclusion on the Statement is not modified in respect of above matters.

For N. A. Shah Associates LLP

Chartered Accountants

Firm's registration number: 116560W / W100149

M. V. Mody



Milan Mody

Partner

Membership number: 103286

UDIN: 19103286 AAAAKT1789

Place: Mumbai

Date: 2 NOV 2019