



Innovating for
affordable healthcare

Shilpa Medicare Limited

Corporate & Admin Office :

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Raichur-584 135, Karnataka, India

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Email: info@vbshilpa.com, Web: www.vbshilpa.com

CIN: L85110KA1987PLC008739

Dated 14 August 2021

To
Corporate Relationship Department
BSE Limited,
1st Floor, Rotunda Building,
P.J. Towers, Dalal Street,
Mumbai - 400 001.

To
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051.

Dear Sir/Madam,

Sub: Outcome of Board Meeting

Ref: Disclosure under Regulation 30 of SEBI (Listing obligation and Disclosure Requirements) Regulation, 2015;

Scrip Code: BSE - 530549/ Stock Symbol: NSE - SHILPAMED

This is to inform you that with reference to the captioned subject the Board of Directors of Shilpa Medicare Limited at their meeting held today i.e., Saturday. 14 August 2021 inter alia resolved the following.

Approval of Un-Audited Standalone and Consolidated Financial Results for the Quarter ended 30 June 2021.

The Board meeting commenced at 12:15 PM and concluded at 03:15 PM

This is for your information and necessary records.

Thanking you

FOR SHILPA MEDICARE LIMITED

V.V.K. Chaitanya

**V V KRISHNA CHAITANYA
COMPANY SECRETARY
& COMPLIANCE OFFUCER**





Brahmayya & Co.,

CHARTERED ACCOUNTANTS

VIJAYAWADA, HYDERABAD, VISAKHAPATNAM, GUNTUR, KAKINADA, TANUKU, ALSO AT CHENNAI, BANGALORE AND ADONI.

Independent Auditor's Review Report on Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended

To the Board of Directors of **SHILPA MEDICARE LIMITED.**

1. We have reviewed the accompanying statement of unaudited standalone financial results of SHILPA MEDICARE LIMITED ("the Company") for the quarter ended 30th June, 2021 (the "Statement") 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").
2. This Statement is the responsibility of the Company's Management and approved by the 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", prescribed under Section 133 of the Companies Act, 2013 as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from material misstatement. A review of interim financial information consists of making inquiries, primarily of personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
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 the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

for **BRAHMAYYA & CO.**
Chartered Accountants
Firm's Regn No. 000513S



K. Shraavan
(K.SHRAVAN)

Partner

Membership No. 215798

UDIN: 21215798 AAAA JL 5536

Place : Hyderabad
Date : 14.08.2021

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30,2021

(Rs. In Lakhs, except per equity share data)

Sl. No.	Particulars	Quarter ended			Previous year ended
		30.06.2020	31.03.2021	30.06.2020	31.03.2021
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
Continuing Operations:					
1	Income				
	Revenue from operations	24,032.72	17,970.22	21,663.61	83,031.59
	a) Net Sales/income from operations	23,506.31	17,404.43	21,037.83	80,412.88
	b) Service Income and License fees	526.41	565.78	625.78	2,618.71
	Other Income	979.07	1,513.80	263.51	3,390.02
	Total Income	25,011.79	19,484.02	21,927.12	86,421.61
2	Expenses				
	a) Cost of material consumed	7,107.11	5,890.71	8,328.12	30,357.21
	b) Purchase of stock-in-trade	513.66	397.53	101.18	781.16
	c) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	919.58	(2,688.79)	(1,900.24)	(5,478.85)
	d) Employee benefits expense	5,083.68	4,786.52	4,071.00	17,562.36
	e) Finance cost	698.93	664.12	354.03	1,746.84
	f) Depreciation and amortisation expenses	1,168.60	1,061.93	990.95	4,084.80
	g) Other expenses	6,374.35	5,849.62	3,305.02	17,109.02
	Total Expenses	21,865.91	15,961.64	15,250.06	66,162.54
3	Profit before tax and exceptional items (1-2)	3,145.88	3,522.38	6,677.06	20,259.08
4	Exceptional items- (Income)/Expenses (PI refer note no: 04)	-	-	(5,294.81)	(5,294.81)
5	Profit Before Tax from continuing operations (3+4)	3,145.88	3,522.38	11,971.87	25,553.89
6	Tax Expense of continuing operations	631.23	863.17	3,357.70	7,114.71
	-Current tax	549.65	616.70	2,093.00	4,469.86
	-Deferred tax (Net of MAT credit)	81.58	246.47	1,264.70	2,644.84
7	Net Profit for the Period/year from continuing operations (5-6)	2,514.65	2,659.21	8,614.17	18,439.18
8	Other comprehensive income (OCI)				
	A. Items that will not be reclassified subsequently to profit or loss				
	Remeasurement of the defined benefit (liability)/asset	141.30	(14.80)	-	(14.80)
	B. Items that will be reclassified subsequently to profit or loss				
	Gain / (Loss) on derivative instrument (net)	16.81	0.57	(19.18)	16.59
	Total other comprehensive income (net of tax)(A+B)	158.11	(14.23)	(19.18)	1.79
9	Total comprehensive income for the period / year (7+8)	2,672.76	2,644.98	8,594.99	18,440.97
10	Paid up equity share capital (par Value Rs.1/- each, fully paid)	815.27	815.27	815.27	815.27
11	Reserves i.e Other equity				162,967.92
12	Earnings per equity share (par value Rs.1/- each):	(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)
	Continuing Operations:				
	Basic (Rs.)	3.08	3.26	10.57	22.62
	Diluted (Rs.)	3.08	3.26	10.57	22.62

For and on Behalf of Shilpa Medicare Limited


Vishnukant.C. Bhutada
Managing Director
DIN:01243391





Independent Auditor's Review Report on the Quarterly Unaudited Consolidated 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 **SHILPA MEDICARE LIMITED.**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial results of SHILPA MEDICARE LIMITED (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and its share of the net loss after tax and total comprehensive loss of its associates and joint Ventures for the quarter ended 30th June, 2021 (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 (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and 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", prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from material misstatement. A review of interim financial information consists of making inquiries, primarily of personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. 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 Listing Regulations, to the extent applicable.

4. The Statement includes the result of the following Subsidiaries/ Associates/Joint Ventures:
 - a. Koanaa Healthcare Limited, UK (Wholly owned subsidiary Company)
 - b. Koanaa Healthcare Limited, Austria (Wholly owned subsidiary Company)
 - c. Zatortia Holdings Limited (Wholly Owned Subsidiary Company)
 - d. Shilpa Therapeutics Private Limited (Wholly Owned Subsidiary Company)
 - e. INM Technologies Private Limited (Wholly Owned Subsidiary Company)
 - f. INM Nuvent Paints Private Limited (Step down Subsidiary Company)
 - g. Makindus, Inc (Subsidiary Company)
 - h. MAIA Pharmaceuticals, Inc (Associate Company)
 - i. Reva Medicare Private Limited (Joint Venture Company)
 - j. Reva Pharmachem Private Limited (Associate Company)
 - k. Shilpa Pharma Inc (Wholly owned subsidiary Company)





- i. Sravathi Advance Process Technologies Private Limited (Joint Venture Company)
 - m. Shilpa Biologicals Private Limited (Wholly Owned Subsidiary Company)
 - n. Shilpa Biocare Private Limited (Formerly known as "Shilpa Albumin Private Limited" - Wholly Owned Subsidiary Company)
 - o. Koanna Healthcare Canada Inc (Wholly owned subsidiary Company)
 - p. Shilpa Corporate Holdings Private Limited (Wholly owned subsidiary Company)
 - q. FTF Pharma Private Limited (Wholly owned subsidiary Company)
 - r. Auxilla Pharmaceuticals and Research LLP (Joint Venture)
 - s. Sravathi AI Technologies Private Limited (Joint Venture Company)
 - t. Indo Biotech SDN.BHD, Malaysia (Wholly Owned Subsidiary Company)
 - u. Koanna International FZ-LLC, Dubai (Wholly Owned Subsidiary Company)
 - v. Koanna Healthcare, Spain S.L (Wholly Owned Subsidiary Company)
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 6 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 (Ind AS) specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial statements of seven subsidiaries included in the consolidated unaudited financial results, whose interim financial statements reflects total revenue of Rs. 873.97 lakhs, total net loss after tax of Rs (1767.25) lakhs and total comprehensive loss of Rs. (1769.29) lakhs for the quarter ended 30th June 2021, as considered in the consolidated unaudited financial results. The statement also includes the Group's share of net loss after tax of Rs. (74.98) lakhs and total comprehensive loss of Rs. (74.98) lakhs for the quarter ended 30th June 2021 as considered in the consolidated unaudited financial results, in respect of four joint ventures and one associate, whose interim financial statements have not been reviewed by us. These interim financial statements have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and Joint ventures is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matters.
7. The Statement includes the interim financial statements of nine subsidiaries which have not been reviewed, whose interim financial statements reflect total revenue of Rs. 1462.64 lakhs, total net loss after tax of Rs. (370.79) lakhs and total comprehensive loss of Rs. (370.79) lakhs for the quarter ended 30th June 2021, as considered in the consolidated unaudited financial results. These interim financial statements have been approved and furnished to us by the Management and our conclusion on the statement, in so far as it relates to the affairs of these subsidiaries, is based solely on such interim financial statements. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.



Brahmayya & Co.,

CHARTERED ACCOUNTANTS

VIJAYAWADA, HYDERABAD, VISAKHAPATNAM, GUNTUR, KAKINADA, TANUKU, ALSO AT CHENNAI, BANGALORE AND ADONI.

8. In case of one foreign associate interim financial statements for the quarter ended 30th June, 2021 are not concluded and have not been furnished to us by the Management, and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts included in respect of this associate is based solely on the information available for the year ended 31st March, 2021. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group. Our conclusion on the statement is not modified in respect of the above matter.

for **BRAHMAYYA & CO.**
Chartered Accountants
Firm's Regn No. 000513S



K. Shraavan
(K. SHRAVAN)

Partner

Membership No. 215798

UDIN: 21215798AAAAJM7815

Place : Hyderabad
Date : 14.08.2021

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30,2021

(Rs. In Lakhs, except per equity share data)

Sl No.	Particulars	Quarter ended			Previous year ended
		30.06.2020	31.03.2021	30.06.2020	31.03.2021
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Income				
	Revenue from operations	23,735.67	20,802.52	22,286.48	90,113.01
	a) Net Sales/income from operations	22,714.79	19,628.28	21,531.96	85,920.78
	b) Service Income and License fees	1,020.88	1,174.24	754.52	4,192.23
	Other Income	198.96	691.02	548.03	3,014.16
	Total Income	23,934.63	21,493.55	22,834.51	93,127.17
2	Expenses				
	a) Cost of material consumed	7,331.77	6,259.86	8,533.96	31,888.45
	b) Purchase of stock-in-trade	718.80	(11.01)	86.73	1,067.66
	c) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(454.42)	(2,313.48)	(2,200.77)	(5,883.03)
	d) Employee benefits expense	5,785.46	6,671.45	5,275.97	23,530.71
	e) Finance cost	1,031.65	912.07	400.30	2,186.87
	f) Depreciation and amortisation expenses	1,763.32	1,523.09	1,232.55	5,397.67
	g) Other expenses	7,165.87	7,575.24	4,015.67	21,344.07
	Total Expenses	23,342.45	20,617.21	17,344.41	79,532.40
3	Profit before share of profit of joint venture and associates, exceptional items and tax (1)- (2)	592.18	876.34	5,490.10	13,594.77
4	Share of Profit / (loss) of Joint venture and associates, net of tax	(74.98)	(36.00)	(62.20)	(173.58)
5	Profit before tax and exceptional items (3-4)	517.20	840.34	5,427.90	13,421.19
6	Exceptional items- (Income)/Expenses(pl refer note no: 04)	-	-	(6,084.00)	(6,084.00)
7	Profit Before Tax (5+6)	517.20	840.34	11,511.90	19,505.19
8	Tax Expense	355.78	79.90	2,914.16	4,884.82
	-Current tax	557.13	669.52	2,093.48	4,523.00
	-Deferred tax (Net of MAT credit)	(201.35)	(589.62)	820.68	361.83
9	Profit for the Period / year before non-controlling	161.42	760.44	8,597.74	14,620.37
10	Share of loss / (profit) attributable to non-controlling interest	(2.61)	22.22	33.41	157.67
11	Profit after taxes attributable to owners of the Parent Company for the period / year (9-10)	158.81	782.66	8,631.15	14,778.04
12	Other comprehensive income (OCI)				
	A. Items that will not be reclassified subsequently to profit or loss				
	Remeasurement of the defined benefit liability/asset Gain/(Loss) (net of tax)	139.26	(5.42)	16.47	10.48
	B. Items that will be reclassified subsequently to profit or loss				
	Gain / (Loss) on derivative instrument (net of tax)	16.81	0.57	(19.18)	16.59
	Total other comprehensive income(net of tax)(A+B)	156.07	(4.85)	(2.71)	27.07
13	Total comprehensive income for the period / year (11)+(12)	314.88	777.81	8,628.44	14,805.11
14	Paid up equity share capital (par Value Rs.1/- each, fully paid)	815.27	815.27	815.27	815.27
15	Reserves i.e other equity				147,051.38
16	Earnings per equity share (par value Rs.1/- each)	(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)
	Basic (Rs.)	0.19	0.96	10.59	18.13
	Diluted (Rs.)	0.19	0.96	10.59	18.13

Notes:

- 1 The above unaudited standalone and consolidated financial results for the quarter ended June 30, 2021 in respect of Shilpa Medicare Limited ("the Company") have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on Aug 14, 2021. The above results have been subject to limited review by the statutory auditors of the Company. The reports of the statutory auditors are unqualified.
- 2 These financial results have been prepared in accordance with Indian Accounting Standards('Ind-AS') notified under section 133 of the Companies Act, 2013 read with the relevant rules there under and in terms of Regulation 33 of SEBI (Listing Obligation and Other Disclosure Requirements) Regulations,2015 and SEBI Circular dated July 5, 2016.
- 3 Pursuant to a fire on July 8, 2019 at Loba Feinchemie, Austria, Step down subsidiary, certain fixed assets, inventory and other contents in the factory were damaged. The Company has received the disbursement for business interruption and damages from the insurance company has presented an net amount of Rs.417.14 Lakhs received during quarter ended June 30, 2020 under other income in these financial results
- 4 During the previous year quarter ended June 30, 2020 the Company disposed off its balance 26% shareholding in Raichem Medicare Private Limited ("RMPL") at a consideration of Rs. 6,084.00 Lakhs . Consequently, the company has recognised an exceptional gain of Rs.5,294.81 lakhs and Rs. 6,084.00 lakhs in the above standalone and consolidated results of quarter ended June 30, 2020 and year ended Mar 31,2021 respectively and taxes on such gain is included within tax expense from continuing operations.
- 5 Decrease in formulation revenue for the quarter and year ended March 31, 2021, due to planed remediation measures and upgradation of facility.
- 6 In relation to the import alert issued by the USFDA for our Jadcherla unit, the Company has initiated extensive remedial measures. The incremental costs incurred on account of the USFDA import alert are Rs .1,821.60 Lakhs (in Q1 FY2021-22) , Rs.529.44 Lakhs (in Q4-FY2020-21) and Rs. 862.51 Lakhs.(for FY2020-21).
- 7 The Operating segment of the Company is " Pharmaceuticals", as the Chief Operating Decision Maker review business performance at an overall Company level as one segment . Therefore, segment reporting as per Ind-AS 108 is not applicable to the Company.
- 8 The figures for the quarters ended March 31, 2021 are the balancing figures between audited figures in respect to full financial years and the published unaudited year to date figures upto the period end of the third quarter of the relevant financial year, which were subject to limited review
- 9 Prior period/year figures have been reclassified wherever required to conform to the classification of the current period/year.

Place: Raichur
Date: 14.08.2021

For and on Behalf of Shilpa Medicare Limited


Vishnukant.C. Bhutada
Managing Director
DIN:01243391

