



Zeal & Innovation in Medicine

Ref No.: ZLL/BM/BSE

Date : 26.10.2020

BSE Limited,  
Market Operations Dept.  
P. J. Towers, Dalal Street,  
Mumbai- 400 001  
Company Code- 541400

Dear Sir,

Sub : Outcome of Board Meeting.

Ref : Our Notice dt. 20.10.2020

This is to inform you that the Board of Directors at its meeting held today have inter-alia considered and approved Financial Results (Consolidated and Standalone) of the Company for the quarter and half year ended 30.09.2020. Copy of Financial Results (Consolidated and Standalone) along with Limited Review Report issued by Walker Chandiook & Co LLP, Statutory Auditor of the Company is enclosed.

The Board Meeting commenced at 12:30 p.m. and concluded at 04:00 p.m.

Thanking you,

Yours faithfully,  
For ZIM LABORATORIES LIMITED

(Piyush Nikhade)  
Company Secretary and Compliance Officer



Encl : As above.

## ZIM LABORATORIES LIMITED

[www.zimlab.in](http://www.zimlab.in) | [info@zimlab.in](mailto:info@zimlab.in) | CIN: L99999MH1984PLC032172

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**Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date 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 ZIM Laboratories Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of **ZIM Laboratories Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 30 September 2020 and the consolidated year to date results for the period 1 April 2020 to 30 September 2020, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
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 ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. 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 Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons 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 the Standards on Auditing specified under section 143(10) of the Act, 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 SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.



## Walker Chandiook & Co LLP

### ZIM Laboratories Limited

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

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4. Based on our review conducted and procedures performed as stated in paragraph 3 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 Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements 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.
5. We draw attention to Note 5 to the accompanying Statement regarding delay in receipt of foreign currency receivables of the Holding Company aggregating Rs. 581.30 lakhs as at 30 September 2020, beyond the timelines stipulated vide FED Master Direction No. 16/2015-16, under the Foreign Exchange Management Act, 1999 read with RBI press release dated 1 April 2020. The management of the Holding Company is in the process of recovering the outstanding dues and is of the view that the fine/penalties, if any, that may be levied pursuant to the delay, are currently unascertainable but are not expected to be material and accordingly, the accompanying Statement do not include any consequential adjustments with respect to such delay/default. Our conclusion is not modified in respect of this matter.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm's Registration No:001076N/N500013



**Adi P. Sethna**

Partner

Membership No:108840

**UDIN:20108840AAAEX6205**

Place: Mumbai

Date: 26 October 2020

# Walker Chandiook & Co LLP

ZIM Laboratories Limited

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

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## Annexure 1

### List of entities included in the Statement

#### Subsidiary companies

1. ZIM Laboratories FZE
2. ZIM Health Technologies Limited
3. SIA "ZIM Laboratories Limited"



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ZIM Laboratories Limited

Registered Office : Sadoday Gyan(Ground Floor),Opp.NADT,Nelson Square Nagpur - 440013, Maharashtra, India  
CIN:L99999MH1984PLC032172, Website: www.zimlab.in

A. STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER & HALF YEAR ENDED 30 SEPTEMBER 2020

(Rs. in lakhs, unless otherwise stated)

Sr. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	a) Revenue from operations (Refer Note 7)	8,803.30	7,047.59	6,779.07	15,850.89	13,519.81	27,773.92
	b) Other income	18.79	62.44	42.24	81.23	147.39	452.08
	<b>Total Income</b>	<b>8,822.09</b>	<b>7,110.03</b>	<b>6,821.31</b>	<b>15,932.12</b>	<b>13,667.20</b>	<b>28,226.00</b>
2	<b>Expenses</b>						
	a) Cost of materials consumed	4,101.38	3,805.65	3,571.83	7,907.03	7,006.22	13,366.79
	b) Purchases of stock-in-trade	208.57	175.42	57.33	383.99	716.48	1,587.17
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress (Refer Note 7)	672.02	(396.89)	(168.04)	275.13	(536.61)	(639.97)
	d) Employee benefits	827.12	818.90	841.55	1,646.02	1,731.40	3,534.58
	e) Finance costs	266.79	294.31	317.32	561.10	641.61	1,265.45
	f) Depreciation and amortisation	383.59	385.48	345.37	769.07	680.96	1,441.16
	g) Other expenses	1,724.85	1,588.11	2,017.57	3,312.96	3,832.53	7,663.96
	<b>Total expenses</b>	<b>8,184.32</b>	<b>6,670.98</b>	<b>6,982.93</b>	<b>14,855.30</b>	<b>14,072.59</b>	<b>28,219.14</b>
3	<b>Profit/ (Loss) before exceptional item and tax (1-2)</b>	<b>637.77</b>	<b>439.05</b>	<b>(161.62)</b>	<b>1,076.82</b>	<b>(405.39)</b>	<b>6.86</b>
4	Exceptional Items (Refer Note 8)	(518.08)	-	-	(518.08)	-	-
5	<b>Profit/ (Loss) before tax (3+4)</b>	<b>119.69</b>	<b>439.05</b>	<b>(161.62)</b>	<b>558.74</b>	<b>(405.39)</b>	<b>6.86</b>
6	Tax expense/ (credit)						
	Current Tax	84.57	63.34	-	147.91	-	(12.33)
	Deferred Tax (Refer Note 6)	(84.36)	47.63	(100.74)	(36.73)	(353.16)	(310.47)
	<b>Total tax expense / (credit)</b>	<b>0.21</b>	<b>110.97</b>	<b>(100.74)</b>	<b>111.18</b>	<b>(353.16)</b>	<b>(322.80)</b>
7	<b>Profit/(Loss) after tax (5-6)</b>	<b>119.48</b>	<b>328.08</b>	<b>(60.88)</b>	<b>447.56</b>	<b>(52.23)</b>	<b>329.66</b>
8	<b>Other comprehensive income - profit/(loss)</b>						
	a) Items that will not be reclassified to profit or loss	(9.51)	(9.51)	(16.16)	(19.02)	(32.32)	(38.04)
	b) Tax (expense)/credit on the items that will not be reclassified to profit or loss	2.77	2.77	4.71	5.54	9.42	11.08
	c) Items that will be reclassified to profit or loss	(30.25)	(3.05)	12.78	(33.30)	7.40	61.08
	d) Tax (expense)/credit on the items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Other comprehensive income (net of tax) - profit/(loss)</b>	<b>(36.99)</b>	<b>(9.79)</b>	<b>1.33</b>	<b>(46.78)</b>	<b>(15.50)</b>	<b>34.12</b>
9	<b>Total comprehensive income/ (loss) (7+8)</b>	<b>82.49</b>	<b>318.29</b>	<b>(59.55)</b>	<b>400.78</b>	<b>(67.73)</b>	<b>363.78</b>
10	Paid-up equity share capital (face value of Rs. 10/- each)	1,624.19	1,624.19	1,618.07	1,624.19	1,618.07	1,618.07
11	Other equity (revaluation reserve : Rs. Nil)						13,764.03
12	Earnings per share (face value of Rs. 10/- each) (not annualised) (Rs. )						
	Basic	0.73	2.02	(0.37)	2.75	(0.32)	2.03
	Diluted	0.73	2.02	(0.37)	2.75	(0.32)	2.03



**B. Consolidated Balance Sheet**

	As at 30 September 2020 Rs. In lakhs (Unaudited)	As at 31 March 2020 Rs. In lakhs (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment	10,249.57	10,742.85
Capital work-in-progress	540.25	474.24
Goodwill	16.94	16.94
Other Intangible assets	721.17	832.34
Intangible assets under development	488.91	488.15
<b>Financial Assets</b>		
Investment	5.15	5.15
Other financial assets	329.20	239.90
Deferred tax assets (net)	575.08	532.81
Income tax (current-tax) assets (net)	376.52	371.90
Other non-current assets	475.12	622.91
	<b>13,777.91</b>	<b>14,327.19</b>
<b>Current assets</b>		
Inventories (Refer Note 7)	4,849.81	5,638.91
<b>Financial Assets</b>		
Trade receivables	8,159.26	6,792.70
Cash and cash equivalents	317.38	146.10
Bank balances other than cash and cash equivalents	222.38	248.96
Loans	15.40	16.12
Other financial assets	931.84	645.48
Other current assets	4,641.42	4,714.78
	<b>19,137.49</b>	<b>18,203.05</b>
<b>TOTAL ASSETS</b>	<b>32,915.40</b>	<b>32,530.24</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	1,624.19	1,618.07
Other equity	14,164.81	13,764.03
	<b>15,789.00</b>	<b>15,382.10</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	2,347.17	2,742.01
Other financial liabilities	53.35	62.63
	<b>2,400.52</b>	<b>2,804.64</b>
<b>Current liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	4,163.69	4,969.00
Trade payables		
-total outstanding due of micro enterprises and small enterprises	-	-
-total outstanding due of creditors other than micro enterprises and small enterprises	6,456.68	6,600.11
Other financial liabilities	2,162.02	1,917.40
Other current liabilities	1,693.83	751.06
Provisions	129.43	105.93
Current Tax Liabilities (net)	120.23	-
	<b>14,725.88</b>	<b>14,343.50</b>
<b>TOTAL LIABILITIES</b>	<b>17,126.40</b>	<b>17,148.14</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>32,915.40</b>	<b>32,530.24</b>



### C. Consolidated Statement of Cash Flow

	Half year ended 30 September 2020	Half year ended 30 September 2019
	Rs. In lakhs (Unaudited)	Rs. In lakhs (Unaudited)
<b>Cash flow from operating activities</b>		
<b>Profit/ (Loss) before exceptional item and tax</b>	<b>1,076.82</b>	<b>(405.39)</b>
Depreciation and amortisation expense	769.07	680.96
Government Incentive	(4.10)	(4.12)
Interest on Lease deposits	(3.17)	(2.63)
(Gain)/ loss on sale of property, plant and equipment (net)	(0.60)	1.66
Unrealized Foreign Exchange (Gain)/Loss	24.62	(14.64)
Provision for doubtful debts (net)	33.36	-
Provision for employee benefits	(19.02)	(32.32)
Dividend income on investments	-	(0.60)
Interest income	(8.87)	(9.89)
Employee compensation cost (ESOP costs)	-	(51.11)
Finance costs	561.10	641.61
<b>Operating profit before working capital changes</b>	<b>2,429.21</b>	<b>803.53</b>
Movement in working capital :		
Increase in trade and other payables	938.06	67.85
Increase in provisions	23.50	5.00
(Increase)/decrease in inventories	789.10	(855.52)
(Increase)/decrease in trade and other receivables	(2,274.18)	723.48
Net Cash generated from operations	<b>1,905.69</b>	<b>744.34</b>
Direct taxes paid (net of refunds)	(33.84)	(229.78)
<b>Net cash generated from operating activities (A)</b>	<b>1,871.85</b>	<b>514.56</b>
<b>Cash flow from investing activities</b>		
Purchases of property, plant and equipment and intangibles (refer note i)	(132.18)	(1,076.80)
Sale proceeds of property, plant and equipment	0.60	3.60
Payment for acquisition of business , net of cash acquired	-	(5.00)
Investments in bank deposits (having original maturity of more than three months)	(194.67)	(101.57)
Maturity of bank deposits (having original maturity of more than three months)	186.63	82.98
Restricted cash	33.11	(30.87)
Interest received	4.37	6.01
Dividend received	-	0.60
<b>Net cash (used in) investing activities (B)</b>	<b>(102.14)</b>	<b>(1,121.05)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of equity share	6.12	6.12
Proceeds from long term borrowings	467.04	3,500.00
(Repayment) of long term borrowings	(654.67)	(2,485.64)
(Repayment)/proceeds of short term borrowings	(795.02)	410.20
(Repayment) of lease obligations	(65.02)	(29.61)
Finance costs paid	(523.58)	(756.33)
Changes in unclaimed dividend bank balances	2.04	0.02
Dividends paid on equity shares (including unclaimed)	(2.04)	(0.02)
<b>Net cash (used in)/generated from financing activities (C)</b>	<b>(1,565.13)</b>	<b>644.74</b>
<b>Change in currency fluctuation reserve arising on consolidation (D)</b>	<b>(33.30)</b>	<b>7.40</b>
Net increase in cash and cash equivalents (A+B+C)	171.28	45.65
Cash and cash equivalents taken over from acquired company	-	0.34
Opening cash and cash equivalents	146.10	49.91
<b>Closing cash and cash equivalents</b>	<b>317.38</b>	<b>95.90</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	11.20	1.14
Balances with banks in:		
- Current accounts	306.18	94.76
<b>Total Cash and cash equivalents</b>	<b>317.38</b>	<b>95.90</b>

Note (i) Includes capital work-in-progress and intangible assets under development.

Note (ii) The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.



**Notes (A to C):**

1) The above results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 26 October 2020. There are no qualifications in the limited review report issued for the quarter and half year ended 30 September 2020.

2) These financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Ind AS) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

3) The Company and its subsidiaries are principally engaged in a single business segment which is "pharmaceuticals".

4) During the quarter ended 30 June 2019, the Company has acquired entire shareholding in 'Zim Health Technologies Limited' and during the quarter ended 30 September 2019, the Company has incorporated wholly owned subsidiary 'SIA ZIM Laboratories Limited' in Latvia . Accordingly, the current period consolidated financial results include financial results of the Company, Zim Laboratories FZE, Zim Health Technologies Limited and SIA ZIM Laboratories Limited.

5) Trade receivables, of the Holding Company, outstanding as at 30 September 2020, include balances aggregating Rs. 581.30 lakhs from customers situated outside India. These balances are outstanding for a period, beyond the timelines stipulated vide FED Master Direction No. 16/2015-16, under the Foreign Exchange Management Act, 1999 read with RBI press release dated 1 April 2020. The Company is in the process of recovering the outstanding dues. The amount of fine/penalty, if any, that may be levied, is currently unascertainable but is not expected to be material and accordingly, the accompanying consolidated financial results do not include any consequential adjustments that may arise due to such delay/default.

6) Deferred tax credit for the quarter & half year ended 30 September 2019 and year ended 31 March 2020, includes credit due to impact of change in applicable tax rates of the Holding Company from 34.94% to 29.12% on net deferred tax liabilities (excluding MAT Credit Entitlement Assets) as at 1 April 2019.

7) During the month of March 2020, the Governments of various countries had imposed lockdown in an effort to control the spread of pandemic COVID-19. Accordingly, logistical challenges and export ban on the medicines resulted in deferment of underlying revenue from March 2020 to the months of April 2020 and May 2020 and corresponding increase in finished goods inventory as at 31 March 2020.

8) Exceptional item represents provisions recognised by the Holding Company (the Company) towards doubtful trade receivables relating to sales made in earlier years. The Company had entered into an arrangement with one of its shareholders, whereby the Company is entitled to recover this loss by liquidating ten lakh shares of such shareholder (which are held in escrow) against short recovery from the parties specified in the arrangement. The amounts so recovered from liquidation of the shares will be recognised as when the Company is able to dispose off the shares for amounts which will be determinable on such liquidation.

**Place: Nagpur**

**Date: 26 October 2020**

**Anwar S. Daud  
Managing Director**



A handwritten blue ink signature of Anwar S. Daud. Below the signature is a circular blue ink stamp of Zim Laboratories Limited. The text around the perimeter of the stamp reads "ZIM LABORATORIES LIMITED" at the top and "MUMBAI" at the bottom.



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**Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date 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 ZIM Laboratories Limited**

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of **ZIM Laboratories Limited** ('the Company') for the quarter ended 30 September 2020 and the year to date results for the period 1 April 2020 to 30 September 2020, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which 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 ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. 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 Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons 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 the Standards on Auditing specified under section 143(10) of the Act, 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 Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements 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.



## Walker Chandio & Co LLP

### ZIM Laboratories Limited

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

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5. We draw attention to Note 4 to the accompanying Statement regarding delay in receipt of foreign currency receivables aggregating Rs. 581.30 lakhs as at 30 September 2020, beyond the timelines stipulated vide FED Master Direction No. 16/2015-16, under the Foreign Exchange Management Act, 1999 read with RBI press release dated 1 April 2020. The management of the Company is in the process of recovering the outstanding dues and is of the view that the fine/penalties, if any, that may be levied pursuant to the delay, are currently unascertainable but are not expected to be material and accordingly, the accompanying Statement do not include any consequential adjustments with respect to such delay/default. Our conclusion is not modified in respect of this matter.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No:001076N/N500013



**Adi P. Sethna**

Partner

Membership No:108840

**UDIN:20108840AAAAEW9017**

Place: Mumbai

Date: 26 October 2020



ZIM Laboratories Limited

Registered Office : Sadoday Gyan(Ground Floor),Opp.NADT,Nelson Square Nagpur - 440013, Maharashtra, India  
CIN:L99999MH1984PLC032172, Website: www.zimlab.in

A. STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER & HALF YEAR ENDED 30 SEPTEMBER 2020

(Rs. in lakhs, unless otherwise stated)

Sr. No.	Particulars	Quarter ended			Half Year ended		Year ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	a) Revenue from operations (Refer Note 6)	8,644.90	6,977.20	6,733.69	15,622.10	13,419.28	27,431.97
	b) Other income	16.82	64.41	43.77	81.23	155.78	465.65
	<b>Total income</b>	<b>8,661.72</b>	<b>7,041.61</b>	<b>6,777.46</b>	<b>15,703.33</b>	<b>13,575.06</b>	<b>27,897.62</b>
2	<b>Expenses</b>						
	a) Cost of materials consumed	4,101.38	3,805.65	3,571.83	7,907.03	7,006.22	13,366.79
	b) Purchases of stock-in-trade	208.57	175.42	57.33	383.99	716.48	1,587.17
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress (Refer Note 6)	672.02	(396.89)	(168.04)	275.13	(536.61)	(639.97)
	d) Employee benefits	806.32	798.11	821.37	1,604.43	1,701.11	3,458.42
	e) Finance costs	266.79	294.31	317.32	561.10	641.61	1,265.45
	f) Depreciation and amortisation	354.26	355.46	316.37	709.72	624.59	1,327.15
	g) Other expenses	1,739.83	1,621.95	2,010.63	3,361.78	3,820.76	7,681.35
	<b>Total expenses</b>	<b>8,149.17</b>	<b>6,654.01</b>	<b>6,926.81</b>	<b>14,803.18</b>	<b>13,974.16</b>	<b>28,046.36</b>
3	<b>Profit/ (Loss) before exceptional item and tax (1-2)</b>	<b>512.55</b>	<b>387.60</b>	<b>(149.35)</b>	<b>900.15</b>	<b>(399.10)</b>	<b>(148.74)</b>
4	Exceptional Items (Refer Note 7)	(518.08)	-	-	(518.08)	-	-
5	<b>Profit/ (Loss) before tax (3+4)</b>	<b>(5.53)</b>	<b>387.60</b>	<b>(149.35)</b>	<b>382.07</b>	<b>(399.10)</b>	<b>(148.74)</b>
6	<b>Tax expense/ (credit)</b>						
	Current Tax	84.57	63.34	-	147.91	-	(12.33)
	Deferred Tax (Refer Note 5)	(84.36)	-47.63	(100.74)	(36.73)	(353.15)	(310.47)
	<b>Total tax expense / (credit)</b>	<b>0.21</b>	<b>110.97</b>	<b>(100.74)</b>	<b>111.18</b>	<b>(353.15)</b>	<b>(322.80)</b>
7	<b>Profit/(Loss) after tax (5-6)</b>	<b>(5.74)</b>	<b>276.63</b>	<b>(48.61)</b>	<b>270.89</b>	<b>(45.95)</b>	<b>174.06</b>
8	<b>Other comprehensive Income - profit/(loss)</b>						
	a) Items that will not be reclassified to profit or loss	(9.51)	(9.51)	(16.16)	(19.02)	(32.32)	(38.04)
	b) Tax (expense)/credit on the items that will not be reclassified to profit or loss	2.77	2.77	4.71	5.54	9.42	11.08
	<b>Other comprehensive Income (net of tax) - profit/(loss)</b>	<b>(6.74)</b>	<b>(6.74)</b>	<b>(11.45)</b>	<b>(13.48)</b>	<b>(22.90)</b>	<b>(26.96)</b>
9	<b>Total comprehensive Income/ (loss) (7+8)</b>	<b>(12.48)</b>	<b>269.89</b>	<b>(60.06)</b>	<b>257.41</b>	<b>(68.85)</b>	<b>147.10</b>
10	Paid-up equity share capital (face value of Rs. 10/- each)	1,624.19	1,624.19	1,618.07	1,624.19	1,618.07	1,618.07
11	Other equity (revaluation reserve : Rs. Nil)						13,557.45
12	Earnings per share (face value of Rs. 10/- each) (not annualised) (Rs. )						
	Basic	(0.03)	1.70	(0.30)	1.67	(0.28)	1.07
	Diluted	(0.03)	1.70	(0.30)	1.67	(0.28)	1.07



**B. Standalone Balance Sheet**

	As at 30 September 2020 Rs. In lakhs (Unaudited)	As at 31 March 2020 Rs. In lakhs (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment	10,249.57	10,742.85
Capital work-in-progress	540.25	474.24
Intangible assets	339.88	381.12
Intangible assets under development	488.91	488.15
Investment in subsidiaries	802.44	802.44
Financial Assets		
Investment	5.15	5.15
Other financial assets	328.95	239.65
Deferred tax assets (net)	575.08	532.81
Income tax (current-tax) assets (net)	369.58	368.00
Other non-current assets	475.12	622.91
	<b>14,174.93</b>	<b>14,657.32</b>
<b>Current assets</b>		
Inventories (Refer Note 6)	4,849.81	5,638.91
Financial Assets		
Trade receivables	7,236.50	6,334.16
Cash and cash equivalents	165.20	67.13
Bank balances other than cash and cash equivalents	222.38	215.85
Loans	15.40	16.12
Other financial assets	931.84	645.48
Other current assets	4,634.41	4,711.52
	<b>18,055.54</b>	<b>17,629.17</b>
<b>TOTAL ASSETS</b>	<b>32,230.47</b>	<b>32,286.49</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	1,624.19	1,618.07
Other equity	13,814.86	13,557.45
	<b>15,439.05</b>	<b>15,175.52</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial Liabilities		
Borrowings	2,347.17	2,742.01
Other financial liabilities	53.35	62.63
	<b>2,400.52</b>	<b>2,804.64</b>
<b>Current liabilities</b>		
Financial Liabilities		
Borrowings	4,163.69	4,969.00
Trade payables		
-total outstanding due of micro enterprises and small enterprises	-	-
-total outstanding due of creditors other than micro enterprises and small enterprises	6,508.22	6,591.37
Other financial liabilities	2,154.66	1,898.99
Other current liabilities	1,314.67	741.04
Provisions	129.43	105.93
Current Tax Liabilities (net)	120.23	-
	<b>14,390.90</b>	<b>14,306.33</b>
<b>TOTAL LIABILITIES</b>	<b>16,791.42</b>	<b>17,110.97</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>32,230.47</b>	<b>32,286.49</b>



### C. Standalone Statement of Cash Flow

	Half year ended	Half year ended
	30 September 2020	30 September 2019
	Rs. In lakhs (Unaudited)	Rs. In lakhs (Unaudited)
<b>Cash flow from operating activities</b>		
<b>Profit/ (Loss) before exceptional item and tax</b>	<b>900.15</b>	<b>(399.10)</b>
Depreciation and amortisation expense	709.72	624.59
Government Incentive	(4.10)	(4.12)
Interest on Lease deposits	(3.17)	(2.63)
(Gain)/ loss on sale of property, plant and equipment (net)	(0.60)	1.66
Unrealized Foreign Exchange (Gain)/Loss	24.62	(14.64)
Provision for doubtful debts (net)	33.36	-
Provision for employee benefits	(19.02)	(32.32)
Dividend income on investments	-	(0.60)
Interest income	(8.87)	(9.89)
Employee compensation cost (ESOP costs)	-	(51.11)
Finance costs	561.10	641.61
<b>Operating profit before working capital changes</b>	<b>2,193.19</b>	<b>753.45</b>
Movement in working capital :		
Increase in trade and other payables	631.33	65.65
Increase in provisions	23.50	5.00
(Increase) in inventories	789.10	(855.52)
(Increase)/decrease in trade and other receivables	(1,806.20)	813.29
Net Cash generated from operations	<b>1,830.92</b>	<b>781.87</b>
Direct taxes paid (net of refunds)	(30.80)	(229.78)
<b>Net cash generated from operating activities (A)</b>	<b>1,800.12</b>	<b>552.09</b>
<b>Cash flow from investing activities</b>		
Purchases of property, plant and equipment and intangibles (refer note i)	(133.85)	(930.42)
Sale proceeds of property, plant and equipment	0.60	3.60
Investment in subsidiary	-	(211.87)
Investments in bank deposits (having original maturity of more than three months)	(194.67)	(101.57)
Maturity of bank deposits (having original maturity of more than three months)	186.63	82.98
Interest received	4.37	6.01
Dividend received	-	0.60
<b>Net cash (used in) investing activities (B)</b>	<b>(136.92)</b>	<b>(1,150.67)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of equity share	6.12	6.12
Proceeds from long term borrowings	467.04	3,500.00
(Repayment) of long term borrowings	(654.67)	(2,485.64)
(Repayment)/proceeds of short term borrowings	(795.02)	410.20
(Repayment) of lease obligations	(65.02)	(29.61)
Finance costs paid	(523.58)	(756.33)
Changes in unclaimed dividend bank balances	2.04	0.02
Dividends paid on equity shares (including unclaimed)	(2.04)	(0.02)
<b>Net cash (used in)/ generated from financing activities (C)</b>	<b>(1,565.13)</b>	<b>644.74</b>
Net increase in cash and cash equivalents (A+B+C)	98.07	46.16
Opening cash and cash equivalents	67.13	36.11
<b>Closing cash and cash equivalents</b>	<b>165.20</b>	<b>82.27</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	11.19	1.13
Balances with banks in:		
- Current accounts	154.01	81.14
<b>Total Cash and cash equivalents</b>	<b>165.20</b>	<b>82.27</b>

Note (i) Includes capital work-in-progress and intangible assets under development.

Note (ii) The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.



**Notes (A to C):**

- 1) The above results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 26 October 2020. There are no qualifications in the limited review report issued for the quarter and half year ended 30 September 2020.
- 2) These financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Ind AS) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.
- 3) The Company is principally engaged in a single business segment which is "pharmaceuticals".
- 4) Trade receivables outstanding as at 30 September 2020, include balances aggregating Rs. 581.30 lakhs from customers situated outside India. These balances are outstanding for a period, beyond the timelines stipulated vide FED Master Direction No. 16/2015-16, under the Foreign Exchange Management Act, 1999 read with RBI press release dated 1 April 2020. The Company is in the process of recovering the outstanding dues. The amount of fine/penalty, if any, that may be levied, is currently unascertainable but not expected to be material and accordingly, the accompanying standalone financial results do not include any consequential adjustments that may arise due to such delay/default.
- 5) Deferred tax credit for the quarter & half year ended 30 September 2019 and year ended 31 March 2020, includes credit due to impact of change in applicable tax rates from 34.94% to 29.12% on net deferred tax liabilities (excluding MAT Credit Entitlement Assets) as at 1 April 2019.
- 6) During the month of March 2020, the Governments of various countries had imposed lockdown in an effort to control the spread of pandemic COVID-19. Accordingly, logistical challenges and export ban on the medicines resulted in deferment of underlying revenue from March 2020 to the months of April 2020 and May 2020 and corresponding increase in finished goods inventory as at 31 March 2020.
- 7) Exceptional item represents provisions recognised towards doubtful trade receivables relating to sales made in earlier years. The Company had entered into an arrangement with one of its shareholders, whereby the Company is entitled to recover this loss by liquidating ten lakh shares of such shareholder (which are held in escrow) against short recovery from the parties specified in the arrangement. The amounts so recovered from liquidation of the shares will be recognised as when the Company is able to dispose off the shares for amounts which will be determinable on such liquidation.

Place: Nagpur  
Date: 26 October 2020

Anwar S. Daud  
Managing Director



A handwritten signature in blue ink, appearing to read 'Anwar S. Daud', written over a circular blue ink stamp. The stamp is partially obscured by the signature and contains the text 'ANWAR S. DAUD' and 'MANAGING DIRECTOR'.