

10th June, 2020

The BSE Limited 1st floor, New Trading Ring Rotunda Bldg, P.J Towers Dalal Street, Mumbai -400 001	The National Stock Exchange of India Ltd Exchange Plaza, 5th Floor Plot No. C/1, G. Block Bandra Kurla Complex Bandra (East), Mumbai – 400 051
Script Code: 500259	Script Code: LYKALABS

Dear Sir/Madam,

Subject: Outcome of Board Meeting held on 10th June 2020

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we hereby inform you that at the meeting of Board of Directors held today i.e. 10th June 2020, have considered and approved:

1. Audited Standalone and Consolidated Financial Results for the Fourth Quarter and Financial Year ended on 31st March, 2020.
2. Change in appointed date of Merger of Lyka Healthcare Limited, a wholly owned subsidiary of Lyka Labs Limited with Lyka Labs Limited as 1st April, 2020 in place of 1st April, 2017. The change in appointed date is subject to approval of NCLT, SEBI, ROC, Ahmedabad and any such statutory authority wherever applicable.

Board meeting commenced at 5.05 p.m. and concluded at 7.56 p.m.

Kindly take the above on your record.

Thanking you,
Yours faithfully,

For Lyka Labs Limited



Piyush G Hindia
Company Secretary and Compliance Officer



Encl: Financial Results

Statement of Standalone Audited Financial Results for the Quarter and Year Ended 31st March, 2020					
Particulars	Quarter Ended			Year Ended	
	31st March, 2020 (Audited)	31st December, 2019 (UnAudited)	31st March, 2019 (Audited)	31st March, 2020 (Audited)	31st March, 2019 (Audited)
	(₹ in lakh)				
I. Revenue					
Revenue from Operations	857.08	1,005.33	1,473.73	3,367.01	4,118.28
Other Income	80.47	72.14	123.16	259.58	257.81
II. Total Income	937.55	1,077.47	1,596.89	3,626.59	4,376.09
III. Expenses					
(a) Cost of Materials Consumed	320.44	428.16	487.23	1,344.58	1,505.49
(b) Purchase of Stock in trade	59.02	44.07	272.26	222.30	658.77
(c) Change in inventories of finished goods, work-in-progress and stock-in-trade,	(14.66)	176.91	95.11	(18.17)	60.44
(d) Employee benefits expense	285.45	272.58	246.76	1,057.31	999.18
(e) Finance Costs	567.06	1,113.01	228.21	1,895.04	573.24
(f) Depreciation and amortisation expense	144.62	139.39	123.93	564.53	443.86
(g) Other expenses	265.28	289.74	194.83	985.35	792.51
Total Expenses	1,627.21	2,463.86	1,648.33	6,050.94	5,033.49
IV. (Loss) / Profit before Exceptional Items and Taxes (II - III)	(689.66)	(1,386.39)	(51.44)	(2,424.35)	(657.40)
V. Exceptional Items (Net)	127.09	2,648.20	52.68	2,775.29	52.68
VI. (Loss) / Profit before Tax	(816.75)	(4,034.59)	(104.12)	(5,199.64)	(710.08)
VII. Tax Expenses (Deferred Tax)	94.90	11.37	(873.73)	119.38	(883.37)
VIII. Net (Loss) / Profit after Tax	(911.65)	(4,045.96)	769.62	(5,319.02)	173.29
IX. Other Comprehensive Loss / (Income)	39.49	6.85	(31.00)	44.15	(8.71)
X. Total Comprehensive (Loss) / Income	(951.14)	(4,052.81)	800.62	(5,363.17)	182.00
Paid up Equity Share Capital (Face value ₹ 10/- each)	2,869.00	2,869.00	2,814.00	2,869.00	2,814.00
Other Equity				1,836.12	7,046.15
XI. Basic and diluted earnings per share	(3.21)	(14.24)	2.73	(18.71)	0.58



Audited Statement of Assets & Liabilities as at 31st March, 2020		
(₹ in lakh)		
Particulars	As at 31st March, 2020	As at 31st March, 2019
ASSETS		
1 Non-Current Assets		
(a) Property, Plant and Equipment	7,135.61	7,251.76
(b) Capital Work- In- Progress	1,660.18	1,755.18
(c) Intangible assets	423.65	371.26
(d) Intangible assets under development	979.87	1,215.86
	10,199.31	10,594.06
(e) Financial Assets		
(i) Investments	6,245.30	6,245.30
(ii) Other Financial Assets	1,315.50	1,576.70
(f) Other Non Current Assets	124.86	127.23
(g) Non Current Tax Assets	342.72	399.50
(h) Deferred tax assets(net)	904.84	1,024.62
	8,933.22	9,373.35
2 Current Assets		
(a) Inventories	518.81	594.51
(b) Financial Assets		
(i) Investments	0.75	0.70
(ii) Trade Receivables	2,454.59	2,968.16
(iii) Cash and Cash Equivalents	838.90	9.01
(iv) Loans	285.78	4.25
(v) Other Financial Assets	199.05	348.96
(c) Other Current Assets	1,110.44	977.15
	5,408.32	4,902.74
Total Assets	24,540.85	24,870.15
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	2,869.00	2,814.00
(b) Other Equity	1,836.12	7,046.15
	4,705.12	9,860.15
LIABILITIES		
1 Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	12,566.02	7,879.69
(ii) Other Financial Liabilities	1,811.99	23.97
(b) Provisions	278.54	277.12
	14,656.55	8,180.78
2 Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,069.08	1,241.28
(ii) Trade Payables due to :		
- Micro and Small Enterprise	211.90	354.00
- Other than Micro and Small Enterprise	1,380.46	1,855.79
(iii) Other Financial Liabilities	1,970.26	1,819.40
(b) Other Current Liabilities	356.50	1,407.99
(c) Provisions	190.98	150.75
	5,179.18	6,829.21
Total Equity and Liabilities	24,540.85	24,870.15



Lyka Labs Limited			
Cash Flow Statement for the year ended 31st March, 2020			
Particulars	Year ended 31st March, 2020		Year ended 31st March, 2020
A. Cash Flow from Operating Activities			
Profit / (Loss) for the Year / Period Before Tax		(5,199.64)	(710.08)
Adjusted for :			
Depreciation	564.53		443.86
Interest Income	(69.31)		(6.89)
(Profit) / Loss on Sale of Fixed Assets (Net)	-		21.65
Finance Cost	1,895.04		573.24
Provision for Doubtful Trade Receivables / Advances / Deposits / Gratuity / Leave Encashment	(37.65)		(8.59)
Provision / Credit Balance no Longer Required Written Back	(0.00)		(1.14)
Exchange Rate Fluctuation	-		(0.97)
Exceptional Items	2,949.92		12.46
Return on Investment	(0.04)		
		5,302.49	1,033.63
Operating Profit Before Working Capital Change		102.85	323.55
Changes in Working Capital :			
(Increase) / Decrease in Other Non-Current Financial Assets	(125.36)		(66.32)
(Increase) / Decrease in Other Non-Current Assets	2.78		(3.06)
(Increase) / Decrease in Inventories	75.69		135.39
(Increase) / Decrease in Trade and Other Receivables	643.02		59.55
(Increase) / Decrease in Other Current Financial Assets	149.91		25.28
(Increase) / Decrease in Other Current Assets	(133.29)		166.10
(Increase) / Decrease in Loans	(1.00)		-
Increase / (Decrease) in Other Non-Current Financial Liabilities	1,615.23		(7.91)
Increase / (Decrease) in Non-Current Provisions	1.42		22.96
Increase / (Decrease) in Trade Payables	(897.96)		75.82
Increase / (Decrease) in Other Current Financial Liabilities	92.68		(106.31)
Increase / (Decrease) in Other Current Liabilities	(1,051.49)		1,239.81
Increase / (Decrease) in Current Provisions	(95.73)		(11.66)
		275.90	1,529.67
Cash Generated from Operations		378.75	1,853.21
Exchange Rate Fluctuation	-		
Net Income Tax Payment	56.77	56.77	(21.78)
Net cashflow from operating activities (A)		435.52	1,831.44
B. Cashflow for Investing Activities			
Purchase of Fixed Assets	(104.61)		(350.94)
Proceeds from Sale of Fixed Assets	-		50.42
Interest Received	69.31		6.89
Net cash used in Investing Activities (B)		(35.30)	(293.62)
C. Cashflow from Financing Activities			
Proceed from / (Repayment) of Non Current Borrowings Net	2,211.85		7,408.34
Proceed from / Repayment of Current Borrowings Net	(172.20)		(8,414.71)
Proceeds from Issue of Equity Shares Net (Including Premium)	226.88		-
Interest Paid	(1,836.87)		(569.34)
Net cash used in Financing Activities (C)		429.67	(1,575.72)
Net (Decrease) / Increase in Cash and Cash Equivalents (A+B+C)		829.89	(37.90)
Cash and Cash Equivalents at the Beginning of the Year / Period			
Cash and Cash Equivalents		9.01	7.70
Earmarked Balances		-	39.21
		9.01	46.91
Cash and Cash Equivalents at the End of the Year / Period			
Cash and Cash Equivalents		12.28	9.01
Earmarked Balances		826.62	-
		838.90	9.01



Notes:

1. The above audited standalone financial results as reviewed by the Audit Committee, have been approved and taken on record at the meeting of the Board of Directors held on 10th June, 2020.

2. **Compromise Settlement:**

During the financial year 2018-19, Dena Bank and Kapol Co-op Bank had assigned its total debts of Rs. 7839.42 lakhs standing in the books of account's in favour of IARC, acting in its capacity as Trustee of IARF-III Trust Scheme. Accordingly, all underlying securities and security rights pertaining to the debts also stood assigned in favour of IARC.

The Company has formalised the Term Sheet of Restructuring of Debt & Restructuring Support Finance on 20th November 2019 with IARC acting in its capacity as Trustee of IARF III Trust Scheme. As per the term sheet of Restructuring of Debt, as on cut-off date i.e 31st May 2019 (mentioned in term sheet), the total debt is restructured at Rs. 10,117 lakhs and additional support finance provided by IARC Rs. 2850 lakhs.

The Company has accounted the difference between restructured debt i.e Rs.10,117 lakhs and amount outstanding in books of accounts i.e 7,839.42 lakhs, amounting to Rs. 2,277.58 lakhs being interest and other charges of restructured loan charged by IARC till cut-off date in the previous quarter and is shown under Exceptional item and interest subsequent to cut off date i.e. from 1st June 2019 till 31st March 2020 shown under Finance Cost.

3. **Capital Expenditure:**

The Company reviews its portfolio of products under development and applied research regularly. Accordingly, a sum of Rs. 44.10 lakhs incurred during the quarter is carried forward as "Intangible Assets under development" to be recognized as "Self-Generated Intangible Assets" upon successful development and commercial viability of the respective products. However, the carrying cost of those product's which do not confirm to the test of commercial viability are charged to the Statement of Profit and Loss.

During the quarter, the Company has capitalized Rs.122.27 lakhs as "Self - Generated Intangible Assets" upon successful development of respective products.

During the quarter company has charged Rs.285.78 to profit and loss account under exceptional items for products are abandoned for further development



4. Ind AS 116 – Leases, has become applicable effective annual reporting period beginning April 1, 2019. The Company has adopted the standard beginning April 1, 2019, using the modified retrospective approach for transition. Accordingly, the Company has not restated the comparative information, instead the cumulative effect of initially applying the standard has been recognized as an adjustment to the opening balance of retained earnings as on April 1, 2019

5. Exceptional Items:

Exceptional Items consist of:

(Rs. in Lakhs)

Sr. No	Particulars	Quarter ended 31 st March 2020	Year ended 31 st March 2020
1.	Interest and other charges on Restructured Loans	Nil	2277.58
2.	Interest Received on claims	(174.63)	(174.63)
3.	Irrecoverable advances / receivables written off	19.62	411.77
4.	Sundry Credit Balance written back	(3.68)	(25.21)
5.	Capital Work in Progress Intangible-Written Off	285.78	285.78
	Total	127.09	2775.29

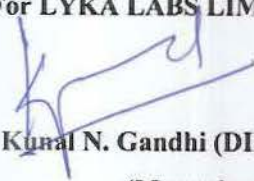
6. Figures for the quarter ended March 31, 2020 and March 31, 2019 represent the difference between the audited figures in respect of the full financial year and the publish figures of nine months ended December 31, 2019 and December 31, 2018, respectively.
7. The Company operates in one reportable business segment i.e. “Pharmaceuticals”.
8. The figures for previous year have been regrouped/rearranged wherever considered necessary.
9. In March 2020, the world Health Organisation declared COVID -19 to be a pandemic. the Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption.

The Company Has considered internal and external information while finalizing various estimates in relation to its financial statement captions upto the date of approval of the financial statements by the Board of Directors. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID -19 situation evolves in India and globally. The Company will continue to closely monitor any material changes to future economic conditions.

Mumbai
10th June, 2020



For LYKA LABS LIMITED


Kunal N. Gandhi (DIN 01516156)
(Managing Director)





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

To The Board of Directors of
Lyka Labs Limited

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying standalone financial results of Lyka Labs Limited ("the Company") for the quarter and year ended 31st March 2020 ("the Statement") (which includes the Statement of Company's branch at Ankleshwar audited by other auditors and relied upon by us, after making such changes as are considered necessary for incorporation) 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 ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- I. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- II. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net loss and other comprehensive income and other financial information for the quarter and year ended 31st March 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the following matters:

A. Compromise Arrangement

Note No 2 regarding compromise settlement with Dena Bank and Kapol Co-op Bank for assignment of debts in favor of International Assets Reconstruction Company Ltd (IARC).





D. KOTHARY & CO.

Chartered Accountants

B. Capital Expenditure

We draw attention to Note No. 3 regarding status of portfolio of products under development and applied research.

Our opinion is not qualified in respect of these matters.

Management's Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error,





D. KOTHARY & CO. Chartered Accountants

as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The statement includes the results for the quarter ended 31st March 2020 being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date figures up to the nine months of the current financial year which were subject to limited review by us.

For D. Kothary & Co.
Chartered Accountants
Firm Registration No. 105335W

Mehul N. Patel
Partner
Membership No. 132650
UDIN: 20132650AAAACF5838



Place: Mumbai
Date: 10th June 2020

Statement of Consolidated Audited Financial Results for the Quarter and Year Ended 31st March, 2020

Particulars	(₹ in lakh)				
	Quarter Ended			Year Ended	
	31st March, 2020 (Audited)	31st December, 2019 (UnAudited)	31st March, 2019 (Audited)	31st March, 2020 (Audited)	31st March, 2019 (Audited)
I. Revenue					
Revenue from Operations	1,507.13	1,835.76	2,388.87	6,141.60	7,078.02
Other Income	116.92	(49.51)	71.51	308.87	209.07
II. Total Income	1,624.05	1,786.24	2,460.38	6,450.47	7,287.09
III. Expenses					
(a) Cost of Materials Consumed	320.44	428.16	487.23	1,344.58	1,505.49
(b) Purchase of Stock in trade	445.41	689.42	680.03	2,301.68	2,074.40
(c) Change in inventories of finished goods, work-in-progress and stock-in-trade,	43.40	114.25	242.11	(66.91)	344.51
(d) Employee benefits expense	341.08	353.67	323.78	1,385.84	1,468.54
(e) Finance Costs	557.17	1,126.41	286.78	2,006.63	716.90
(f) Depreciation and amortisation expense	203.16	197.53	88.84	800.95	731.37
(g) Other expenses	326.99	303.84	754.26	1,543.25	1,874.65
Total Expenses	2,237.65	3,213.28	2,863.03	9,316.02	8,715.86
IV. (Loss) / Profit before Exceptional Items and Taxes (II - III)	(613.61)	(1,427.04)	(402.65)	(2,865.55)	(1,428.77)
V. Exceptional Items (Net)	673.95	2,648.20	(241.13)	3,322.15	113.71
VI. (Loss) / Profit before Tax	(1,287.56)	(4,075.24)	(161.52)	(6,187.70)	(1,542.48)
VII. Non Controlling Interest	(161.68)	28.16	21.68	(207.89)	(74.66)
VIII. (Loss) / Profit before Tax	(1,125.88)	(4,103.40)	(183.20)	(5,979.81)	(1,467.82)
IX. Tax Expenses (Deferred Tax)	105.78	16.16	(934.26)	73.61	(907.28)
X. Net (Loss) / Profit after Tax	(1,231.66)	(4,119.56)	751.06	(6,053.42)	(560.54)
XI. Other Comprehensive Loss / (Income)	28.44	6.85	(52.56)	33.11	(28.03)
XII. Total Comprehensive (Loss) / Income	(1,260.10)	(4,126.41)	803.62	(6,086.53)	(532.51)
XIII. Paid up Equity Share Capital (Face value Rs.10/- each)	2,869.00	2,869.00	2,814.00	2,869.00	2,814.00
Other Equity				(4,303.46)	1,667.43
XIV. Basic and diluted earnings per share	(5.67)	(14.50)	2.66	(21.29)	(1.79)



Audited Consolidated Statement of Assets & Liabilities as at 31st March, 2020			
(₹ in lakh)			
	Particulars	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
1	Non-Current Assets		
	(a) Property, Plant and Equipment	7,251.98	7,381.67
	(b) Capital Work- In- Progress	1,660.18	1,755.18
	(c) Intangible assets	3,226.05	3,391.33
	(d) Intangible assets under development	1,115.44	1,351.43
	(e) Financial Assets		
	(i) Investments	0.89	1.08
	(ii) Loan	43.83	681.66
	(ii) Other Financial Assets	1,317.85	1,580.73
	(f) Other Non Current Assets	134.84	135.39
	(g) Non Current Tax Assets	444.81	496.05
	(h) Deferred tax assets(net)	1,228.82	1,302.84
		16,424.69	18,077.36
2	Current Assets		
	(a) Inventories	673.28	700.23
	(b) Financial Assets		
	(i) Investments	0.75	0.70
	(ii) Trade Receivables	804.26	1,462.82
	(iii) Cash and Cash Equivalent	992.29	170.51
	(iv) Loans	8.32	5.10
	(v) Other Financial Assets	198.87	407.77
	(c) Other Current Assets	872.10	760.64
	(d) Current Tax Assets	4.38	3.21
		3,554.25	3,510.97
	Total Assets	19,978.94	21,588.33
EQUITY AND LIABILITIES			
Equity			
	(a) Equity Share capital	2,869.00	2,814.00
	(b) Other Equity	(4,303.46)	1,487.59
	Equity attributable to owners of the company	(1,434.46)	4,301.59
	(c) Non-controlling Interest	(76.68)	274.27
		(1,511.14)	4,575.86
LIABILITIES			
1	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	12,609.63	7,928.47
	(ii) Other Financial Liabilities	1,931.66	194.83
	(b) Provisions	386.24	407.85
		14,927.53	8,531.15
2	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	1,443.24	1,626.16
	(ii) Trade Payables due to :		
	- Micro and Small Enterprise	211.90	357.26
	- Other than Micro and Small Enterprise	1,486.86	1,965.61
	(iii) Other Financial Liabilities	2,378.29	2,270.09
	(b) Other Current Liabilities	819.75	2,060.48
	(c) Provisions	222.51	201.73
		6,562.55	8,481.32
	Total Equity and Liabilities	19,978.94	21,588.33



Lyka Labs Limited			
Consolidated cash flow statement for the year ended 31st March, 2020			
Particulars	Year ended 31st March, 2020		Previous Year ended 31st March, 2019
A. Cash Flow from Operating Activities			
Profit / (Loss) for the year/period before tax		(6,187.69)	(1,542.47)
Adjusted for			
Depreciation	800.95		731.37
Interest Income	(98.89)		(11.74)
(Profit) / Loss on sale of fixed assets (net)	-		21.65
Finance Cost	2,006.63		716.54
Provision for Doubtful Trade Receivables / Advances / Deposits / Gratuity / Leave Encashment	(5.99)		97.54
Provision/ Credit Balance no longer required Written Back	(0.00)		(1.14)
Exchange rate fluctuation	(31.88)		(36.95)
Exceptional Items	2,905.35		
Return on Investment	(0.04)		
		5,576.11	1,517.26
Operating profit before working capital change		(611.58)	(25.20)
Changes in Working Capital :			
(Increase) / Decrease in Other Non-Current Financial Assets	(79.65)		(55.05)
(Increase) / Decrease in Other Non-Current Assets	0.97		310.61
(Increase) / Decrease in Inventories	26.95		419.46
(Increase) / Decrease in Trade and other receivables	795.66		586.10
(Increase) / Decrease in Other Current Financial Assets	208.90		24.73
(Increase) / Decrease in Other Current Assets	(111.46)		327.77
(Increase) / Decrease in Non-Current Loans	637.83		
(Increase) / Decrease in Current Loans	(3.22)		
Increase / (Decrease) in Other Non-Current Financial Liabilities	1,564.04		96.33
Increase / (Decrease) in Non-Current Provisions	(21.61)		44.59
Increase / (Decrease) in Trade Payables	(624.10)		(115.87)
Increase / (Decrease) in Other Current Financial Liabilities	51.84		(101.49)
Increase / (Decrease) in Other Current Liabilities	(1,240.73)		1,349.23
Increase / (Decrease) in Current Provisions	(111.55)		(121.75)
		1,093.85	2,764.67
Cash generated from operations		482.27	2,739.47
Exchange rate fluctuation			36.95
Net Income Tax Payment	50.07	50.07	(109.86)
Net cashflow from operating activities (A)		532.34	2,666.56
B. Cashflow for Investing activities			
Purchase of fixed assets	(109.83)		(481.97)
Proceeds from sale of fixed assets	-		73.04
Interest Received	98.89		11.74
Net cash used in Investing activities (B)		(10.95)	(397.18)
C. Cashflow from Financing activities			
Proceed from / (Repayment) of Non Current Borrowings Net	2,206.69		7,435.31
(Repayment) of Current Borrowings Net	(182.92)		(9,060.51)
Proceeds from Issue of Equity Shares net (Including Premium)	226.88		
Interest Paid	(1,950.26)		(716.54)
Net cash used in Financing activities (C)		300.39	(2,341.74)
Net (decrease) / increase in cash and cash equivalents (A+B+C)		821.78	(72.36)
Cash and Cash Equivalents at the beginning of the year/period			
Cash and Cash Equivalents		19.10	17.40
Earmarked Balances		151.41	225.47
		170.51	242.87
Cash and Cash Equivalents at the end of the year/period			
Cash and Cash Equivalents		17.93	19.10
Earmarked Balances		974.36	151.41
		992.29	170.51



Notes:

1. The above audited consolidated financial results as reviewed by the Audit Committee, have been approved and taken on record at the meeting of the Board of Directors held on 10th June, 2020.

2. **Compromise Settlement:**

During the financial year 2018-19, Dena Bank and Kapol Co-op Bank had assigned its total debts of Rs. 7839.42 lakhs standing in the books of account's in favour of IARC, acting in its capacity as Trustee of IARF-III Trust Scheme. Accordingly, all underlying securities and security rights pertaining to the debts also stood assigned in favour of IARC.

The Company has formalised the Term Sheet of Restructuring of Debt & Restructuring Support Finance on 20th November 2019 with IARC acting in its capacity as Trustee of IARF III Trust Scheme. As per the term sheet of Restructuring of Debt, as on cut-off date i.e 31st May 2019 (mentioned in term sheet), the total debt is restructured at Rs. 10,117 lakhs and additional support finance provided by IARC Rs. 2850 lakhs.

The Company has accounted the difference between restructured debt i.e Rs.10,117 lakhs and amount outstanding in books of accounts i.e 7,839.42 lakhs, amounting to Rs. 2,277.58 lakhs being interest and other charges of restructured loan charged by IARC till cut-off date in the previous quarter and is shown under Exceptional item and interest subsequent to cut off date i.e. from 1st June 2019 till 31st March 2020 shown under Finance Cost.

3. **Capital Expenditure:**

The Holding Company reviews its portfolio of products under development and applied research regularly. Accordingly, a sum of Rs. 44.10 lakhs incurred during the quarter is carried forward as "Intangible Assets under development" to be recognized as "Self-Generated Intangible Assets" upon successful development and commercial viability of the respective products. However, the carrying cost of those product's which do not confirm to the test of commercial viability are charged to the Statement of Profit and Loss.

During the quarter, the Holding Company has capitalized Rs.122.27 lakhs as "Self - Generated Intangible Assets" upon successful development of respective products.

During the quarter the Holding Company has charged Rs.285.78 to profit and loss account under exceptional items towards products are abandoned for further development



4. Ind AS 116 – Leases, has become applicable effective annual reporting period beginning April 1, 2019. The Company has adopted the standard beginning April 1, 2019, using the modified retrospective approach for transition. Accordingly, the Company has not restated the comparative information, instead the cumulative effect of initially applying the standard has been recognized as an adjustment to the opening balance of retained earnings as on April 1, 2019.

5. Exceptional Items:

Exceptional Items consist of:

(Rs. in Lakhs)

Sr. No	Particulars	Quarter ended		Year ended	
		31 st March 2020	March	31 st March 2020	March
1.	Interest and other charges on Restructured Loans		NIL		2277.58
2.	Interest Received on claims		(174.63)		(174.63)
3.	Irrecoverable advances / receivables written off		566.48		958.63
4.	Sundry Credit Balance written back		(3.68)		(25.21)
5.	Capital Work in Progress Intangible-Written Off		285.78		285.78
	Total		673.95		3322.15

6. Figures for the quarter ended March 31, 2020 and March 31, 2019 represent the difference between the audited figures in respect of the full financial year and the publish figures of nine months ended December 31, 2019 and December 31, 2018, respectively.
7. The Group operates in one reportable business segment i.e. “Pharmaceuticals”.
8. The figures for previous year have been regrouped/rearranged wherever considered necessary.
9. In March 2020, the world Health Organisation declared COVID -19 to be a pandemic. the Group has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption.

The Group Has considered internal and external information while finalizing various estimates in relation to its financial statement captions upto the date of approval of the financial statements by the Board of Directors. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID -19 situation evolves in India and globally. The Group will continue to closely monitor any material changes to future economic conditions.

Mumbai
10th June, 2020



For LYKA LABS LIMITED

Kunal N. Gandhi (DIN 01516156)
(Managing Director)



Independent Auditors' Report on Consolidated Financial Results of the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

To The Board of Directors of
Lyka Labs Limited

Opinion

We have audited the accompanying Statement of Consolidated Financial Results of Lyka Labs Limited ("the Parent" or "the Company") and its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group") for the quarter and year ended 31st March 2020 ("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").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements and other financial information of subsidiaries, referred to in Other Matters Paragraph, the Statement:

a. includes the results of the following entities:

Subsidiaries

- i) Lyka BDR International Limited
- ii) Lyka Exports Limited
- iii) Lyka Healthcare Limited

b. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, as amended; and

c. gives a true and fair view, in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of consolidated total comprehensive income (comprising of net loss and other comprehensive income) and other financial information of the Group for the quarter and year ended 31st March 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, its associates and jointly controlled entities in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.





D. KOTHARY & CO. **Chartered Accountants**

Emphasis of Matter

We draw attention to the following matters:

A. Compromise Arrangement

Note No 2 regarding compromise settlement with Dena Bank and Kapol Co-op Bank for assignment of debts in favor of International Assets Reconstruction Company Ltd (IARC).

B. Capital Expenditure

We draw attention to Note No. 3 regarding status of portfolio of products under development and applied research.

Our opinion is not qualified in respect of these matters.

Management's Responsibilities for the Consolidated Financial Results

These quarterly financial results as well as the year to date consolidated financial results have been prepared on the basis of the interim financial statements.

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information of the Group including its associates and jointly controlled entities in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates and jointly controlled entities and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.





D. KOTHARY & CO.

Chartered Accountants

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the

direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.





D. KOTHARY & CO.

Chartered Accountants

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Other Matters

The accompanying Statement includes the audited financial results and other financial information, in respect of three subsidiaries, whose financial results include total assets of Rs 4,926.89 lakhs as at March 31, 2020, total revenues of Rs 928.32 lakhs and Rs 4,286.82 lakhs, total net profit/(loss) after tax of Rs. (387.36) lakhs and Rs. (943.02) lakhs, total comprehensive income of Rs. (376.32) lakhs and Rs. (931.97) lakhs, for the quarter and the year ended on that date respectively, and net cash outflows of Rs. 8.10 lakhs for the year ended March 31, 2020, as considered in the Statement which have been audited by us.

We did not audit financial results and other financial information in respect of one branch at Ankleshwar, whose financial results/information reflects total assets of Rs. 7,323.98 lakhs as at 31st March 2020, total revenues of Rs. 708.01 lakhs and Rs. 3,090.56 lakhs, total net profit after tax of Rs. (96.74) lakhs and Rs. (83.86) lakhs, total comprehensive income of Rs. (96.74) lakhs and Rs. (83.86) lakhs for the quarter and year ended 31st March 2020 respectively. These audited financial results and other financial information have been audited by other auditor, whose reports have been furnished to us by the management.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

The statement includes the results for the quarter ended 31st March 2020 being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date figures up to the nine months of the current financial year which were subject to limited review by us.

For D. Kothary & Co.
Chartered Accountants
Firm Registration No. 105335W

Mehul N. Patel
Partner
Membership No. 132650
UDIN: 20132650AAAACE8833



Place: Mumbai
Date: 10th June 2020