



Innovating for  
affordable healthcare

# Shilpa Medicare Limited

**Manufacturers and Exporters of Bulk Drugs**

"Shilpa House" # 12-6-214/A1, Hyderabad Road,  
RAICHUR - 584 135. Karnataka, India.

Phone : +91-8532 - 238704, Fax : +91-8532-238876

E-mail : info@vbshilpa.com Website : www.vbshilpa.com

GST NO : 29AADCS8788F1Z0

CIN No. L85110KA1987PLC008739

Dated 09<sup>th</sup> November, 2019

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

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

Dear Sir,

**Sub: Outcome of Board Meeting - Reg.**

**Ref: Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements)  
Regulations, 2015;**

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

With reference to the captioned subject, Please be noted that pursuant to the Resolution passed at the meeting of the board of directors held on 09<sup>th</sup> November, 2019 at 10:30 A.M. for the following items.

1. Approval of The unaudited Financial Results (Standalone and Consolidated) for the quarter ended and six months ended 30<sup>th</sup> September, 2019, pursuant to Regulation 33(3) of SEBI (LODR) Regulations, 2015. The Statement of Financial Results along with Statement of Assets and Liabilities, Cash Flow Statements and Limited review reports are enclosed as **Annexure-1.**
2. Appointment of Mr. Piyush Goenka (DIN: 02117859) as an Additional Director of the Company in Independent capacity with effect from 09.11.2019 based on the recommendation of Nomination and Remuneration Committee.  
The brief profile of Mr. Piyush Goenka is enclosed as **Annexure-II**

It is further intimated that meeting commenced at 10:30 A.M. and ended at 2:30 PM

This is for your information and necessary records.

For SHILPA MEDICARE LIMITED

  
**V V KRISHNA CHAITANYA**  
Company Secretary & Compliance Officer



Enclosure: as mentioned above.

**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019**

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

Sl No.	Particulars	Quarter ended			Half year ended		Year Ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	Revenue from operations	28,991.65	16,099.11	16,227.89	45,090.77	36,044.46	73,338.77
	Other Income	582.08	198.26	315.21	780.33	751.08	1,373.74
	<b>Total Income</b>	<b>29,573.73</b>	<b>16,297.37</b>	<b>16,543.10</b>	<b>45,871.10</b>	<b>36,795.54</b>	<b>74,712.51</b>
2	<b>Expenses</b>						
	a) Cost of material consumed	7,999.29	7,461.42	6,154.03	15,460.71	14,290.04	24,911.84
	b) Purchase of stock-in-trade	534.55	9.82	277.64	544.37	401.42	723.44
	c) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	684.26	(2,091.31)	(1,913.32)	(1,407.05)	(3,121.07)	22.03
	d) Employee benefits expense	4,979.17	4,664.98	4,435.97	9,644.14	8,483.66	17,640.42
	e) Finance cost	81.75	146.29	62.52	228.04	120.42	367.56
	f) Depreciation and amortisation expenses	1,066.22	1,065.60	1,000.48	2,131.81	2,026.39	4,206.15
	g) Other expenses	7,994.12	3,174.29	3,520.42	11,168.42	6,764.85	14,458.88
	<b>Total Expenses</b>	<b>23,339.36</b>	<b>14,431.09</b>	<b>13,537.75</b>	<b>37,770.45</b>	<b>28,965.72</b>	<b>62,330.33</b>
3	<b>Profit before share of profit of joint venture and associates, exceptional items and tax (1)- (2)</b>	<b>6,234.37</b>	<b>1,866.28</b>	<b>3,005.35</b>	<b>8,100.65</b>	<b>7,829.82</b>	<b>12,382.18</b>
4	Share of Profit / (loss) of Joint venture and associates, net of tax	(68.06)	35.47	(307.01)	(32.59)	(852.82)	(801.70)
5	<b>Profit before tax and exceptional items (3-4)</b>	<b>6,166.31</b>	<b>1,901.75</b>	<b>2,698.35</b>	<b>8,068.07</b>	<b>6,977.01</b>	<b>11,580.49</b>
6	Exceptional items- (Income)/Expenses (pl see ## below)	-	-	(2,606.56)	-	(2,606.56)	(1,987.32)
7	<b>Profit Before Tax (5+6)</b>	<b>6,166.31</b>	<b>1,901.75</b>	<b>5,304.91</b>	<b>8,068.07</b>	<b>9,583.57</b>	<b>13,567.81</b>
8	<b>Tax Expense</b>	<b>1,118.54</b>	<b>405.52</b>	<b>1,139.16</b>	<b>1,524.07</b>	<b>2,103.04</b>	<b>2,617.63</b>
	-Current tax	978.54	685.22	1,333.54	1,663.77	2,565.69	3,789.51
	-Deferred tax ( Net of MAT credit )	140.00	(279.70)	(194.39)	(139.70)	(462.65)	(1,171.88)
9	<b>Profit for the Period / year before non-controlling interest (7)-(8)</b>	<b>5,047.77</b>	<b>1,496.23</b>	<b>4,165.75</b>	<b>6,544.00</b>	<b>7,480.53</b>	<b>10,950.18</b>
10	Share of (loss)/profit attributable to non-controlling interest	(29.74)	(78.11)	(60.96)	(107.86)	(110.22)	(276.00)
11	<b>Profit after taxes attributable to owners of the Parent Company for the period / year (9-10)</b>	<b>5,077.51</b>	<b>1,574.34</b>	<b>4,226.71</b>	<b>6,651.86</b>	<b>7,590.75</b>	<b>11,226.18</b>
12	<b>Other comprehensive income (OCI)</b>						
	<b>A. Items that will not be reclassified subsequently to profit or loss</b>						
	Remeasurement of the defined benefit liability/asset Gain/(Loss) (net of tax)	-	-	4.22	-	8.44	1.11
	<b>B. Items that will be reclassified subsequently to profit or loss</b>						
	Gain / (Loss) on derivative instrument (net of tax)	(14.64)	50.45	26.21	35.81	145.10	41.96
	<b>Total other comprehensive income(net of tax)(A+B)</b>	<b>(14.64)</b>	<b>50.45</b>	<b>30.43</b>	<b>35.81</b>	<b>153.54</b>	<b>43.07</b>
13	<b>Total comprehensive income for the period / year (11)+(12)</b>	<b>5,062.87</b>	<b>1,624.79</b>	<b>4,257.14</b>	<b>6,687.67</b>	<b>7,744.29</b>	<b>11,269.25</b>
14	Paid up equity share capital (par Value Rs.1/- each, fully paid )	815.27	815.27	815.27	815.27	815.27	815.27
15	Reserves i.e other equity						118,943.06
16	<b>Earnings per equity share (par value Rs.1/- each)</b>						
	Basic (Rs.)	6.23	1.93	5.18	8.16	9.31	13.77
	Diluted (Rs.)	6.23	1.93	5.18	8.16	9.31	13.77

\* Revenue from operation includes an amount of Rs 7256.75 Lakhs with regards to sales of product licence during the current quarter ( previous quarter Nil), further other expenses includes an amount of Rs 3368.89 related to the said licence fees.

**## The above Exceptional Item includes the followings:**

- a) Rs.2,568.42 lakhs is recognized as gain on sale of 24% investment in Raichem Medicare Private Limited ("RMPL" – earlier classified as Joint Venture) as at year ended March 31, 2019 which is net of related expenses and includes additional gain of Rs. 612.95 Lakhs recognized due to diminishing in the value of equity investment against earlier year losses in previous period. The Company has entered into sale agreement to dispose off its balance equity shares by financial year 19-20. Accordingly, the value of equity shares has been reclassified as " Asset held for sale" as per Ind-AS 105 and share in loss of RMPL has been considered under equity method upto quarter ended June 30, 2018.
- b) As part of treasury management, the Company has invested in Commercial paper of Infrastructure Leasing & Financial Services Limited (IL&FS) amounting to Rs. 1,437.38 lakhs which was due for redemption on January 02, 2019. The aforesaid amount and interest thereon have, however, not been received as on date. In view of the fact that there is significant uncertainty on recovery of the entire amount, the management has made a provision of full amount Rs. 1,437.38 lakhs as at March 31, 2019 . The Company, however, continues to monitor developments on this matter and is committed to take steps including further legal actions that may be necessary to ensure full recoverability.
- c) Rs.559.60 Lakhs which has been written-off on account of accrued dividend on investment in preference shares in Raichem Medicare Private Limited ("RMPL" – earlier classified as Joint Venture ) as on March 31, 2019 due to accumulated losses in RMPL and uncertainty in receiving the payment from RMPL. The Company sold its investment of 1,85,00,000 redeemable preference shares of RMPL at a premium and recognised gain of Rs.1371.79 lakhs which is net of related expenses and includes an additional gain of Rs.751.92 Lakhs recognised due to diminishing in the value of preference share investment against earlier period losses.

**Notes:**

- 1 The above unaudited standalone and consolidated financial results for the quarter and half year ended September 30, 2019 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 November 09, 2019.
- 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 Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method with practical expedient. There is no impact on retained earnings, on the date of initial application. Accordingly, comparatives for the year ended March 31 2019 have not been retrospectively adjusted. The effect of this adoption did not have a material impact on the results for the quarter and half year ended September 30, 2019.
- 4 The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance, 2019, inserted a new Section 115BAA of the Income Tax Act 1961, which provides an option to the Company for paying income tax at concessional rate subject to the provisions/conditions specified in the said Section. The Company is in the process of evaluating the impact of this ordinance, pending which tax expense has been continued to be recognised at prime rate of taxation. Adjustments, if any needed in this respect will be given effect to in subsequent period.
- 5 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.
- 6 The results for the quarter and half year ended September 30.2019 presented were subjected to a " Limited Review" by the Statutory Auditors of the Company. An unqualified report was issued by them thereon.
- 7 Figures for the previous periods have been regrouped, wherever necessary, to correspond with the figures of the current period.

For and on behalf of the Board of Directors

  
Omprakash Innani  
Chairman



Date: 09.11.2019  
Place: Hyderabad



## Shilpa Medicare Limited

Registered office: # 12-6-214/A-1, Hyderabad Road, Raichur- 584135

Website - www.vbshilpa.com, Email - info@vbshilpa.com, Telephone --+91-8532-238494

CIN No. - L85110KA1987PLC008739

### STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019

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

Sl. No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	<b>Income</b>						
	Revenue from operations *	23,653.25	15,457.67	15,551.34	39,110.92	33,568.97	66,387.88
	Other Income	245.35	345.66	394.18	591.01	790.15	1,578.98
	<b>Total Income</b>	<b>23,898.60</b>	<b>15,803.33</b>	<b>15,945.52</b>	<b>39,701.93</b>	<b>34,359.12</b>	<b>67,966.86</b>
2	<b>Expenses</b>						
	a) Cost of material consumed	8,006.96	6,916.94	5,830.19	14,923.90	13,665.10	23,754.67
	b) Purchase of stock-in-trade	285.37	9.71	277.49	295.08	403.58	725.26
	c) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	534.63	(1,658.06)	(1,733.92)	(1,123.43)	(3,316.33)	(992.38)
	d) Employee benefits expense	3,910.57	3,789.65	3,456.05	7,700.22	6,604.25	13,622.34
	e) Finance cost	62.99	131.66	32.48	194.65	84.01	289.32
	f) Depreciation and amortisation expenses	945.17	945.70	880.43	1,890.87	1,792.54	3,716.91
	g) Other expenses	3,820.76	2,498.07	2,892.91	6,318.83	5,626.12	11,913.25
	<b>Total Expenses</b>	<b>17,566.45</b>	<b>12,633.67</b>	<b>11,635.63</b>	<b>30,200.12</b>	<b>24,859.27</b>	<b>53,029.37</b>
3	<b>Profit before tax and exceptional items (1)-(2)</b>	<b>6,332.15</b>	<b>3,169.66</b>	<b>4,309.89</b>	<b>9,501.81</b>	<b>9,499.85</b>	<b>14,937.49</b>
4	Exceptional items- (Income)/Expenses (PI see # below)	-	-	(1,993.62)	-	(1,993.62)	(622.46)
5	<b>Profit Before Tax (3+4)</b>	<b>6,332.15</b>	<b>3,169.66</b>	<b>6,303.51</b>	<b>9,501.81</b>	<b>11,493.46</b>	<b>15,559.95</b>
6	<b>Tax Expense</b>	<b>1,022.26</b>	<b>559.28</b>	<b>1,400.58</b>	<b>1,581.53</b>	<b>2,319.99</b>	<b>3,149.32</b>
	-Current tax	978.11	684.59	1,220.02	1,662.70	2,445.71	3,664.82
	-Deferred tax (Net of MAT credit)	44.15	(125.31)	180.56	(81.17)	(125.72)	(515.50)
7	<b>Profit for the Period (5)-(6)</b>	<b>5,309.89</b>	<b>2,610.38</b>	<b>4,902.93</b>	<b>7,920.28</b>	<b>9,173.47</b>	<b>12,410.63</b>
8	<b>Other comprehensive income (OCI)</b>						
	<b>A. Items that will not be reclassified subsequently to profit or loss</b>						
	Remeasurement of the defined benefit (liability)/asset	-	-	4.22	-	8.44	4.01
	<b>B. Items that will be reclassified subsequently to profit or loss</b>						
	Gain / (Loss) on derivative instrument (net)	(14.64)	50.45	26.21	35.81	145.10	41.96
	<b>Total other comprehensive income (net of tax)(A+B)</b>	<b>(14.64)</b>	<b>50.45</b>	<b>30.43</b>	<b>35.81</b>	<b>153.54</b>	<b>45.97</b>
9	<b>Total comprehensive income for the period / year (7)+(8)</b>	<b>5,295.25</b>	<b>2,660.83</b>	<b>4,933.36</b>	<b>7,956.09</b>	<b>9,327.01</b>	<b>12,456.60</b>
10	Paid up equity share capital (par Value Rs.1/- each, fully paid)	815.27	815.27	815.27	815.27	815.27	815.27
11	Reserves i.e Other equity						127,339.28
12	<b>Earnings per equity share (par value Rs.1/- each)</b>						
	Basic (Rs.)	6.51	3.20	6.01	9.71	11.25	15.22
	Diluted (Rs.)	6.51	3.20	6.01	9.71	11.25	15.22

\* Revenue from operation includes an amount of Rs 3525.00 Lakhs with regard to sale of product licences during the current quarter last quarter Nil.

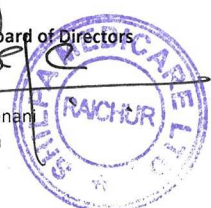
# The above Exceptional Item includes the followings:

- Rs. 1,955.47 lakhs (net of related expenses) related to gain on sale of 24% investment in the equity shares of Raichem Medicare Private Limited ("RMPL" - Earlier classified as "Joint Venture") for the quarter ended Sept, 30, 2018 and year ended March 31, 2019. The Company has entered into sale agreement to dispose off its balance equity shares by financial year 19-20. Accordingly the value of equity shares has been reclassified under "Asset held for sale".
- As part of treasury management, the Company has invested in Commercial paper of Infrastructure Leasing & Financial Services Limited (IL&FS) amounting to Rs. 1,437.38 lakhs which was due for redemption on January 02, 2019. The aforesaid amount and interest thereon have, however, not been received as on date. In view of the fact that there is significant uncertainty on recovery of the entire amount, the management has made a provision of full amount Rs. 1,437.38 lakhs as at March 31, 2019. The Company, however, continues to monitor developments on this matter and is committed to take steps including further legal actions that may be necessary to ensure full recoverability.
- Rs.559.60 Lakhs has been written-off on account of accrued dividend on Investment in preference shares of Raichem Medicare Private Limited ("RMPL" - Earlier classified as "Joint Venture") as at March 31, 2019 due to accumulated losses in RMPL and uncertainty in receiving the payment from RMPL. The Company sold its investment of 1,85,00,000 number of redeemable preference shares of RMPL of face value of Rs.10/- each at a premium of Rs.3.35 each and recognised gain of Rs.619.87 lakhs.

Date: 09.11.2019  
Place: Hyderabad

For and on behalf of the Board of Directors

Omprakash Innani  
Chairman





## Shilpa Medicare Limited

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 CIN No. - L85110KA1987PLC008739

### Consolidated Balance Sheet

(Rs. In Lakhs)

Particulars	As at	As at
	30.09.2019	31.03.2019
	Unaudited	Audited
<b>A ASSETS</b>		
<b>(1) NON- CURRENT ASSETS</b>		
(a) Property , plant & equipment	49,200.58	49,450.48
(b) Right of use - Lease Assets	2,579.25	-
(c) Capital work -in-progress	43,193.84	30,446.01
(d) Goodwill	3,673.57	3,675.26
(e) Intangible assets	2,528.20	2,675.18
(f) Intangible assets under development	15,570.43	12,465.78
(g) Financial assets		
i) Investments	186.62	225.45
ii) Loans	-	-
iii) Others financial assets	1,009.21	803.58
(h) Other non- current assets	2,545.01	6,754.72
<b>Total non-current assets</b>	<b>120,486.73</b>	<b>106,496.46</b>
<b>(2) CURRENT ASSETS</b>		
(a) Inventories	20,458.93	18,766.94
(b) Financial assets		
i) Investments	-	0.12
ii) Trade receivables	28,361.96	20,372.82
iii) Cash and cash equivalents	1,445.48	3,427.15
iv) Other bank balances	26.65	6,026.65
v) Loans	22.29	62.76
vi) Other financial assets	606.72	962.48
(c) Other current assets	7,156.50	4,505.18
(d) Current tax assets (net)	518.00	391.79
<b>Total current assets</b>	<b>58,596.51</b>	<b>54,515.89</b>
<b>TOTAL ASSETS</b>	<b>179,083.24</b>	<b>161,012.35</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>(1) EQUITY</b>		
(a) Equity share capital	815.27	815.27
(b) Other equity	124,696.77	118,943.06
<b>Equity attributable to owners of the Company</b>	<b>125,512.04</b>	<b>119,758.33</b>
(c) Non-controlling interest	(855.24)	(761.94)
<b>Total equity</b>	<b>124,656.80</b>	<b>118,996.39</b>
<b>LIABILITIES</b>		
<b>(2) NON- CURRENT LIABILITIES</b>		
(a) Financial liabilities		
i) Borrowings	12,737.50	8,109.56
(b) Provisions	2,343.21	2,177.16
(c) Deferred tax liabilities (net)	4,747.68	4,767.32
(d) Other non-current financial liabilities	1,731.53	1,607.66
<b>Total non-current liabilities</b>	<b>21,559.91</b>	<b>16,661.70</b>
<b>(3) CURRENT LIABILITIES</b>		
(a) Financial liabilities		
i) Borrowings	9,896.28	8,657.99
ii) Trade payables		
-due to other than micro enterprises & small enterprises	11,470.79	7,364.24
-due to micro enterprises & small enterprises	663.04	894.15
iii) Other financial liabilities	8,668.38	6,471.55
(b) Other current liabilities	1,117.67	1,514.27
(c) Provisions	1,050.36	452.06
<b>Total current liabilities</b>	<b>32,866.53</b>	<b>25,354.26</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>179,083.24</b>	<b>161,012.35</b>

For and on behalf of the Board of

Omrakash Inman  
Chairman



Date: 09.11.2019  
Place: Hyderabad





## Shilpa Medicare Limited

Registered office : # 12-6-214/A-1, Hyderabad Road, Raichur -584135

Website - www.vbshilpa.com, Email - info@vbshilpa.com., Telephone -+91-8532-238494

CIN No. - L85110KA1987PLC008739

### Standalone Balance Sheet

(Rs. In Lakhs)

Particulars	As at 30.09.2019	As at 31.03.2019
	Unaudited	Audited
<b>A ASSETS</b>		
<b>(1) NON- CURRENT ASSETS</b>		
(a) Property, plant & equipment	45,832.76	46,048.92
(b) Right of use - Lease Assets	2,579.25	-
(c) Capital work -in-progress	40,653.67	28,480.10
(d) Goodwill	2,653.06	2,653.06
(e) Intangible assets	2,227.75	2,381.55
(f) Intangible assets under development	14,484.00	11,641.39
(g) Financial assets		
i) Investments	9,115.61	8,904.11
ii) Loans	8,396.14	7,211.16
iii) Other financial assets	890.35	726.61
(h) Other non-current assets	2,530.69	6,739.96
<b>Total non-current assets</b>	<b>129,363.28</b>	<b>114,786.86</b>
<b>(2) CURRENT ASSETS</b>		
(a) Inventories	19,066.87	17,670.41
(b) Financial assets		
i) Investments	-	-
ii) Trade receivables	23,903.08	18,168.27
iii) Cash and cash equivalents	907.04	3,066.23
iv) Other bank balances	26.65	6,026.65
v) Loans	490.57	389.71
iv) Other financial assets	1,681.09	1,641.09
(c) Other current assets	6,096.58	3,838.50
(d) Current tax assets (net)	459.42	451.59
(e) Assets held for sale	789.19	789.21
<b>Total current assets</b>	<b>53,420.49</b>	<b>52,041.66</b>
<b>TOTAL ASSETS</b>	<b>182,783.77</b>	<b>166,828.52</b>
<b>B EQUITY AND LIABILITIES</b>		
<b>(1) EQUITY</b>		
(a) Equity share capital	815.27	815.27
(b) Other equity	134,312.51	127,339.28
<b>Total equity</b>	<b>135,127.78</b>	<b>128,154.55</b>
<b>LIABILITIES</b>		
<b>(2) NON- CURRENT LIABILITIES</b>		
(a) Financial liabilities		
i) Borrowings	12,737.50	8,109.56
(b) Provisions	643.64	535.80
(c) Deferred tax liabilities (net)	5,518.98	5,600.16
(d) Other non-current financial liabilities	1,567.08	1,469.69
<b>Total non-current liabilities</b>	<b>20,467.20</b>	<b>15,715.21</b>
<b>(3) CURRENT LIABILITIES</b>		
(a) Financial liabilities		
i) Borrowings	8,879.08	7,871.60
ii) Trade payables		
-due to other than micro enterprises & small enterprises	7,440.78	6,307.08
-due to micro enterprises & small enterprises	663.04	829.87
iii) Other financial liabilities	8,429.73	6,377.88
(b) Other current liabilities	1,087.48	1,275.01
(c) Provisions	688.69	297.32
<b>Total current liabilities</b>	<b>27,188.79</b>	<b>22,958.76</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>182,783.77</b>	<b>166,828.52</b>

Date: 09.11.2019  
Place: Hyderabad

For and on behalf of the Board of Directors

Omprakash Inani  
Chairman





## Shilpa Medicare Limited

Registered office : # 12-6-214/A-1, Hyderabad Road, Raichur -584135

Website - www.vbshilpa.com, Email - info@vbshilpa.com., Telephone -+91-8532-238494

CIN No. - L85110KA1987PLC008739

### Consolidated Statement of Cash Flow

(Rs. In

Particulars	Half year ended 30.09.2019	Half year ended 30.09.2018
	Unaudited	Unaudited
<b>A. Cash flow from / (used in ) operating activity</b>		
<b>Profit before tax</b>	<b>8068.07</b>	<b>9583.58</b>
<b>Adjustment for:</b>		
Depreciation and amortization expense	2131.81	2026.39
Interest earned	(129.94)	(339.24)
Finance Costs	228.04	120.40
Dividend Income	0.00	(19.40)
Loss on sales / discard pf assets	(5.09)	2.61
Share of (profit)/loss of associates and joint ventures	32.59	852.82
Bad debts / Advance written off	7.15	176.72
Foreign exchange fluctuation (gain) / loss (net)	(112.47)	(165.55)
Gain on sale of stake in Associate Company	0.00	(2568.41)
Corporate gaurantee fees	(6.02)	(5.76)
Capital subsidy (grant)	(11.02)	(17.02)
<b>Operating Profit before change in operating assets and liability</b>	<b>10203.13</b>	<b>9647.13</b>
<b>Adjustment for change in operating assets and liability</b>		
Decrease/(increase) in inventories	(1691.99)	(1357.14)
Decrease/(increase) in trade receivables	(7933.26)	4196.25
Increase / (decrease) Trade payables	4083.26	(813.90)
Decrease / (Increase) in Financial and non financial assets	(1375.79)	(138.82)
Increase / (decrease) in financial Liabilities and other liabilities	2152.47	(105.91)
<b>Cash Generated from Operations</b>	<b>5437.82</b>	<b>11427.62</b>
Income Taxes Paid (net)	(1669.92)	(1974.75)
<b>Net Cash flow from Operating Activities (A)</b>	<b>3767.90</b>	<b>9452.87</b>
<b>Cash flow from / (used in) Investing Activities</b>		
Purchase of Property plant and equipment and intangible assets	(1924.02)	(2989.96)
Expenditure on CWIP	(15854.68)	(5942.22)
Proceeds from sale of assets	194.17	702.78
Proceeds from sale of Investments	22.60	2528.55
Proceeds from sale of stake in Associates Company	0.00	2902.57
Movment in other bank balances	6000.00	3502.39
Interest Received	445.88	109.07
Dividend Received	-	19.40
<b>Net cash flow generated from investing activities (B)</b>	<b>(11116.04)</b>	<b>832.59</b>
<b>Cash flows from / (used in ) financing activities</b>		
Proceeds from/(repayment of) long-term loans and borrowings, (net)	5252.94	(590.10)
Proceeds from/(repayment of) short-term loans and borrowings, (net)	1238.29	(4522.76)
Dividend paid	(815.27)	-
Tax on Dividend	(167.59)	-
Interest paid	(237.98)	(86.96)
<b>Net cash (used in) financing activities (C)</b>	<b>5270.40</b>	<b>(5199.83)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(2077.74)</b>	<b>5085.64</b>
Effect of Exchange rate on Consolidated Financial Statements	48.94	178.22
Cash and cash equivalents at the beginning of the period/year	3413.03	3855.99
<b>Cash and cash equivalents at the end of the period</b>	<b>1384.23</b>	<b>9119.85</b>
<b>Component of Cash and Cash Equivalent</b>		
(i) Cash in Hand	27.66	27.33
(ii) in current Account	1,417.81	9,092.52
(iii) Books over draft	(61.24)	-
<b>Total Cash &amp; Cash Equivalent</b>	<b>1,384.23</b>	<b>9,119.85</b>

For and on behalf of the Board of

Omprakash Innani  
Chairman

Date: 09.11.2019  
Place: Hyderabad





## Shilpa Medicare Limited

Registered office : # 12-6-214/A-1, Hyderabad Road, Raichur -584135

Website - www.vbshilpa.com, Email - info@vbshilpa.com., Telephone --+91-8532-238494

CIN No. - L85110KA1987PLC008739

### Standalone Statement of Cash Flow

(Rs. In Lakhs)

Particulars	Half year ended 30.09.2019	Half year ended 30.09.2018
	Unaudited	Unaudited
<b>A. Cash flow from / (used in) operating activity</b>		
<b>Profit before tax</b>	<b>9501.81</b>	<b>11493.46</b>
<b>Adjustment for:</b>		
Depreciation and amortization expense	1890.87	1792.54
Interest earned	(439.40)	(447.46)
Finance costs	194.65	84.01
Dividend income	(132.11)	(151.45)
Loss on sales / discard pf assets	(5.09)	2.61
Bad debts / Advance written off	7.11	160.24
Foreign exchange fluctuation (gain) / loss (net)	(110.07)	(163.99)
Gain on sale of stake in Associate Company	0.00	(1955.47)
Corporate gaurantee fees	(6.02)	(5.76)
Capital subsidy (grant)	(10.35)	(16.35)
<b>Operating Profit before change in operating assets and liability</b>	<b>10891.42</b>	<b>10792.39</b>
<b>Adjustment for change in operating assets and liability</b>		
Decrease/(increase) in Inventories	(1396.46)	(1392.51)
Decrease/(increase) in Trade receivables	(5574.34)	4054.78
Increase / (decrease) Trade payables	948.94	(1367.18)
Decrease / (Increase) in Financial and Non Financial Assets	(669.28)	(473.45)
Increase / (decrease) in Financial Liabilities and Other Liabilities	2444.30	(30.37)
<b>Cash Generated from Operations</b>	<b>6644.59</b>	<b>11583.66</b>
Income Taxes Paid (net)	(1670.53)	(1932.50)
<b>Net Cash flow from Operating Activities (A)</b>	<b>4974.05</b>	<b>9651.17</b>
<b>Cash flow from / (used in) Investing Activities</b>		
Purchase of Property Plant and Equipment and Intangible Assets	(1709.11)	(2789.96)
Purchase of Property Plant and Equipment and Intangible Assets (CWIP)	(15016.18)	(4870.07)
Proceeds from sale of Property Plant and Equipment	189.08	715.67
Loan Given to Subsidiaries and Others	(1614.70)	(1265.59)
Recovery of Loans from Subsidiaries and Others	289.28	355.68
Purchase of Investments or Investment in Bonds	(211.50)	(9079.32)
Proceeds from sale of stake in Associates Company	0.00	2568.41
Proceeds from sale of Investments	0.00	12029.42
Movment in other bank balances	6000.00	(8443.16)
Interest Received	444.80	108.04
Dividend Received	0.00	19.40
<b>Net cash flow generated from investing activities (B)</b>	<b>(11628.32)</b>	<b>(10651.49)</b>
<b>Cash flows from / (used in) financing activities</b>		
Proceeds from/(repayment of) long-term loans and borrowings, (net)	4627.94	(618.04)
Proceeds from/(repayment of) short-term loans and borrowings, (net)	1007.48	(5077.77)
Dividend paid	(815.27)	-
Tax on Dividend	(167.58)	-
Interest paid	(204.60)	(96.15)
<b>Net cash (used in) financing activities (C)</b>	<b>4447.97</b>	<b>(5791.97)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(2206.29)</b>	<b>(6792.29)</b>
Cash and cash equivalents at the beginning of the period/year	3052.95	7295.74
<b>Cash and cash equivalents at the end of the period.</b>	<b>846.66</b>	<b>503.45</b>
<b>Component of Cash and Cash Equivalent</b>		
(i) Cash in Hand	23.94	23.99
(ii) in current Account	883.10	479.46
(iii) Books over draft	(60.38)	-
<b>Total Cash &amp; Cash Equivalent</b>	<b>846.66</b>	<b>503.45</b>

Date: 09.11.2019  
Place: Hyderabad

For and on behalf of the Board of

OmPrakash Innani  
Chairman







*Brahmayya & Co.,*

CHARTERED ACCOUNTANTS

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

**Limited Review Report – Standalone Financial Results**

**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 September, 2019 and year-to-date results for the period from 1st April, 2019 to 30th September, 2019 ("the statement") attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This statement, which is the responsibility of the Company's Management and approved by the 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 issue a report on these financial statements based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial information performed by the Independent Auditor of the Entity*, issued by Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from material misstatements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and 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 of unaudited financial results, 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 accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms 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: 19215798AAAADD8262

Place : Hyderabad

Date : 09.11.2019



CHARTERED ACCOUNTANTS

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

### Limited Review Report – Consolidated Financial Results

#### **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 Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group'), and its share of the net profit after tax and total comprehensive income of its associates and joint Venture for the quarter ended 30<sup>th</sup> September, 2019 and year-to-date results for the period from 1<sup>st</sup> April, 2019 to 30<sup>th</sup> September, 2019 (the "statement"), being submitted by the parent 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 Parent's Management and has been approved by the Parent'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 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. 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 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
4. The Statement includes the result of the following Subsidiaries/ Associates/Joint Venture:
  - 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 (Subsidiary Company)
  - f. INM Nuvent Paints Private Limited (Step down Subsidiary Company)
  - g. Loba Feinchemie,Gmbh (Step down Subsidiary Company)







CHARTERED ACCOUNTANTS

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

- h. Makindus, Inc (Subsidiary Company)
  - i. MAIA Pharmaceuticals, Inc (Associate Company)
  - j. Reva Medicare Private Limited (Joint Venture Company)
  - k. Reva Pharmachem Private Limited (Associate Company)
  - l. Shilpa Pharma Inc (Wholly owned subsidiary Company)
  - m. Sravathi Advance Process Technologies Private Limited (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 and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of 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 four subsidiary included in the consolidated unaudited financial results, whose interim financial statements reflect total assets of Rs. 6975.59 lakhs as at 30<sup>th</sup> September, 2019 and total revenue of Rs. 461.04 lakhs and Rs. 549.83 lakhs, total net loss after tax of Rs (329.43) lakhs and Rs. (807.43) lakhs, and total comprehensive loss of Rs. (329.43) lakhs and Rs. (807.43) lakhs, for the quarter ended 30<sup>th</sup> September 2019 and for the period from 1<sup>st</sup> April 2019 to 30<sup>th</sup> September 2019, respectively, and cash flows (net) of Rs. 64.61 lakhs for the period from 1<sup>st</sup> April 2019 to 30<sup>th</sup> September 2019, as considered in the consolidated unaudited financial results. The statement also include the Group's share of net profit after tax of Rs. 11.38 lakhs and Rs. 14.78 lakhs and total comprehensive income of Rs. 11.38 lakhs and Rs. 14.78 lakhs for the quarter ended 30<sup>th</sup> September, 2019 and for the period from 1<sup>st</sup> April 2019 to 30<sup>th</sup> September 2019, as considered in the consolidated unaudited financial results, in respect of one joint venture 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 venture 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 six subsidiaries which have not been reviewed, whose interim financial statements reflect total assets of Rs. 15643.77 lakhs as at 30<sup>th</sup> September, 2019 and total revenue of Rs. 9042.44 lakhs and Rs. 9661.59 lakhs, total net profit/ (loss) after tax of Rs. 255.01 lakhs and Rs. (371.08) lakhs, and total comprehensive income/(loss) of Rs. 255.01 lakhs and Rs. (371.08) lakhs, for the quarter ended 30<sup>th</sup> September, 2019 for the period from 1<sup>st</sup> April 2019 to 30<sup>th</sup> September 2019, respectively, and cash flows (net) of Rs. 112.90 lakhs for the period from 1<sup>st</sup> April 2019 to 30<sup>th</sup> September 2019, as considered in the consolidated unaudited financial results. The statement also include the Group's share of net loss after tax of Rs. (79.44) lakhs and Rs. (47.38) lakhs and total comprehensive loss of Rs. (79.44) lakhs and Rs. (47.38) lakhs for the quarter ended 30<sup>th</sup> September, 2019 and for the period from 1<sup>st</sup> April 2019 to 30<sup>th</sup> September 2019, respectively, as considered in the consolidated







CHARTERED ACCOUNTANTS

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

unaudited financial results, in respect of one associate, based on their interim financial statement which have not been reviewed. 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: 19215798 AAAADE7144

Place : Hyderabad  
Date : 09.11.2019

Name: PIYUSH GOENKA

Date of birth: JULY 26, 1977

Residence: 2803, TOWER 5, CRESENT BAY, JERBHAI WADIA MARG, PAREL, MUMBAI - 400012

### BRIEF

Piyush Goenka has over 19 years of experience in Private Equity investing and the financial services sector. He is currently a partner at Tano Capital, an independent mid-market Private Equity Fund Manager. At Tano, Piyush is responsible for making investments across a bunch of sectors and has led most of the Fund's investments in consumer, pharmaceuticals and financial services. Prior to joining Tano, he worked with other financial services firms including Export-Import Bank of India and First Global. He holds a bachelor's degree in commerce from University of Calcutta and has completed the post-graduate programme in management from Management Development Institute, Gurugram. He is also a CFA charter holder