



**UNICHEM**  
**LABORATORIES LTD.**

October 31, 2020

**Department of Corporate Services**

**Mr. Hari K**

Bombay Stock Exchange Ltd.  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai- 400 001

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

**Dear Sir,**

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

**Sub: Outcome of Board Meeting**

We would like to inform you that the Board of Directors at its Meeting held today, i.e. Saturday October 31, 2020 approved the Unaudited Financial Results (Standalone and Consolidated) for the second quarter and half year ended September 30, 2020. Enclosed herewith please find the Unaudited Financial Results (Standalone and Consolidated) for the second quarter and half year ended September 30, 2020 and the Auditors Reports thereon.

The Board Meeting commenced at 11:45 am and concluded at 02:10 pm.

Kindly take the same on your records.

Thanking you,  
**FOR UNICHEM LABORATORIES LIMITED**

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

**UNICHEM LABORATORIES LIMITED**  
CIN: L99999MH1962PLC012451

**Statement of Standalone Unaudited Results for the Quarter & Half Year ended 30th September, 2020.**

**₹ Lakhs**

Particulars	Quarter ended 30th Sep'20 (Unaudited)	Quarter ended 30th Jun'20 (Unaudited)	Quarter ended 30th Sep'19 (Unaudited)	Half year ended 30th Sep'20 (Unaudited)	Half year ended 30th Sep'19 (Unaudited)	Year ended 31st Mar'20 (Audited)
I Revenue from operations	31,093.18	24,077.12	22,509.74	55,170.30	45,761.88	90,444.07
II Other income	1,041.11	1,873.00	2,904.90	2,914.11	5,703.25	9,917.01
<b>III Total income (I+II)</b>	<b>32,134.29</b>	<b>25,950.12</b>	<b>25,414.64</b>	<b>58,084.41</b>	<b>51,465.13</b>	<b>1,00,361.08</b>
<b>IV EXPENSES</b>						
Cost of materials consumed (including provisions)	12,760.64	10,787.31	10,218.16	23,547.95	20,297.08	40,020.76
Purchase of stock-in-trade	26.78	5.33	21.07	32.11	57.25	104.37
Changes in inventories of finished goods and work-in-progress	(629.59)	112.47	418.75	(517.12)	289.99	(1,849.58)
Employee benefits expense	5,685.23	5,956.07	5,212.35	11,641.30	10,098.79	20,515.66
Finance costs	16.41	15.76	23.08	32.17	27.82	128.18
Depreciation and amortization expense	1,892.70	1,831.23	1,786.42	3,723.93	3,472.02	7,108.96
Other expenses	8,866.25	7,996.59	10,221.19	16,862.84	20,411.95	40,713.91
<b>Total expenses (IV)</b>	<b>28,618.42</b>	<b>26,704.76</b>	<b>27,901.02</b>	<b>55,323.18</b>	<b>54,654.90</b>	<b>1,06,742.26</b>
<b>V Profit/(loss) before exceptional items and tax (III- IV)</b>	<b>3,515.87</b>	<b>(754.64)</b>	<b>(2,486.38)</b>	<b>2,761.23</b>	<b>(3,189.77)</b>	<b>(6,381.18)</b>
<b>VI Exceptional items</b>	-	-	-	-	-	-
<b>VII Profit/(loss) before tax (V-VI)</b>	<b>3,515.87</b>	<b>(754.64)</b>	<b>(2,486.38)</b>	<b>2,761.23</b>	<b>(3,189.77)</b>	<b>(6,381.18)</b>
<b>VIII Tax expense</b>						
(1) Current tax (Refer note 4)	482.00	-	-	482.00	-	-
(2) Deferred tax charge / (credit) (Refer note 5)	-	-	-	-	(749.81)	(749.56)
<b>IX Profit/(loss) for the period after tax (VII-VIII)</b>	<b>3,033.87</b>	<b>(754.64)</b>	<b>(2,486.38)</b>	<b>2,279.23</b>	<b>(2,439.96)</b>	<b>(5,631.62)</b>
<b>X Other Comprehensive Income/(Loss)</b>						
A. (i) Items that will not be reclassified subsequently to profit or loss (re-measurement of the net defined benefit plan)	18.59	(176.69)	(158.09)	(158.10)	(157.30)	299.50
(ii) Income tax (expense) / credit relating to items that will not be reclassified to profit or loss	-	-	-	-	(0.25)	-
B. (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
<b>Total of Other Comprehensive Income / (Loss)</b>	<b>18.59</b>	<b>(176.69)</b>	<b>(158.09)</b>	<b>(158.10)</b>	<b>(157.55)</b>	<b>299.50</b>
<b>XI Total Comprehensive Income for the period (IX+X)</b>	<b>3,052.46</b>	<b>(931.33)</b>	<b>(2,644.47)</b>	<b>2,121.13</b>	<b>(2,597.51)</b>	<b>(5,332.12)</b>
<b>XII Paid-up equity share capital (Face value of ₹ 2/- per share)</b>	1,408.12	1,408.12	1,408.12	1,408.12	1,408.12	1,408.12
<b>XIII Other Equity (Reserves excluding revaluation reserve)</b>						2,63,310.26
<b>XIV Earnings per equity share in ₹:</b>						
(1) Basic	4.31	(1.07)	(3.53)	3.24	(3.46)	(8.00)
(2) Diluted	4.31	(1.07)	(3.53)	3.24	(3.46)	(8.00)

**Notes :**

- The unaudited standalone financial results for the quarter and half year ended 30th September, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 31st October, 2020. The statutory auditors have carried out a limited review of the standalone financial results for the quarter and half year ended 30th September, 2020.
- The above unaudited standalone financial results have been prepared in accordance with the guidelines issued by the Securities and Exchange Board of India ("SEBI") and the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013.
- Operating Segment : The Company has a single reportable segment i.e. 'Pharmaceuticals'.
- Provision for current tax for the quarter and half year ended 30th September, 2020 has been computed in accordance with Section 115JB of the Income-tax Act, 1961.
- Upto 31st March, 2020, deferred tax assets was recognised on tax loss (which includes weighted deduction in respect of R&D expenditure and excludes exempt income), unabsorbed tax depreciation and other temporary differences to the extent of deferred tax liability.
- On 9th July, 2014, the European Commission ("EU") decided to impose an unjustified fine of Euro 13.96 million, jointly and severally on the Company and its subsidiary Niche Generics Ltd ("Niche") contending that they had acted in breach of EU competition law as Niche Generics Ltd had, in early 2005 (when the Company was only a part owner and financial investor in Niche) had agreed to settle a financially crippling patent litigation with Laboratories Servier. The Company vehemently denies any wrongdoing on the part of either itself or Niche. Both the Company & Niche had submitted appeals in September 2014 to the General Court of the EU seeking appropriate relief in the matter. The General Court of the EU has rejected the appeals vide Order dated 12th December 2018 and confirmed the fine of Euro 13.96 million. The Company and its subsidiary based on legal advice and merits, have filed appeals against the decision of General Court before the Court of Justice of the EU and outcome of the appeals are awaited. Considering the above, in view of the management, no provision for the aforesaid fine is considered necessary. Based on above, fine imposed by the EU of Euro 13.96 million (equivalent to ₹ 12,122.86 lakhs) is disclosed under contingent liability. The statutory auditors have given Emphasis of Matter in their limited review report on standalone and consolidated financial results for the quarter and half year ended 30th September, 2020 and earlier reports.



7 The COVID 19 pandemic has adversely impacted the global economic conditions and its impact still remains uncertain. Considering the Company is in the business of manufacturing and supplying pharmaceutical products which is categorized under essential goods, the management believes that the impact of the pandemic may not be significant. The Company will continue to closely monitor any material changes to future economic conditions.

8 The aggregate amount of revenue expenditure incurred on Research and Development as included in the relevant expense heads is as tabulated below:

₹ Lakhs

Particulars	Quarter ended 30th Sep'20	Quarter ended 30th Jun'20	Quarter ended 30th Sep'19	Half year ended 30th Sep'20	Half year ended 30th Sep'19	Year ended 31st Mar' 20
Total R&D expenditure	2,664.09	3,036.69	3,941.38	5,700.78	7,926.35	15,640.75

9 Statement of Standalone Assets and Liabilities:

₹ Lakhs

Particulars	As at 30th Sep,2020	As at 31st Mar,2020
	Unaudited	Audited
<b>I. ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	76,711.63	79,615.13
(b) Right of use assets	2,847.12	2,878.65
(c) Capital work-in-progress	49,387.10	33,083.54
(d) Investment property	356.42	359.59
(e) Financial assets		
(i) Investments	25,841.48	24,917.28
(ii) Loans	6.91	7.95
(iii) Other financial assets	1,019.76	1,003.35
(f) Other non-current assets	10,801.90	10,176.48
	<b>1,66,972.32</b>	<b>1,52,041.97</b>
<b>Current assets</b>		
(a) Inventories	33,779.86	31,556.80
(b) Financial assets		
(i) Investments	23,716.80	41,910.22
(ii) Trade receivables	38,275.74	32,309.79
(iii) Cash and bank balances		
Cash & cash equivalents	14,230.35	20,307.86
Other bank balances	399.28	229.21
(iv) Loans	4.52	4.40
(v) Other financial assets	1,536.65	1,532.97
(c) Other current assets	26,684.28	22,620.23
	<b>1,38,627.48</b>	<b>1,50,471.48</b>
Non Current Assets held for sale	13.41	-
<b>TOTAL ASSETS</b>	<b>3,05,613.21</b>	<b>3,02,513.45</b>
<b>II. EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	1,408.12	1,408.12
(b) Other equity	2,62,761.47	2,63,310.26
	<b>2,64,169.59</b>	<b>2,64,718.38</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Lease liabilities	147.08	148.00
(b) Provisions	3,246.44	2,351.21
(c) Deferred tax liabilities (net)	-	-
(d) Other long term liabilities	469.21	469.21
	<b>3,862.73</b>	<b>2,968.42</b>



<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	1,485.62	1,521.41
(ii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	755.71	247.91
Total outstanding dues of creditors other than micro enterprises and small enterprises	22,049.00	20,574.25
(iii) Lease liabilities	1.78	1.72
(iv) Other financial liabilities	7,060.56	7,119.37
(b) Other current liabilities	4,816.78	4,381.19
(c) Provisions	929.44	980.80
(d) Current tax liabilities (net)	482.00	-
	<b>37,580.89</b>	<b>34,826.65</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,05,613.21</b>	<b>3,02,513.45</b>

10 Statement of Standalone Cash flows:

₹ Lakhs

Particulars	Six months ended 30th September, 2020	Six months ended 30th September, 2019
<b>A. Cash Flow from Operating Activities</b>		
<b>Net Profit/(Loss) before tax</b>	<b>2,761.23</b>	<b>(3,189.77)</b>
Adjustments:		
Depreciation / amortisation (including investment property)	3,720.15	3,475.18
Loss / (profit) on sale / discard of property, plant and equipment (net)	20.05	28.93
Unrealised exchange difference (net)	976.81	(631.35)
Rent income	(23.11)	(22.05)
Guarantee commission income	(13.46)	(76.59)
Finance cost (including interest impact on financial assets / liabilities)	32.18	27.82
Provision for doubtful debts, loans ,advances & deposits (net)	(85.22)	33.89
Employees compensation expenses (ESOP)	112.28	112.28
Fair value gain on investments (net)	(1,122.10)	(2,024.23)
Interest income	(1,427.83)	(2,137.60)
Sundry balance written off / (excess provision for expenses written back)	25.13	(29.09)
Dividend income	(0.34)	(157.62)
	<b>2,214.54</b>	<b>(1,400.43)</b>
Operating Profit/(loss) Before Working Capital Changes	<b>4,975.77</b>	<b>(4,590.20)</b>
Working capital Adjustments:		
Trade receivables & other assets	(11,115.42)	(2,495.19)
Inventories	(2,223.07)	1,229.18
Trade payable & other liabilities	2,745.24	(1,339.90)
	<b>(10,593.25)</b>	<b>(2,605.91)</b>
Cash Generated from / (used in) Operations	<b>(5,617.48)</b>	<b>(7,196.11)</b>
Direct taxes refund received (payment made)	<b>(1.53)</b>	<b>269.13</b>
<b>Net Cash Flow from/(used in) Operating Activities -A</b>	<b>(5,619.01)</b>	<b>(6,926.98)</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of property, plant & equipment including Capital WIP	(17,456.68)	(16,399.45)
Proceeds from sale of property, plant and equipment	77.37	80.98
Investments made		
- in subsidiaries (at cost)	(872.07)	(143.72)
Sale / (purchase) of current investment (net)	18,551.61	17,785.61
Rent received (including amount received in advance)	23.11	22.05
(Increase) / decrease in escrow bank accounts	(170.06)	(14.53)
Interest received	1,520.34	964.75
Dividend received	0.34	157.62
<b>Net cash flow from / (used in) Investing Activities -B</b>	<b>1,673.96</b>	<b>2,453.31</b>



<b>C. Cash Flow from Financing Activities</b>			
Increase / (decrease) in working capital borrowings (net)	(21.50)		1,387.44
Proceeds from employee stock option plan	-		10.35
Payments of Lease liabilities	(7.60)		(7.17)
Finance cost paid (Incl. interest impact on financial assets / liabilities)	(25.44)		(30.12)
Dividend paid (inclusive of dividend tax in the previous period)	(2,837.17)		(3,381.19)
<b>Net cash flow from/( used) in Financing Activities -C</b>	<b>(2,891.71)</b>		<b>(2,020.69)</b>
<b>Net (Decrease)/ Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(6,836.76)</b>		<b>(6,494.36)</b>
<b>Cash and Cash Equivalents at the beginning of the period</b>	20,307.86		18,865.82
Add: Current Investments reclassified as cash and cash equivalents during the period	759.24		15,625.96
	21,067.10		34,491.78
<b>Cash and Cash Equivalents at end of the period</b>	<b>14,230.34</b>		<b>27,997.42</b>

By Order of the Board  
For Unichem Laboratories Limited



Place: Mumbai  
Date: 31st October, 2020

**Dr. Prakash A. Mody**  
Chairman & Managing Director  
**DIN: 00001285**

**UNICHEM LABORATORIES LIMITED**

CIN: L99999MH1962PLC012451

Statement of Consolidated Unaudited Results for the Quarter &amp; Half Year ended 30th September, 2020.

₹ Lakhs

Particulars	Quarter ended 30th Sep'20 (Unaudited)	Quarter ended 30th Jun'20 (Unaudited)	Quarter ended 30th Sep'19 (Unaudited)	Half year ended 30th Sep'20 (Unaudited)	Half year ended 30th Sep'19 (Unaudited)	Year ended 31st Mar'20 (Audited)
<b>I</b> Revenue from operations	31,750.83	31,722.49	26,813.92	63,473.32	53,868.64	1,10,371.28
<b>II</b> Other income	1,004.05	1,671.02	2,813.28	2,675.07	5,439.51	9,131.31
<b>III Total income (I+II)</b>	<b>32,754.88</b>	<b>33,393.51</b>	<b>29,627.20</b>	<b>66,148.39</b>	<b>59,308.15</b>	<b>1,19,502.59</b>
<b>IV EXPENSES</b>						
Cost of materials consumed (including provisions)	13,032.44	11,437.98	10,732.24	24,470.42	21,520.15	42,187.92
Purchase of stock-in-trade	26.78	5.33	21.07	32.11	57.25	104.37
Changes in inventories of finished goods and work-in-progress	(3,230.74)	331.06	(286.31)	(2,899.68)	(880.01)	(3,575.68)
Employee benefits expense	7,503.41	7,766.10	6,776.15	15,269.51	13,241.89	27,327.99
Finance costs	78.86	124.65	185.53	203.51	313.57	784.72
Depreciation and amortization expense	2,112.93	2,053.92	2,098.15	4,166.85	3,923.41	8,166.94
Other expenses	11,432.77	10,974.28	12,251.37	22,407.05	24,631.59	49,408.62
<b>Total expenses (IV)</b>	<b>30,956.45</b>	<b>32,693.32</b>	<b>31,778.20</b>	<b>63,649.77</b>	<b>62,807.85</b>	<b>1,24,404.88</b>
<b>V</b> Share of profit/(loss) in associate (net of tax)	0.18	4.19	(2.27)	4.37	(25.41)	81.27
<b>VI Profit/(loss) before exceptional items and tax (III- IV+V)</b>	<b>1,798.61</b>	<b>704.38</b>	<b>(2,153.27)</b>	<b>2,502.99</b>	<b>(3,525.11)</b>	<b>(4,821.02)</b>
<b>VII</b> Exceptional items	-	-	-	-	-	-
<b>VIII Profit/(loss) before tax (VI-VII)</b>	<b>1,798.61</b>	<b>704.38</b>	<b>(2,153.27)</b>	<b>2,502.99</b>	<b>(3,525.11)</b>	<b>(4,821.02)</b>
<b>IX</b> Tax expense						
(1) Current tax (Refer note 4)	957.27	425.02	69.46	1,382.29	264.23	547.24
(2) Deferred tax charge / (credit) (Refer note 5)	(32.48)	35.92	(1.85)	3.44	(949.64)	649.99
<b>X Profit/(loss) for the period after tax (VIII-IX)</b>	<b>873.82</b>	<b>243.44</b>	<b>(2,220.88)</b>	<b>1,117.26</b>	<b>(2,839.70)</b>	<b>(6,018.25)</b>
<b>XI</b> Other Comprehensive Income/(Loss)						
A. (i) Items that will not be reclassified subsequently to profit or loss (Re-measurement of the net defined benefit plan)	18.59	(176.69)	(158.09)	(158.10)	(157.30)	299.50
(ii) Income tax (expense) / credit relating to items that will not be reclassified to profit or loss	-	-	-	-	(0.25)	-
B. (i) Items that will be reclassified to profit or loss (Foreign currency translation difference)	(214.74)	15.21	165.10	(199.53)	28.45	6.14
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
<b>Total of Other Comprehensive Income / (Loss)</b>	<b>(196.15)</b>	<b>(161.48)</b>	<b>7.01</b>	<b>(357.63)</b>	<b>(129.10)</b>	<b>305.64</b>
<b>XII Total Comprehensive Income for the period (X+XI)</b>	<b>677.67</b>	<b>81.96</b>	<b>(2,213.87)</b>	<b>759.63</b>	<b>(2,968.80)</b>	<b>(5,712.61)</b>
<b>XIII</b> Paid-up equity share capital (Face value of ₹ 2/- per share)	1,408.12	1,408.12	1,408.12	1,408.12	1,408.12	1,408.12
<b>XIV</b> Other Equity (Reserves excluding revaluation reserve)						2,51,727.05
<b>XV</b> Earnings per equity share in ₹:						
(1) Basic	1.24	0.35	(3.15)	1.59	(4.03)	(8.55)
(2) Diluted	1.24	0.35	(3.15)	1.59	(4.03)	(8.55)

**Notes :**

- The unaudited consolidated financial results for the quarter and half year ended 30th September, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 31st October, 2020. The statutory auditors have carried out a limited review of the consolidated financial results for the quarter and half year ended 30th September, 2020.
- The above unaudited consolidated financial results have been prepared in accordance with the guidelines issued by the Securities and Exchange Board of India ("SEBI") and the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013.
- Operating Segment : The Company has a single reportable segment i.e. 'Pharmaceuticals'.
- In respect of the Company, provision for current tax for the quarter and half year ended 30th September, 2020 has been computed in accordance with Section 115JB of the Income-tax Act, 1961.
- Upto 31st March, 2020, in respect of the Company, deferred tax assets was recognized on tax loss (which includes weighted deduction in respect of R&D expenditure and excludes exempt income), unabsorbed tax depreciation and other temporary differences to the extent of deferred tax liability.
- On 9th July, 2014, the European Commission ("EU") decided to impose an unjustified fine of Euro 13.96 million, jointly and severally on the Company and its subsidiary Niche Generics Ltd ("Niche") contending that they had acted in breach of EU competition law as Niche Generics Ltd had, in early 2005 (when the Company was only a part owner and financial investor in Niche) had agreed to settle a financially crippling patent litigation with Laboratories Servier. The Company vehemently denies any wrongdoing on the part of either itself or Niche. Both the Company & Niche had submitted appeals in September 2014 to the General Court of the EU seeking appropriate relief in the matter. The General Court of the EU has rejected the appeals vide Order dated 12th December 2018 and confirmed the fine of Euro 13.96 million. The Company and its subsidiary based on legal advice and merits, have filed appeals against the decision of General Court before the Court of Justice of the EU and outcome of the appeals are awaited. Considering the above, in view of the management, no provision for the aforesaid fine is considered necessary. Based on above, fine imposed by the EU of Euro 13.96 million (equivalent to ₹ 12,122.86 lakhs) is disclosed under contingent liability. The statutory auditors have given Emphasis of Matter in their limited review report on standalone and consolidated financial results for the quarter and half year ended 30th September, 2020 and earlier reports.



7 The COVID 19 pandemic has adversely impacted the global economic conditions and its impact still remains uncertain. Considering the Company and its subsidiaries are in the business of manufacturing and supplying pharmaceutical products, the management believes that the impact of the pandemic may not be significant. The Company and its subsidiaries will continue to closely monitor any material changes to future economic conditions.

8 The aggregate amount of revenue expenditure incurred on Research and Development as included in the relevant expense heads is as tabulated below:

Particulars	Quarter ended 30th Sep'20	Quarter ended 30th Jun'20	Quarter ended 30th Sep'19	Half year ended 30th Sep'20	Half year ended 30th Sep'19	₹ Lakhs
						Year ended 31st Mar' 20
Total R&D expenditure	2,664.09	3,036.69	3,941.38	5,700.78	7,926.35	15,640.75

9 Statement of Consolidated Assets and Liabilities:

Particulars	₹ Lakhs	
	As at 30th Sep,2020	As at 31st Mar,2020
	Unaudited	Audited
<b>I. ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	78,442.56	81,519.78
(b) Right of use assets	4,682.66	4,931.39
(c) Capital work-in-progress	49,361.58	33,046.97
(d) Investment property	356.42	359.60
(e) Goodwill	154.51	154.51
(f) Investment accounted for using the equity method	631.85	627.48
(g) Financial assets		
(i) Investments	12,455.48	12,450.82
(ii) Loans	6.91	7.95
(iii) Other financial assets	1,019.76	1,003.35
(h) Deferred tax assets (net)	284.60	293.75
(i) Other non-current assets	12,138.98	11,431.37
	<b>1,59,535.31</b>	<b>1,45,826.97</b>
<b>Current assets</b>		
(a) Inventories	44,159.29	39,654.10
(b) Financial Assets		
(i) Investments	23,716.80	41,910.22
(ii) Trade receivables	38,391.61	39,013.99
(iii) Cash and bank balances		
Cash & cash equivalents	16,331.40	22,621.99
Other bank balances	843.91	759.06
(iv) Loans	4.52	4.40
(v) Other financial assets	1,536.65	1,532.97
(c) Other current assets	27,446.02	23,149.89
	<b>1,52,430.20</b>	<b>1,68,646.62</b>
Non Current Assets held for sale	13.41	-
<b>TOTAL ASSETS</b>	<b>3,11,978.92</b>	<b>3,14,473.59</b>
<b>II. EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	1,408.12	1,408.12
(b) Other equity	2,49,817.73	2,51,727.05
	<b>2,51,225.85</b>	<b>2,53,135.17</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Lease liabilities	1,638.71	1,845.35
(b) Provisions	3,246.44	2,351.21
(c) Deferred tax liabilities (net)	-	-
(d) Other long term liabilities	469.21	469.21
	<b>5,354.36</b>	<b>4,665.77</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	15,437.09	18,403.36
(ii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	755.71	247.91
Total outstanding dues of creditors other than micro enterprises and small enterprises	24,755.56	24,773.69
(iii) Lease liabilities	407.30	402.06
(iv) Other financial liabilities	7,158.78	7,270.29
(b) Other current liabilities	5,231.39	4,531.48
(c) Provisions	929.44	980.80
(d) Current tax liabilities (net)	723.44	63.06
	<b>55,398.71</b>	<b>56,672.65</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,11,978.92</b>	<b>3,14,473.59</b>



Particulars	₹ Lakhs	
	Six months ended 30th September, 2020	Six months ended 30th September, 2019
<b>A. Cash Flow from Operating Activities</b>		
<b>Net Profit/(Loss) before tax</b>	<b>2,502.99</b>	<b>(3,525.11)</b>
Adjustments:		
Depreciation / amortisation (including investment property)	4,169.99	3,926.58
Loss / (profit) on sale / discard of property, plant and equipment (net)	54.24	31.03
Unrealised exchange difference (net)	1,281.06	(437.08)
Rent income	(19.95)	(22.05)
Share of (profit) / loss from associate	(4.37)	25.41
Finance cost (including interest impact on financial assets / liabilities)	203.51	313.56
Provision for doubtful debts, loans ,advances & deposits (net)	(3.88)	33.90
Employees compensation expenses (ESOP)	147.15	146.30
Fair value gain on investments (net)	(1,122.10)	(2,024.23)
Interest income	(1,432.21)	(2,143.85)
Sundry balance written off / (excess provision for expenses written back)	25.13	(29.09)
Dividend income	(0.34)	(157.62)
	<b>3,298.23</b>	<b>(337.14)</b>
Operating Profit/(loss) Before Working Capital Changes	<b>5,801.22</b>	<b>(3,862.25)</b>
Working capital Adjustments:		
Trade receivables & other assets	(5,476.25)	1,523.06
Inventories	(4,505.19)	294.31
Trade payable & other liabilities	1,378.45	(635.35)
	<b>(8,602.99)</b>	<b>1,182.02</b>
Cash Generated from / (used in) Operations	<b>(2,801.77)</b>	<b>(2,680.23)</b>
Direct taxes refund received (payment made)	<b>(723.44)</b>	<b>(211.45)</b>
<b>Net Cash Flow from/(used in) Operating Activities - A</b>	<b>(3,525.21)</b>	<b>(2,891.68)</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of property, plant & equipment including Capital WIP	(17,462.18)	(16,535.48)
Proceeds from sale of property, plant and equipment	33.40	89.08
Sale / (purchase) of current investment (net)	18,551.61	17,785.61
Rent received (including amount received in advance)	19.95	22.05
(Increase) / decrease in escrow bank accounts	(84.84)	(232.74)
Interest received	1,524.72	971.00
Dividend received	0.34	157.62
<b>Net cash flow from / (used in) Investing Activities -B</b>	<b>2,583.00</b>	<b>2,257.14</b>
<b>C. Cash Flow from Financing Activities</b>		
Increase / (decrease) in working capital borrowings (net)	(2,951.99)	(1,295.73)
Proceeds from employee stock option plan	-	10.35
Payments of Lease liabilities	(240.55)	(224.49)
Receipt / (payment) of long term loan from BIRAC	86.42	-
Finance cost paid (Incl. interest impact on financial assets / liabilities)	(164.35)	(315.86)
Dividend paid (inclusive of dividend tax in the previous period)	(2,837.17)	(3,381.19)
<b>Net cash flow from/( used) in Financing Activities -C</b>	<b>(6,107.64)</b>	<b>(5,206.92)</b>





<b>Net (Decrease)/ Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(7,049.85)</b>	<b>(5,841.46)</b>
<b>Cash and Cash Equivalents at the beginning of the period</b>	22,621.99	19,704.67
Add: Current Investments reclassified as cash and cash equivalents during the period	<u>759.24</u>	<u>15,625.96</u>
<b>Cash and Cash Equivalents at end of the period</b>	<b>23,381.23</b>	<b>35,330.63</b>
	<b>16,331.38</b>	<b>29,489.17</b>

11 Previous period figures are regrouped and rearranged wherever necessary. However, there is no impact in the financial result of the respective period.

By Order of the Board  
For Unichem Laboratories Limited



**Dr. Prakash A. Mody**  
Chairman & Managing Director  
**DIN: 00001285**

Place: Mumbai  
Date: 31st October, 2020

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

To  
The Board of Directors  
Unichem Laboratories Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results ("the Statement") of Unichem Laboratories Limited ("the Company") for the quarter and half year ended 30<sup>th</sup> September, 2020, 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").

**Management's responsibility for the Statement**

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

**Auditor's responsibility**

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

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

**Conclusion**

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



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

**Emphasis of matter**

5. We draw attention to note 6 of notes to the standalone financial results for the quarter and half year ended ended 30<sup>th</sup> September 2020, which informs that the General Court of the European Union has on 12<sup>th</sup> December 2018 rejected the appeal and confirmed the fine of Euro 13.96 Million (equivalent to Rs.12,122.86 lakhs) imposed by the European Commission jointly and severally on the Company and its subsidiary (Niche Generics Limited, UK). The Company and its subsidiary based on legal advice and merits, have filed appeals against the decision of General Court before the Court of Justice of the European Union and outcome of the appeals are awaited. Considering the above, in view of the management, no provision for the aforesaid fine is considered necessary. Our conclusion is not modified in respect of above matter. This matter was also reported under 'Emphasis of Matter' paragraph in our auditor's report for the standalone and consolidated financial statement for the year ended 31<sup>st</sup> March, 2019 and 31<sup>st</sup> March, 2020 as well as in our limited review report on the standalone and consolidated financial results for the quarter ended 30<sup>th</sup> June 2020. Our opinion/conclusion was also not modified in respect of above matter in these financial years/quarter.

**For N. A. Shah Associates LLP**

Chartered Accountants

Firm's registration number: 116560W / W100149

*M. V. Mody*



**Milan Mody**

Partner

Membership number: 103286

UDIN: 20103286AAAAII8197

Place: Mumbai

Date: 31 OCT 2020

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

To  
The Board of Directors  
Unichem Laboratories Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Unichem Laboratories Limited ('the Holding Company'), comprising its subsidiaries (the Holding and its subsidiaries collectively referred to as 'the Group') and its share of the net profit after tax and total comprehensive income of its associate for the quarter and half year ended 30<sup>th</sup> September, 2020 ('the Statement'), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

**Management's responsibility**

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

**Auditor's responsibility**

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

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. 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 Listing Regulations, as amended, to the extent applicable

4. These unaudited consolidated financial results:

(a) includes results of the following subsidiaries:

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

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



# N. A. SHAH ASSOCIATES LLP

Chartered Accountants

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

### Conclusion

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

### Emphasis of matter

6. We draw attention to note 6 of notes to the unaudited consolidated financial results for the quarter and half year ended 30<sup>th</sup> September 2020, which informs that the General Court of the European Union had on 12th December 2018 rejected the appeal and confirmed the fine of Euro 13.96 Million (equivalent to Rs. 12,122.86 lakhs) imposed by the European Commission jointly and severally on the Company and its subsidiary (Niche Generics Limited, UK). The Holding Company and its subsidiary based on legal advice and merits, have filed appeals against the decision of General Court before the Court of Justice of the European Union and outcome of the appeals are awaited. Considering the above, in view of the management, no provision for the aforesaid fine is considered necessary. Our conclusion is not modified in respect of above matter. This matter was also reported earlier under 'Emphasis of Matter' paragraph in our auditor's report for the standalone and consolidated financial statements for the year ended 31<sup>st</sup> March, 2019 and 31<sup>st</sup> March, 2020 as well as in our limited review report on the standalone and consolidated financial results for the quarter ended 30<sup>th</sup> June 2020. Our opinion/conclusion was also not modified in respect of above matter in these financial years/quarter.

### Other matters

7. We did not review the interim financial statements of five subsidiaries, whose interim financial statements reflect total assets of Rs. 50,820.03 lakhs as at 30<sup>th</sup> September, 2020, total revenues (including other income) of Rs. 19,890.08 lakhs and Rs. 40,420.43 lakhs, total net profit after tax of Rs. 1,219.69 lakhs and Rs. 2,463.26 lakhs and total comprehensive income of Rs. 1,065.30 lakhs and Rs. 2,368.21 lakhs for the quarter and half year ended 30<sup>th</sup> September, 2020 respectively and cash outflow(net) of Rs. 171.00 lakhs for the half year ended 30<sup>th</sup> September, 2020 as considered in the unaudited consolidated financial results. These financial results have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the unaudited consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of the Listing Regulations (as amended), in so far as it relates to aforesaid subsidiaries located outside India is based on the report of other auditors.
8. We also did not review the interim financial information of subsidiary at China whose financial information reflect total assets of Rs. 62.16 lakhs as at 30<sup>th</sup> September, 2020, total revenues (including other income) of Rs. 29.87 lakhs and Rs. 94.34 lakhs, total net loss after tax of Rs. 15.94 lakhs and total net profit after tax of Rs. 6.00 lakhs and total comprehensive income of Rs (15.11 lakhs) and Rs. 7.12 lakhs for the quarter and half year ended 30<sup>th</sup> September, 2020 respectively and cash outflow(net) of Rs. 14.53 lakhs for the half year ended 30<sup>th</sup> September, 2020 as considered in the unaudited consolidated financial results. This financial information is not subject to limited review and have been furnished to us by the Management and our conclusion on the unaudited consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is solely based on the information provided by the management. According to the information and explanations given to us by the Management, this financial information is not material to the Group.



# N. A. SHAH ASSOCIATES LLP

Chartered Accountants

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

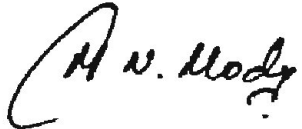
9. The unaudited consolidated financial results also include the Group's share of net profit after tax / total comprehensive income of Rs. 0.18 lakhs and Rs. 4.37 lakhs for the quarter and half year ended 30<sup>th</sup> September 2020, as considered in the unaudited consolidated financial results, in respect of one associate, whose interim financial statements have not been reviewed by us. This financial information is not subject to limited review and have been furnished to us by the Management and our conclusion on the unaudited consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of the associate are solely based on the information provided by the management. According to the information and explanations given to us by the Management, this financial information is not material to the Group.

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

**For N. A. Shah Associates LLP**

Chartered Accountants

Firm's registration number: 116560W / W100149



**Milan Mody**

Partner

Membership number: 103286

UDIN: 20103286 AAAAIJ6275

Place: Mumbai

Date: 31 OCT 2020