



UNICHEM
LABORATORIES LTD.

February 1, 2019

Department of Corporate Services
Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

Mr. Hari K
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 held on Friday February 1, 2019

We would like to inform you that Board of Directors at its Meeting held today, i.e. Friday February 1, 2019 approved the Unaudited Financial Results for the quarter and nine months ended December 31, 2018.

Enclosed please find herewith the Unaudited Financial Results for the for the quarter and nine months ended December 31, 2018 and the Limited Review report given by the statutory auditors.

The Board meeting commenced at 11.45 am and concluded at 2:00 pm

Kindly take the same on your records.

Thanking you,

FOR UNICHEM LABORATORIES LIMITED


a. a. Thakore

Neema Thakore
Head- Legal & Company Secretary
Encl: a/a



UNICHEM LABORATORIES LTD.

Statement of Standalone Unaudited Results for the Quarter & Nine months ended 31st December, 2018.							₹ Lakhs
Particulars	Quarter ended 31st Dec'18 (Unaudited)	Quarter ended 30th Sep'18 (Unaudited)	Quarter ended 31st Dec'17 (Audited)	Nine Months ended 31st Dec, 2018 (Unaudited)	Nine Months ended 31st Dec, 2017 (Audited)	For the year ended 31st Mar' 18 (Audited)	
CONTINUING OPERATIONS							
I Revenue from operations (inclusive of excise duty - Refer note 8)	24,476.16	24,591.70	16,021.40	69,210.65	46,462.33	66,973.05	
II Other income	2,755.69	3,258.33	560.71	7,945.65	1,745.59	6,288.60	
III Total income (I+II)	27,231.85	27,850.03	16,582.11	77,156.30	48,207.92	73,261.65	
IV EXPENSES							
Cost of materials consumed	11,768.00	10,472.11	8,484.87	33,912.00	25,064.50	34,579.90	
Purchase of stock-in-trade	-	8.24	-	10.15	13.65	18.31	
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(2,407.01)	(451.00)	(106.58)	(4,348.20)	(931.05)	470.21	
Excise duty on sale of goods	-	-	-	-	39.34	39.34	
Employee benefits expense	4,603.67	4,132.34	3,816.09	12,948.66	11,047.24	14,653.63	
Finance costs	12.72	6.66	93.02	20.56	264.97	316.69	
Depreciation and amortization expense	1,682.77	1,481.32	1,152.74	4,399.03	3,228.78	4,504.12	
Other expenses (refer note 5)	12,473.60	10,248.42	9,224.47	32,333.88	22,253.10	30,834.49	
Total expenses (IV)	28,133.75	25,898.09	22,664.61	79,276.08	60,980.53	85,416.69	
V Profit/(loss) before exceptional items and tax (III- IV)	(901.90)	1,951.94	(6,082.50)	(2,119.78)	(12,772.61)	(12,155.04)	
VI Exceptional items	-	-	-	-	-	-	
VII Profit/(loss) before tax (V-VI)	(901.90)	1,951.94	(6,082.50)	(2,119.78)	(12,772.61)	(12,155.04)	
VIII Tax expense							
(1) Current tax (set off against tax on discontinued operations)	-	-	590.94	-	-	-	
(2) Deferred tax (Refer note 10)	(1,409.50)	183.81	(901.37)	(2,330.25)	860.02	1,257.90	
(3) Short / (excess) provision for tax (earlier years) (Refer note 7)	(124.45)	-	24.66	(124.45)	(1,211.21)	(1,271.99)	
IX Profit/(loss) for the period from continuing Operations (VII-VIII)	632.05	1,768.13	(5,796.73)	334.92	(12,421.42)	(12,140.95)	
DISCONTINUED OPERATIONS							
X Discontinued Operations (refer note 3)							
A. Profit/(loss) before tax from discontinued operations	(367.94)	(359.35)	2,055.77	(727.29)	15,128.98	15,358.12	
B. Gain on sale of identified business (net)	-	-	321,731.05	-	321,731.05	321,731.05	
Profit/(Loss) for the period from discontinued operations (A+B)	(367.94)	(359.35)	323,786.82	(727.29)	336,860.03	337,089.17	
Tax on discontinued operations (Refer note 9 and note 10)	(166.00)	(112.00)	67,286.99	(278.00)	69,003.54	69,288.37	
Profit/(loss) from discontinued operations (after tax)	(201.94)	(247.35)	256,499.83	(449.29)	267,856.49	267,800.80	
XI Profit/(loss) for the period (IX+X)	430.11	1,520.78	250,703.10	(114.37)	255,435.07	255,659.85	
XII Other Comprehensive Income/(Loss)							
A. (i) Items that will not be reclassified subsequently to profit or loss	(105.13)	138.02	(75.55)	(9.77)	(75.55)	(180.08)	
(ii) Income tax expense / (credit) relating to items that will not be reclassified to profit or loss	32.80	(44.19)	-	3.05	-	-	
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	-	-	-	-	-	-	
Total of Other Comprehensive Income (Loss)	(72.33)	93.83	(75.55)	(6.72)	(75.55)	(180.08)	
Total Comprehensive Income for the period (XI+XII)	357.78	1,614.61	250,627.55	(121.09)	255,359.52	255,479.77	
Paid-up equity share capital (Face value of 121- per share)	1,407.66	1,406.86	1,818.72	1,407.66	1,818.72	1,406.74	

DESIGNED FOR IDENTIFICATION BY

 N. A. SHAH ASSOCIATES LLP
 MUMBAI



UNICHEM LABORATORIES LTD.

Particulars	Quarter ended 31st Dec'18 (Unaudited)	Quarter ended 30th Sep'18 (Unaudited)	Quarter ended 31st Dec'17 (Audited)	Nine Months ended 31st Dec, 2018 (Unaudited)	Nine Months ended 31st Dec, 2017 (Audited)	For the year ended 31st Mar' 18 (Audited)
XV Other Equity (Reserves excluding revaluation reserve)						274,759.86
XVI Earnings per equity share (for continuing operation) in ₹:						
(1) Basic	0.90	2.51	(6.38)	0.48	(13.66)	(13.39)
(2) Diluted	0.90	2.51	(6.38)	0.48	(13.66)	(13.39)
XVII Earnings per equity share (for discontinued operation) in ₹:						
(1) Basic	(0.29)	(0.35)	282.12	(0.64)	294.61	295.27
(2) Diluted	(0.29)	(0.35)	281.80	(0.64)	294.28	295.08
XVIII Earnings per equity share (for discontinued & continuing operation) in ₹:						
(1) Basic	0.61	2.16	275.74	(0.16)	280.95	281.88
(2) Diluted	0.61	2.16	275.42	(0.16)	280.62	281.69

- Notes :
- 1 The unaudited standalone financial results for the quarter and nine months ended 31st December, 2018 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 1st February, 2019. The statutory auditors have carried out a limited review of the standalone financial results for the quarter and nine months ended 31st December, 2018.
 - 2 The above 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 including Ind AS 115-Revenue from Contracts with customers effective from 01-April-2018.
 - 3 During the year ended 31st March 2018, based on the approval obtained from the Shareholders, the Company had transferred its business of manufacture, sale, marketing and distribution of domestic formulations in India and Nepal ("Identified Business") by way of slump sale on going concern basis to Torrent Pharmaceuticals Limited ("Torrent"). Identified business includes portfolio of several brands in India and Nepal, manufacturing facility at Sikkim and employees performing work in relation to said business. Gain on sale of Identified Business (net) amounting to ₹ 321,731.05 lakhs had been recognised and disclosed under discontinued operations in the above results [Refer Serial no. X B above].
Operating Segment: The Company has a single reportable segment i.e. 'Pharmaceuticals'.
 - 4
 - 5 Other expenses (continuing operations) include provision for impairment of long-term investments in its subsidiary "Unichem Farmaceutica Do Brazil Ltda" of ₹ Nil for the quarter ended 31st December 2018 (₹ Nil for the quarter ended 30th September 2018, ₹ 302.83 lakhs for the nine months ended 31st December 2016, ₹ 511.71 lakhs for the nine months ended 31st December, 2017 and ₹ 511.71 lakhs for the year ended 31st March, 2018).
 - 6 During the quarter ended 31st December 2018, the Company has invested ₹ 240.60 lakhs in equity shares of its subsidiary "Unichem Laboratories Limited (Ireland)". This amount does not include value of guarantee commission in accordance with Ind AS requirements.
 - 7 Short excess provision for income tax (net) of earlier years is on account of final tax liability as per returns filed and assessments completed
 - 8 Revenue for periods reported upto 30th June, 2017 are inclusive of excise duty. As per Ind AS, the revenue is reported net of GST after 30th June, 2017. Accordingly, the revenue for the nine months ended 31st December 2018 are not strictly comparable with the nine months ended 31st December 2017 and year ended 31st March 2018.
 - 9 Tax on discontinued operations for the year ended 31st March, 2018 is net of MAT credit for earlier years recognised to the extent of utilisation.
 - 10 During the quarter ended 31st December 2018 and for the nine months ended 31st December 2018, deferred tax assets is 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 which will be offset against deferred tax liability.
 - 11 Loss in discontinued operations for the quarter ended 31st December 2018 includes additional provision made towards claim from regulatory authority of ₹ 367.94 lakhs (previous quarter ended 30th September 2018 includes additional provision made towards doubtful recovery of amount receivable from the government authorities of ₹ 328.90 lakhs).
 - 12 The General Court of the European Union has on 12th December 2018 rejected the appeal and confirmed the fine of Euro 13.96 Million imposed by the European Commission jointly and severally on the Company and its subsidiary (Niche Generics Limited, UK). The Company is consulting with its legal advisors on options available including filing of an appeal before the Court of Justice of the European Union. Considering the above, in the view of the management no provision for the aforesaid fine is considered necessary. The statutory auditors have given Emphasis of Matter in their limited review report on standalone

SIGNED FOR IDENTIFICATION BY
H. V. Mody
N A SHAH ASSOCIATES LLP
MUMBAI

By Order of the Board
For Unichem Laboratories Limited

Dr. Prakash A. Mody
Chairman & Managing Director
DIN No.: 00001285

Place Mumbai
Date 1st February 2019

Limited Review Report on quarterly 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 nine months ended 31st December, 2018, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular no.CIR/CFD/FAC/62/2016 dated 5th July 2016 which has been initialed by us for identification purpose.

2. Management's responsibility for the Statement

The Statement is the responsibility of the Company's Management and has been approved by the Board of Directors.

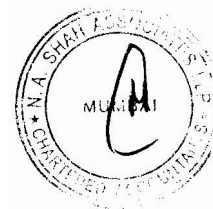
3. Auditor's responsibility

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.

4. Conclusion

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with 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 Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.



N. A SHAH ASSOCIATES LLP

Chartered Accountants

Limited Review Report on quarterly 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...)

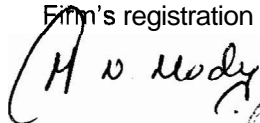
5. Emphasis of matter

We draw attention to note 12 of notes to the standalone financial results for the quarter and nine-months ended 31st December 2018, which informs that the General Court of the European Union has on 12th December 2018 rejected the appeal and confirmed the fine of Euro 13.96 Million imposed by the European Commission jointly and severally on the Company and its subsidiary (Niche Generics Limited, UK). The Company is consulting with its legal advisors on options available including filing of an appeal before the Court of Justice of the European Union. Considering the above, in the view of the management no provision for the aforesaid fine is considered necessary. This point was reported under 'Emphasis of Matter' paragraph in our auditor's report for the consolidated financial statement for the year ended 31st March 2018. Our opinion is not modified in respect of above matter.

For N. A. Shah Associates LLP

Chartered Accountants

Firm's registration number: 116560W1W100149



Milan Mody

Partner

Membership number: 103286

Place: Mumbai

Date: 1st February 2019

