

Laurus Labs Limited
Corporate Office
2nd Floor, Serene Chambers, Road No. 7
Banjara Hills, Hyderabad - 500034, Telangana, India
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January 30, 2020

To The Corporate Relations Department BSE Limited Phiroz Jeejeebhoy Towers, 25 th Floor, Dalal Street Mumbai – 400001 Code: 540222	To The Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051 Code: LAURUSLABS
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Dear Sirs,

Sub: Unaudited Financial Results for the Quarter and Nine Months ended December 31, 2019

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Unaudited Financial Results of the Company for the Quarter and Nine Months ended December 31, 2019 as approved by the Board of Directors of the Company in their Meeting held on January 30, 2020 along with the Limited Review Report issued by the Statutory Auditors of the Company.

The financial results are also being uploaded on the website of the Company at www.lauruslabs.com.

This is for your information and records.

Thanking you,

Yours sincerely,
For Laurus Labs Limited

G. Venkateswar Reddy
Company Secretary



Encl: As above

LAURUS LABS LIMITED
 (CIN: L24239AP2005PLC047518)

Regd. Office: Plot No.21, Jawaharlal Nehru Pharma City, Parawada, Visakhapatnam 531 021, Andhra Pradesh, India.

Corp. Office: 2nd Floor, Serene Chambers, Road No.7, Banjara Hills, Hyderabad 500034, Telangana, India.

Tel: +91 40 3980 4333 ; Fax : +91 040 3980 4320 ; E-mail: secretarial@lauruslabs.com; Website: www.lauruslabs.com

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2019

₹ in Million

Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-19	30-Sep-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Mar-19
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	(a) Revenue from operations	7,295.89	7,124.23	5,294.57	19,925.81	16,567.55	22,919.16
	(b) Other income	19.24	13.61	14.15	77.82	145.30	161.52
	Total income	7,315.13	7,137.84	5,308.72	20,003.63	16,712.85	23,080.68
2	Expenses						
	(a) Cost of materials consumed	3,714.59	4,752.51	2,971.30	11,953.38	9,119.41	12,452.47
	(b) Purchase of traded goods	19.54	95.32	51.70	146.39	137.00	223.80
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(128.58)	(1,247.97)	(183.58)	(2,148.74)	(319.12)	(319.87)
	(d) Employee benefits expense	884.42	879.54	689.00	2,567.32	2,151.87	2,892.04
	(e) Other expenses	1,324.21	1,266.76	889.00	3,715.06	3,038.45	4,110.90
	(f) Depreciation and amortisation expense	475.50	478.30	427.08	1,412.17	1,207.19	1,641.92
	(g) Finance costs	208.33	255.66	236.54	689.33	706.22	881.90
	Total expenses	6,498.01	6,480.12	5,081.04	18,334.91	16,041.02	21,883.16
3	Profit before tax (1-2)	817.12	657.72	227.68	1,668.72	671.83	1,197.52
4	Tax expense						
	(a) Current tax	153.19	107.79	53.17	306.72	129.32	248.32
	(b) Deferred tax	(70.82)	(15.60)	(3.66)	(89.23)	36.66	11.56
	Total Tax expense	82.37	92.19	49.51	217.49	165.98	259.88
5	Net Profit after tax (3-4)	734.75	565.53	178.17	1,451.23	505.85	937.64
6	Other comprehensive income						
	Items that will not be reclassified subsequently to profit or loss:						
	(i) Remeasurement gains/(losses) on defined benefit plans	(11.25)	12.43	(11.23)	(4.61)	(41.75)	(36.19)
	(ii) Income tax relating to items that will not be reclassified to profit or loss in subsequent periods	3.93	(4.34)	3.93	1.61	14.59	12.67
	Items that will be reclassified subsequently to profit or loss:						
	(i) Exchange differences on translating the financial statements of foreign operations	1.33	(4.03)	3.13	(3.48)	(5.86)	(6.23)
	(ii) Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedge	10.75	(8.03)	43.99	19.49	(19.99)	(10.74)
	(iii) Income tax relating to items that will be reclassified to profit or loss in subsequent periods	(3.76)	2.81	(15.38)	(6.81)	6.98	3.75
	Total other comprehensive income/(loss), net of tax	1.00	(1.16)	24.44	6.20	(46.03)	(36.74)
7	Total comprehensive income (5+6)	735.75	564.37	202.61	1,457.43	459.82	900.90
8	Paid-up equity share capital (face value ₹ 10/- each)	1,069.14	1,069.14	1,064.37	1,069.14	1,064.37	1,064.37
9	Other equity						14,519.70
10	Earnings per equity share (face value ₹ 10/- each)						
	- Basic (₹)	6.88	5.31	1.67	13.61	4.76	8.83
	- Diluted (₹)	6.88	5.31	1.67	13.61	4.75	8.80
		<i>(Not annualised)</i>					

See accompanying notes to the financial results



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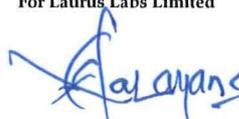
Notes:

- 1 The above unaudited consolidated financial results of Laurus Labs Limited ("the Company") as reviewed by the Audit Committee has been approved by the Board of Directors at its meeting held on January 30, 2020. The statutory auditors of the Company have carried out a limited review on consolidated financial results and expressed an unmodified audit opinion thereon.
- 2 These consolidated financial results of the Company have been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder ('IND AS') and other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI").
- 3 The consolidated financial results include the results of the following subsidiaries:

Name of the Company	Country of Incorporation	Nature of relationship	% Holding
Laurus Synthesis Inc	USA	Subsidiary	100%
Sriam Labs Private Limited	India	Subsidiary	100%
Laurus Holdings Limited	UK	Subsidiary	100%
Laurus Generics Inc	USA	Step-down subsidiary	100%
Laurus Generics GmbH	Germany	Step-down subsidiary	100%

- 4 The Company and its subsidiaries are engaged in the manufacture and sale of "Pharmaceuticals" which constitutes a single reportable business segment as per Ind AS 108 - 'Operating Segments'.
- 5 Effective April 1, 2019, the Group adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. During the quarter and nine months ended, the Group has recognised interest expense on lease amounting to ₹ 4.64 mn, ₹ 14.16 mn and depreciation on right-of-use assets amounting to ₹ 5.52 mn, ₹ 15.48 mn respectively.
- 6 The Board of Directors, at their meeting held on August 02, 2019, approved the proposal to acquire the 100% shares of Phekolong Pharmaceuticals Pty Ltd, a wholly owned subsidiary of Pharmicare Limited t/a Aspen Pharmicare, South Africa. The transaction is expected to close subject to completion of conditions precedent.

By order of the Board
 For Laurus Labs Limited



Dr. Satyanarayana Chava
 Whole Time Director & Chief Executive Officer

Place: Hyderabad
 Date : January 30, 2020



INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF LAURUS LABS LIMITED

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **LAURUS LABS LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and nine months ended December 31, 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.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's 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. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel 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 specified under Section 143(10) of the Companies Act, 2013 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.

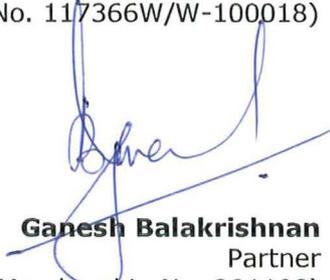
We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
 - a. Sriam Labs Private Limited, India
 - b. Laurus Synthesis Inc, United States of America
 - c. Laurus Holdings Limited, United Kingdom
 - d. Laurus Generics Inc, United States of America
 - e. Laurus Generics GmbH, Germany
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 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We did not review the financial information of five subsidiaries included in the consolidated unaudited financial results, whose interim financial information reflect total revenues of ₹ 243.97 million and ₹ 660.55 million for the quarter and nine months ended December 31, 2019 respectively, total net loss after tax of ₹ 42.09 million and ₹ 93.34 million for the quarter and nine months ended December 31, 2019 respectively and total comprehensive loss of ₹ 42.09 million and ₹ 93.34 million for the quarter and nine months ended December 31, 2019 respectively, as considered in the Statement. These interim financial information 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, 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 these matters.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)


Ganesh Balakrishnan
Partner
(Membership No. 201193)

UDIN: 20201193AAAAA H6382

Place: Hyderabad
Date: January 30, 2020

LAURUS LABS LIMITED
 (CIN: L24239AP2005PLC047518)

Regd. Office: Plot No.21, Jawaharlal Nehru Pharma City, Parawada, Visakhapatnam 531 021, Andhra Pradesh, India.

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Tel: +91 40 3980 4333 ; Fax : +91 040 3980 4320 ; E-mail: secretarial@lauruslabs.com; Website: www.lauruslabs.com

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2019

₹ in Million

Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-19	30-Sep-19	31-Dec-18	31-Dec-19	31-Dec-18	31-Mar-19
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	(a) Revenue from operations	7,209.92	7,058.55	5,127.76	19,681.10	16,185.11	22,361.48
	(b) Other income	19.68	12.84	14.14	77.28	145.04	161.25
	Total income	7,229.60	7,071.39	5,141.90	19,758.38	16,330.15	22,522.73
2	Expenses						
	(a) Cost of materials consumed	3,691.49	4,745.63	2,912.08	11,877.17	8,930.64	12,154.70
	(b) Purchase of traded goods	19.54	95.32	51.70	146.39	137.00	223.80
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(136.93)	(1,241.80)	(223.09)	(2,144.10)	(291.94)	(289.19)
	(d) Employee benefits expense	823.26	828.78	640.63	2,405.09	2,006.43	2,697.22
	(e) Other expenses	1,302.04	1,239.64	889.73	3,657.67	3,011.81	4,060.37
	(f) Depreciation and amortisation expense	467.15	469.98	417.79	1,386.58	1,179.76	1,605.32
	(g) Finance costs	203.79	250.35	231.01	674.24	688.74	858.32
	Total expenses	6,370.34	6,387.90	4,919.85	18,003.04	15,662.44	21,310.54
3	Profit before tax (1-2)	859.26	683.49	222.05	1,755.34	667.71	1,212.19
4	Tax expense						
	(a) Current tax	153.01	107.72	53.17	306.38	129.32	248.32
	(b) Deferred tax	(73.27)	(19.63)	(5.94)	(96.26)	27.93	13.93
	Total Tax expense	79.74	88.09	47.23	210.12	157.25	262.25
5	Net Profit after tax (3-4)	779.52	595.40	174.82	1,545.22	510.46	949.94
6	Other comprehensive income						
	Items that will not be reclassified subsequently to profit or loss:						
	(i) Remeasurement gains/ (losses) on defined benefit plans	(11.25)	12.43	(11.23)	(4.61)	(41.75)	(36.44)
	(ii) Income tax relating to items that will not be reclassified to profit or loss in subsequent periods	3.93	(4.34)	3.93	1.61	14.59	12.73
	Items that will be reclassified subsequently to profit or loss:						
	(i) Effective portion of gain/ (loss) on designated portion of hedging instruments in a cash flow hedge	10.75	(8.03)	43.99	19.49	(19.99)	(10.74)
	(ii) Income tax relating to items that will be reclassified to profit or loss in subsequent periods	(3.76)	2.81	(15.38)	(6.81)	6.98	3.75
	Total other comprehensive income / (loss), net of tax	(0.33)	2.87	21.31	9.68	(40.17)	(30.70)
7	Total comprehensive income (5+6)	779.19	598.27	196.13	1,554.90	470.29	919.24
8	Paid-up equity share capital (face value ₹ 10/- each)	1,069.14	1,069.14	1,064.37	1,069.14	1,064.37	1,064.37
9	Other equity						14,844.61
10	Earnings per equity share (face value ₹ 10/- each)						
	- Basic (₹)	7.30	5.59	1.65	14.49	4.81	8.94
	- Diluted (₹)	7.30	5.59	1.64	14.49	4.80	8.92
		(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	

See accompanying notes to the financial results



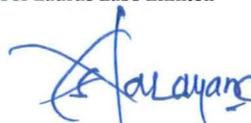
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Notes:

- 1 The above unaudited standalone financial results of Laurus Labs Limited ("the Company") as reviewed by the Audit Committee has been approved by the Board of Directors at its meeting held on January 30, 2020. The statutory auditors of the Company have carried out a limited review on the standalone financial results and expressed an unmodified audit opinion thereon.
- 2 These standalone financial results of the Company have been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder (IND AS) and other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI").
- 3 In accordance with Indian Accounting Standard (Ind AS) 108 on 'operating segments', segment information has been given in the consolidated financial results of the Company, and therefore no separate disclosure on segment information is given in these standalone financial results.
- 4 Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. During the quarter and nine months ended, the Company has recognised interest expense on lease amounting to ₹ 4.64 mn, ₹ 14.16 mn and depreciation on right-of-use assets amounting to ₹ 5.52 mn, ₹ 15.48 mn respectively.
- 5 The Board of Directors, at their meeting held on August 02, 2019, approved the proposal to acquire the 100% shares of Phekolong Pharmaceuticals Pty Ltd, a wholly owned subsidiary of Pharmicare Limited t/a Aspen Pharmicare, South Africa. The transaction is expected to close subject to completion of conditions precedent.

By order of the Board
For Laurus Labs Limited



Dr. Satyanarayana Chava
Whole Time Director & Chief Executive Officer

Place: Hyderabad
Date : January 30, 2020

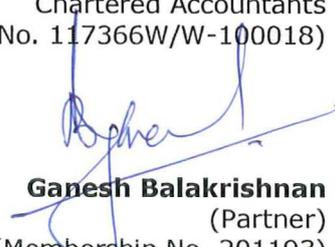


INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF LAURUS LABS LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **LAURUS LABS LIMITED** ("the Company"), for the quarter and nine months ended December 31, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in 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. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel 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 specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in 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 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)


Ganesh Balakrishnan
(Partner)
(Membership No. 201193)

UDIN: 20201193AAAAA61704

Place: Hyderabad
Date: January 30, 2020