

SPARC/Sec/SE/2019-20/041

4th November 2019

National Stock Exchange of India Ltd,
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai – 400 051.

BSE Limited.,
Market Operations Dept.
P. J. Towers,
Dalal Street,
Mumbai - 400 001.

Dear Sir/ Madam,

Sub : Outcome of Board Meeting held on 4th November 2019.

The Board of Directors of the Company at their meeting held from 11:30 am to 13:45 pm today, *inter alia*, took on record and duly approved the Un-audited financial results of the Company for the quarter ended 30th September 2019 which is enclosed herewith along with the Limited Review Report of the Auditors thereon as **Annexure I**.

This is for your information and record.

Thanking you,

Yours faithfully,
For **Sun Pharma Advanced Research Company Ltd**

A handwritten signature in black ink, appearing to read "Debas", with a horizontal line extending to the right.

Debashis Dey
Company Secretary

Encls: A/a

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

**Review Report to
The Board of Directors
Sun Pharma Advanced Research Company Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Sun Pharma Advanced Research Company Limited (the "Company") for the quarter ended September 30, 2019 and year to date from April 01, 2019 to September 30, 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"). Attention is drawn to the fact that the Statement of cash flows for the corresponding period from April 01, 2018 to September 30, 2018, as reported in these unaudited financial results have been approved by the Board of Directors of the Company but have not been subjected to review.
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 Indian Accounting Standard 34, (Ind AS 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 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. 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.



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S R B C & CO LLP

Chartered Accountants

4. 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 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 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S R B C & CO LLP
Chartered Accountants

ICAI Firm registration number: 324982E/E300003


per Paul Alvares
Partner

Membership No.: 105754
UDIN: 19105754AAAAGC3876

Mumbai
November 04, 2019



Sun Pharma Advanced Research Company Limited

Regd Office: Sun Pharma Advanced Research Centre,
Akota Road, Akota, Vadodara – 390 020. Tel. : +91-265-2330815
CIN : L73100GJ2006PLC047837 Website : www.sparc.life

Statement of Unaudited Financial Results for the Quarter and Half Year Ended September 30, 2019

₹ in Lakhs

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
Revenue from operations	1,719	1,732	6,135	3,451	7,816	18,287
Other income	226	367	457	593	580	1,351
Total income	1,945	2,099	6,592	4,044	8,396	19,638
Expenses						
Cost of materials consumed	439	1,014	205	1,453	493	1,253
Employee benefits expenses	2,328	2,267	1,994	4,595	4,037	8,106
Clinical trial expenses	3,189	4,417	2,261	7,606	5,327	14,790
Professional charges	714	925	1,037	1,639	2,708	5,394
Finance costs	25	59	1	84	3	9
Depreciation and amortisation expenses	225	225	194	450	384	756
License and fees	495	1,812	40	2,307	54	130
Other expenses	846	799	1,118	1,645	2,096	3,743
Total expenses	8,261	11,518	6,850	19,779	15,102	34,181
Profit / (loss) before tax	(6,316)	(9,419)	(258)	(15,735)	(6,706)	(14,543)
Tax expense	-	-	-	-	-	-
Profit / (loss) for the period	(6,316)	(9,419)	(258)	(15,735)	(6,706)	(14,543)
Other comprehensive income (OCI) (net of tax)						
Items that will not be reclassified to profit and loss (Net actuarial gain / (loss) on employee defined benefit plan)	20	20	(40)	40	(80)	71
Total comprehensive income	(6,296)	(9,399)	(298)	(15,695)	(6,786)	(14,472)
Paid-up equity share capital (Face value ₹ 1 each)	2,621	2,621	2,560	2,621	2,560	2,621
Basic and diluted earnings per share of ₹ 1 each	(2.41)	(3.59)	(0.10)	(6.00)	(2.62)	(5.69)
Other equity						27,003
	Not annualised	Not annualised	Not annualised	Not annualised	Not annualised	

See accompanying notes to the financial results

SIGNED FOR IDENTIFICATION
BY

S R B C & CO LLP
MUMBAI



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Statement of Assets and Liabilities as at September 30, 2019

Particulars	₹ in Lakhs	
	As at 30.09.2019 Unaudited	As at 31.03.2019 Audited
ASSETS		
A. Non-current Assets		
(a) Property, plant and equipment	6,550	5,718
(b) Capital work-in-progress	3,187	2,393
(c) Other intangible assets	53	37
(d) Intangible assets under development	-	20
(e) Financial assets		
(i) Loans	*0	*0
(f) Deferred tax assets (Net)	-	-
(g) Income tax assets (Net)	6,079	5,786
(h) Other non-current assets	393	156
Total non-current assets (A)	16,262	14,110
B. Current assets		
(a) Financial assets		
(i) Investments	5,526	21,058
(ii) Trade receivables	1,996	1,017
(iii) Cash and cash equivalents	94	35
(iv) Bank balance other than cash and cash equivalents	11	33
(v) Loans	72	55
(vi) Others financial assets	14	1
(b) Other current assets	3,227	3,540
Total current assets (B)	10,940	25,739
TOTAL ASSETS	27,202	39,849
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	2,621	2,621
(b) Other equity	11,309	27,003
Total equity	13,930	29,624
A. Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	711	109
(b) Provisions	588	611
Total non-current liabilities (A)	1,299	720
B. Current liabilities		
(a) Financial liabilities		
(i) Borrowings	200	-
(ii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	-	1
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	10,843	8,292
(iii) Other financial liabilities#	226	176
(b) Other current liabilities	292	590
(c) Provisions	412	446
Total current liabilities (B)	11,973	9,505
TOTAL LIABILITIES	27,202	39,849

Includes current maturities of long term borrowings ₹ 54.52 Lakhs (March 31, 2019 : ₹ 54.52 Lakhs)

* ₹ 11,000

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Statement of Unaudited Cash Flow for the Half Year Ended September 30, 2019

₹ in Lakhs

Particulars	Half year ended 30.09.2019	Half year ended 30.09.2018
A. Cash flow from operating activities		
Loss before exceptional item and tax	(15,735)	(6,706)
Adjustments for:		
Depreciation and amortisation expense	450	384
Loss on sale/write off of property, plant and equipment and intangible assets (net)	(2)	2
Finance costs	84	3
Interest income	(4)	(280)
Gain on sale of investment	(393)	(298)
Gain on fair valuation of investment	(179)	(2)
Impact on account of adoption of Ind AS 115	-	(1,877)
Net unrealised foreign exchange loss	94	147
Operating loss before working capital changes	(15,685)	(8,627)
Working capital adjustments :		
(Increase) / decrease in trade receivables	(977)	(1,838)
(Increase) / decrease in other assets	282	1,885
Increase / (decrease) in trade payables	2,456	412
Increase / (decrease) in other liabilities	(301)	(391)
Increase / (decrease) in provisions	(16)	(73)
Cash used in operations	(14,241)	(8,632)
Income tax paid	(294)	(208)
Net cash used in operating activities (A)	(14,535)	(8,840)
B. Cash flow from investing activities		
Payments for purchase of property, plant and equipment	(1,387)	(291)
Proceeds from disposal of property, plant and equipment	4	23
Purchase of investments (Net)	16,090	(1,159)
Bank balances not considered as cash and cash equivalents		
Fixed deposits placed	(9)	(2,531)
Fixed deposits matured (Net)	31	113
Interest received	5	259
Net cash used in by investing activities (B)	14,734	(3,586)
C. Cash flow from financing activities		
Proceeds / (repayment) from / of borrowings (net off lease liability)	10	(65)
Re-payment of lease liability	(63)	-
Proceeds from issue of equity shares	-	16,667
Conversion of warrants into equity shares	-	(4,167)
Finance costs	(87)	(7)
Net cash generated from financing activities (C)	(140)	12,428
Net increase / (decrease) in cash and cash equivalents (A+B+C)	59	2
Cash and cash equivalents at the beginning of the period	35	20
Cash and cash equivalents at the end of the period	94	22

Notes :

- The above unaudited financial results are as per the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and have been taken on record by the Board of Directors at its meeting held on November 4, 2019 after being reviewed by the Audit Committee and have been subjected to a limited review by Statutory Auditors of the Company.
- The Company has only one reportable business segment namely 'Pharmaceutical Research & Development'.
- 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. This has resulted in recognizing a Right-of-Use asset and a corresponding Lease Liability of ₹ 855 lakhs as at April 1, 2019. The impact on the profit and earnings per share for the quarter and half year ended is not material.
- Previous period figures have been regrouped / rearranged, wherever necessary, to correspond to current period's presentation.

Mumbai, November 4, 2019



By order of the Board

Dilip S. Shanghvi

Dilip S. Shanghvi
Chairman and Managing Director