



Innovating for
affordable healthcare

Shilpa Medicare Ltd.

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

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CIN No. - L85110KA1987PLC008739

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2016

Particulars	Quarter ended 30th Sept, 2016 as per Ind AS	Quarter ended 30th June, 2016 as per Ind AS	Quarter ended 30th Sept, 2015 as per Ind AS	For current Half year ended 30 Sept 2016 as per Ind AS	For the previous half year ended 30th Sept, 2015 as per Ind AS	For the year ended 31st March 2016 as per Ind AS
	(Unaudited)	(Unaudited)	(Unaudited) (Refer Note 03 below)	(Unaudited)	(Unaudited) (Refer Note 03 below)	(Unaudited) (Refer Note 03 below)
Revenue from operations (Gross)	19,558.68	15,937.88	16,481.90	35,496.55	30,727.84	68,137.36
Total Income	19,558.68	15,937.88	16,481.90	35,496.55	30,727.84	68,137.36
Expenses						
Cost of material consumed	8,506.14	9,555.95	8,069.46	18,062.09	18,021.91	36,046.75
Purchase of stock in trade	61.29	25.57	42.38	86.85	71.12	381.00
Changes in inventories of finished goods, WIP, Stock in Trade	1,966.46	(1,075.07)	516.91	891.39	(1,516.55)	(254.74)
Employee benefit expense	2,166.52	1,928.88	1,611.95	4,095.40	3,125.87	6,727.21
Depreciation and amortization expenses	645.77	604.76	518.58	1,250.53	1,003.04	2,098.64
Excise duty recovered	147.38	108.59	139.72	255.98	277.77	558.30
Other expenses	1,821.92	1,805.26	2,076.64	3,627.18	3,741.31	8,236.92
Total Expenses	15,315.49	12,953.93	12,975.64	28,269.42	24,724.47	53,794.07
Profit before before tax and exceptional items	4,243.19	2,983.95	3,506.26	7,227.14	6,003.37	14,343.29
Other Income	377.88	251.06	373.63	628.94	583.49	1,113.72
Profit from ordinary activities before finance cost, exceptional item & taxes	4,621.07	3,235.01	3,879.89	7,856.08	6,586.86	15,457.01
Finance cost	58.76	69.52	93.10	128.28	173.84	327.19
Profit from ordinary activities before exceptional item & taxes	4,562.32	3,165.48	3,786.80	7,727.80	6,413.02	15,129.83
Exceptional Loss	-	-	241.96	-	241.96	241.96
Profit Before Tax and after exceptional items	4,562.32	3,165.48	3,544.84	7,727.80	6,171.06	14,887.87
Tax Expense:	1,243.35	756.51	1,015.87	1,999.86	1,711.85	3,584.66
Profit for the Period	3,318.97	2,408.97	2,528.97	5,727.94	4,459.22	11,303.21
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurement of the net defined benefit liability/asset	5.27	5.65	5.14	10.92	10.27	20.55
Equity instruments through other comprehensive income	-	-	-	-	-	-
Items that will be reclassified subsequently to profit or loss	-	-	-	-	-	-
Exchange differences on translation of foreign operations	-	-	-	-	-	-
Other comprehensive income, net of tax	5.27	5.65	5.14	10.92	10.27	20.55
Total comprehensive income for the period	3,324.24	2,414.62	2,534.11	5,738.86	4,469.49	11,323.76
Paid up Share Capital (par Value Rs.1/- each, fully paid)	771.02	771.02	771.02	771.02	771.02	771.02
Earnings per equity share (par value Rs.1/- each)						
Basic (Rs.)	4.31	3.13	3.29	7.44	5.80	14.69
Diluted (Rs.)	4.31	3.13	3.29	7.44	5.80	14.69



Notes:

1 Transition to Ind AS

The Company has transitioned to Ind AS with effect from 1st April 2015 and for that purpose comparative figures of 30th September 2015 and for the year ended 31st March 2016 has been restated and accordingly the impact of transition has been provided.

2 Reconciliation of results between previous Indian GAAP and Ind AS

Particulars	Quarter ended 30th Sept 2015	Half year ended 30th Sept 2015	for the year ended 31st March 2016
Profit / Loss as per Indian GAAP	2,412.43	4,539.89	11,035.00
Add / (Less) Adjustments			
Capital Subsidy accounted using Income Approach	2.76	5.53	11.06
Recognition of MTM Gain/loss on Interest rate swaps	6.17	14.89	32.59
Investment recognised at fair value	136.73	252.81	357.35
Leasehold land amortisation being treated as operating lease	(4.18)	(8.07)	(16.43)
Impact of amortisation of fair value of corporate guarantee	8.57	15.15	32.20
Deferred tax impact on Ind AS Adjustments	(51.93)	(97.01)	(144.24)
Prior period errors	24.07	24.07	18.31
Profit / Loss as per Ind AS	2,534.63	4,747.26	11,325.85

- 3 The unaudited standalone financial results for the quarter months and half year ended 30-Sept-2016 of Shilpa Medicare Ltd (the company) have been reviewed by the Audit Committee and approved Board of Directors of the Company and that the same were also subject to limited review by the statutory auditors of the Company. Further the Ind-AS compliant financial results for the corresponding quarter and for the Half year ended as at 30-Sept-2015 and for the previous year ended 31-March-2016 have not been subject to limited review by the statutory auditors in terms of SEBI circular dated 05-July-2016. However, the management has exercised necessary due diligence to ensure that the Quarterly unaudited financial results provide a true and fair view of the Company's affairs.
- 4 These unaudited financial results have been prepared in accordance with Indian Accounting Standard (Ind-AS) prescribed 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 5th July
- 5 The exceptional item for the quarter and half year ended 30th Sept 2015 represents the loss on buy back of shares by its foreign subsidiary Makindus Pharmaceuticals Inc.
- 6 There is a possibility that these quarterly financial results may require additional adjustment before constituting the final Ind AS financial statements as of and for the year ending 31st March 2017 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by MCA or changes in the use of one or more optional exemptions from full retrospective application as permitted under Ind AS 101.
- 7 As the Company is operating in only one segment "Pharmaceuticals Products", segment reporting is not applicable.
- 8 Prior period / year figures have been reclassified where ever required to confirm to the classification of current period / year.

Date: 25.11.2016

Place: Hyderabad



For and on behalf of Board of Directors

[Signature]
Managing Director



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CIN No. - L85110KA1987PLC008739

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2016

Particulars	Quarter ended 30th Sept, 2016 as per Ind AS	Quarter ended 30th June, 2016 as per Ind AS	Quarter ended 30th Sept, 2015 as per Ind AS	For current Half year ended 30 Sept 2016 as per Ind AS	for the previous half year ended 30th Sept, 2015 as per Ind AS	for the year ended 31st March 2016 as per Ind AS
	(Unaudited)	(Unaudited)	(Unaudited) (Refer Note 03 below)	(Unaudited)	(Unaudited) (Refer Note 03 below)	(Unaudited) (Refer Note 03 below)
Revenue from operations (Gross)	21,127.26	16,721.54	17,453.48	37,848.81	32,444.53	72,217.29
Total Income	21,127.26	16,721.54	17,453.48	37,848.81	32,444.53	72,217.29
Expenses						
Cost of material consumed	8,642.10	9,787.35	8,258.17	18,429.45	18,325.48	36,764.01
Purchase of stock in trade	61.29	25.57	42.38	86.85	71.12	381.00
Changes in inventories of finished goods, WIP, Stock in Trade	2,099.81	(1,301.99)	425.56	797.82	(1,667.58)	(222.04)
Employee benefit expense	3,019.48	2,679.59	2,171.91	5,699.07	4,242.28	9,008.82
Depreciation and amortization expenses	745.16	696.17	565.92	1,441.33	1,098.40	2,313.88
Excise duty recovered	160.08	116.46	141.99	276.54	282.56	573.80
Other expenses	2,252.51	2,082.13	2,518.90	4,334.64	4,416.15	9,714.75
Total Expenses	16,980.43	14,085.27	14,124.82	31,065.69	26,768.40	58,534.22
Profit before before tax and exceptional items	4,146.84	2,636.28	3,328.66	6,783.12	5,676.12	13,683.08
Other Income	369.31	237.41	365.76	606.72	566.83	1,074.19
Profit from ordinary activities before finance cost, exceptional item & taxes	4,516.15	2,873.68	3,694.42	7,389.83	6,242.96	14,757.26
Finance cost	59.44	70.52	94.52	129.96	176.54	331.90
Profit from ordinary activities before exceptional item & taxes	4,456.71	2,803.16	3,599.90	7,259.87	6,066.42	14,425.37
Exceptional Loss	-	-	241.96	-	241.96	241.96
Profit Before Tax and after exceptional items	4,456.71	2,803.16	3,357.94	7,259.87	5,824.46	14,183.41
Tax Expense:	1,237.15	795.52	1,001.74	2,032.67	1,690.17	3,547.42
-Current tax	857.82	536.50	822.11	1,394.32	1,346.29	2,543.51
-Deferred tax	379.32	259.02	179.64	638.34	343.88	1,003.91
Profit for the Period	3,219.57	2,007.64	2,356.20	5,227.20	4,134.29	10,635.99
Add : Share of Profit /(Loss) of joint venture	543.03	(622.55)	(197.69)	(79.52)	(165.35)	(257.03)
Add :Minority Interest (loss) / Profit	(61.70)	(86.78)	(174.20)	(148.48)	(174.20)	(357.35)
Net Profit after tax, minority interest, & share of Joint venture	3,824.30	1,471.87	2,332.71	5,296.17	4,143.14	10,736.31
Other comprehensive income						
Remeasurement of the net defined benefit liability/asset	5.27	5.65	65.37	10.92	10.27	20.55
Total comprehensive income for the period	3,829.57	1,477.52	2,398.08	5,307.09	4,153.41	10,756.86
Paid up Share Capital (par Value Rs.1/- each, fully paid)	771.02	771.02	771.02	771.02	771.02	771.02
Earnings per equity share (par value Rs.1/- each)						
Basic (Rs.)	4.97	1.92	3.11	6.88	5.39	13.95
Diluted (Rs.)	4.97	1.92	3.11	6.88	5.39	13.95



Notes:

1 Transition to Ind AS

The Company has transitioned to Ind AS with effect from 1st April 2015 and for that purpose comparative figures of 30th September 2015 and for the year ended 31st March 2016 has been restated and accordingly the impact of transition has been provided.

2 Reconciliation of results between previous Indian GAAP and Ind AS

Particulars	Quarter ended 30th Sept 2015	Half year ended 30th Sept 2015	for the year ended 31st March 2016
Profit / Loss as per Indian GAAP	2,222.45	3,828.37	10,380.43
Add / (Less) Adjustments			
Capital Subsidy accounted using Income Approach	3.10	6.20	12.39
Recognition of MTM Gain/loss on Interest rate swaps	6.17	14.89	32.59
Investment recognised at fair value	136.73	252.81	357.35
Leasehold land amortisation being treated as operating lease	(4.18)	(8.07)	(16.43)
Impact of amortisation of fair value of corporate guarantee	8.57	15.15	32.20
Prior Period Errors	34.13	25.16	34.52
Deferred tax impact on Ind AS Adjustments	(57.08)	(97.64)	(134.00)
Other IND AS Adjustment	38.79	111.75	80.28
Profit / Loss as per Ind AS	2,389	4,149	10,779

- 3 The unaudited standalone financial results for the quarter months and half year ended 30-Sept-2016 of Shilpa Medicare Ltd (the company) have been reviewed by the Audit Committee and approved Board of Directors of the Company and that the same were also subject to limited review by the statutory auditors of the Company. Further the Ind-AS compliant financial results for the corresponding quarter and for the Half year ended as at 30-Sept-2015 and for the previous year ended 31-March-2016 have not been subject to limited review by the statutory auditors in terms of SEBI circular dated 05-July-2016. However, the management has exercised necessary due diligence to ensure that the Quarterly unaudited financial results provide a true and fair view of the Company's affairs.
- 4 These unaudited financial results have been prepared in accordance with Indian Accounting Standard (Ind-AS) prescribed 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 5th July 2016.
- 5 The exceptional item for the Half year ended 30th Sept 2015 represents the loss on buy back of shares by its foreign subsidiary Makindus Pharmaceuticals Inc.
- 6 Q2 - Consolidated Results include a figure of net profit of Rs.417.01 Lakhs (net Loss - Rs.168.31 Lakhs) in respect of Maia, Makindus and INM Technologies Pvt Ltd taken together which are subsidiaries/ JV Co's of Shilpa Medicare Ltd and which are in the investment phase of their R&D activities and are yet to start generating operational revenues.
- 7 Six Months - Consolidated Results include a net profit of Rs.47.64 Lakhs (Loss-298.30 Lakhs) in respect of Maia, Makindus and INM Technologies Pvt Ltd taken together which are subsidiaries / JV cos of Shilpa Medicare Ltd and which are in the investment phase of their R&D activities and are yet to start generating operational revenues.
- 8 Q2 - Consolidated Results include net loss of Rs.44.13 Lakhs (Loss – Rs.75.30) Lakhs respectively of Raichem Medicare Pvt Ltd (subsidiary Co) which has started its operations w.e.f 25.08.2015
- 9 Six Months - net loss of Rs.463.47 Lakhs (Loss – Rs.75.30) Lakhs respectively of Raichem Medicare Pvt Ltd (subsidiary Co) which has started its operations w.e.f 25.08.2015



There is a possibility that these quarterly financial results may require additional adjustment before constituting the final Ind AS financial statements as of and for the
10 year ending 31st March 2017 due to changes in financial reporting requirements arising from new or revised standards or interpretations issued by MCA or changes in the use of one or more optional exemptions from full retrospective application as permitted under Ind AS 101.

- 11 As the Company is operating in only one segment "Pharmaceuticals Products", segment reporting is not applicable.
- 12 Prior period / year figures have been reclassified where ever required to confirm to the classification of current period / year.

Date: 25.11.2016

Place: Hyderabad



For and on behalf of Board of Directors


Managing Director

Shilpa Medicare Limited**Statement of Assets and Liabilities as at 30.09.2016****(Rs in Lakhs)**

Particulars	Standalone		Consolidated	
	As at	As at	As at	As at
	30.09.2016	31.03.2016	30.09.2016	31.03.2016
	Unaudited	Unaudited and Refer Note 03	Unaudited	Unaudited and Refer Note 03
ASSETS				
NON-CURRENT ASSETS				
Goodwill on consolidation			1,408.91	1,057.06
Property, Plant & Equipment	37931.81	34253.67	41,150.71	37,543.52
Capital work in progress	6384.16	8937.85	6,856.69	9,190.77
Other Intangible Assets	991.12	723.33	1,013.72	733.63
Financial Assets				
Investments	10369.60	9405.47	3,371.03	3,408.83
Loans	7176.10	6416.82	6,466.81	5,738.00
Other Financial Assets			0.78	0.60
Sub-total Non Current Assets	62,852.80	59,737.15	60,268.67	57,672.41
CURRENT ASSETS				
Inventories	16934.32	12465.87	18,025.97	13,422.76
Financial Assets				
Investments	7058.35	5963.07	7,058.46	5,963.07
Trade Receivables	15921.37	11197.52	16,822.51	12,542.95
Cash and Cash Equivalents	316.28	583.91	947.00	1,120.62
Loans	1895.69	1895.20	2,187.18	2,018.36
Other Financial Assets	1505.17	1097.69	637.37	285.36
Sub-total Current Assets	43,631.18	33,203.27	45,678.48	35,353.12
TOTAL	106,483.98	92,940.42	105,947.15	93,025.53
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	771.02	771.02	771.02	771.02
Other Equity	71462.38	65708.07	68,723.97	63,198.28
Non-controlling interest	-	-	(97.69)	251.41
Sub-Total Shareholder's Funds	72,233.40	66,479.09	69,397.30	64,220.71
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
Borrowings	0.00	0.00	2.60	3.04
Deferred Tax Liabilities (net)	5880.26	5289.51	5,723.62	5,053.28
Long Term Provisions	390.00	390.00	1,413.41	1,354.09
Other Non- Current Liabilities	204.00	207.95	218.74	218.57
Sub-Total Non Current Liabilities	6,474.25	5,887.47	7,358.38	6,628.98
Current Liabilities				
Financial Liabilities				
Borrowings	8880.17	6959.37	9,328.67	7,409.94
Trade Payables	15693.80	9965.91	16,329.29	10,880.81
Other financial Liabilities	3154.01	3602.43	3,431.57	3,813.85
Short Term Provisions	48.35	46.15	101.95	71.25
Sub-Total Current Liabilities	27,776.33	20,573.86	29,191.47	22,175.84
TOTAL	106,483.98	92,940.42	105,947.15	93,025.53



For and on behalf of Board of Directors

Managing Director