



Pharmaceuticals Limited

**Registered & Corporate Office :**

Plot No. 72, H. No. 8-2-334/3 & 4, Road No. 5,

Opp. SBI Executive Enclave, Banjara Hills,

Hyderabad - 500 034, Telangana, INDIA.

Tel : +91-40-2525 9999, Fax : +91-40-2525 9889

CIN : L24239TG1987PLC008066

Email: info@smspharma.com, www.smspharma.com

Date: 12<sup>th</sup> November, 2019

To,  
The Manager,  
Corporate Filings Department,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400 001

The Manager,  
Listing Compliance Department,  
National Stock Exchange of India Ltd.  
Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex, Bandra (E),  
Mumbai - 400 051.

**Security Code: 532815**

**Symbol: SMSPHARMA**

**Sub:** Unaudited financial results (Standalone and Consolidated) for the quarter and half year ended 30<sup>th</sup> September, 2019.

**Ref:** Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Further to our intimation dated 4<sup>th</sup> November, 2019, we would like to inform that the Board of Directors of the Company at its meeting held on 12<sup>th</sup> November, 2019 has, inter alia, approved the Unaudited Financial Results for the quarter and half year ended 30<sup>th</sup> September, 2019.

In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we enclose herewith the following:

1. Unaudited Standalone Financial Results for the quarter and half year ended 30<sup>th</sup> September, 2019 along with Limited Review Report of the Statutory Auditors thereon.
2. Unaudited Consolidated Financial Results for the quarter and half year ended 30<sup>th</sup> September, 2019 along with Limited Review Report of the Statutory Auditors thereon.

The meeting commenced at 11.30 AM and concluded at 16.40 PM

This is for your information and records.

Yours faithfully,  
For SMS Pharmaceuticals Limited

V.S.Venkatish  
Company Secretary

**SMS PHARMACEUTICALS LIMITED**

(CIN : L24239TG1987PLC008066)

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**Statement of Standalone Un-Audited Financial Results for the Quarter and Half Year Ended 30th September, 2019**

(Rs. In Lakhs)

S.No	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)
1	Revenue From Operations	11,789.58	11,713.60	13,484.05	23,503.18	25,994.71	46,491.08
2	Other Income	58.10	65.26	148.60	123.36	184.74	340.31
3	<b>Total Revenue</b>	<b>11,847.68</b>	<b>11,778.85</b>	<b>13,632.65</b>	<b>23,626.53</b>	<b>26,179.46</b>	<b>46,831.39</b>
4	<b>Expenses:</b>						
	(a) Cost of Materials Consumed	7,876.34	8,533.16	9,971.38	16,409.50	18,311.36	30,719.13
	(b) Changes in Inventories	(500.11)	(1,233.07)	(1,269.48)	(1,733.18)	(1,571.86)	(1,448.28)
	(c) Manufacturing Expenses	945.08	832.30	992.25	1,777.38	2,024.50	3,484.18
	(d) Employee Benefits Expense	960.89	966.08	902.97	1,926.96	1,762.79	3,558.67
	(e) Finance Cost	299.28	341.52	295.14	640.80	597.01	1,187.34
	(f) Depreciation and Amortization Expense	538.50	530.24	481.92	1,068.75	957.26	1,927.29
	(g) Other Expenses	285.56	274.52	354.21	560.08	564.65	1,167.63
	<b>Total Expenses - (a to f)</b>	<b>10,405.55</b>	<b>10,244.74</b>	<b>11,728.39</b>	<b>20,650.29</b>	<b>22,645.71</b>	<b>40,595.96</b>
5	<b>Profit before Exceptional and Extraordinary Items and Tax (3-4)</b>	<b>1,442.13</b>	<b>1,534.11</b>	<b>1,904.26</b>	<b>2,976.24</b>	<b>3,533.74</b>	<b>6,235.43</b>
6	Exceptional Items	-	-	-	-	-	-
7	<b>Profit before Extraordinary Items and Tax (5-6)</b>	<b>1,442.13</b>	<b>1,534.11</b>	<b>1,904.26</b>	<b>2,976.24</b>	<b>3,533.74</b>	<b>6,235.43</b>
8	Extraordinary Items	-	-	-	-	-	-
9	<b>Profit before Tax (7-8)</b>	<b>1,442.13</b>	<b>1,534.11</b>	<b>1,904.26</b>	<b>2,976.24</b>	<b>3,533.74</b>	<b>6,235.43</b>
10	<b>Tax Expenses</b>						
	(1) Current Tax (MAT)	320.00	330.00	450.00	650.00	800.00	1,333.36
	(2) Deferred Tax	167.31	256.00	198.45	423.31	466.50	756.72
11	<b>Net Profit / (Loss) for the Period (9-10)</b>	<b>954.82</b>	<b>948.11</b>	<b>1,255.81</b>	<b>1,902.93</b>	<b>2,267.24</b>	<b>4,145.35</b>
12	<b>Other Comprehensive Income (OCI):</b>						
	Items that will not be reclassified to profit or Loss:	(3.56)	(3.24)	(2.37)	(6.80)	(3.94)	(12.95)
	Tax on Items that will not be reclassified to profit or Loss:	(1.24)	(1.13)	(0.83)	(2.38)	(1.38)	4.53
		(2.32)	(2.11)	(1.54)	(4.42)	(2.57)	(8.42)
13	<b>Total comprehensive income for the period (11+12)</b>	<b>952.51</b>	<b>946.00</b>	<b>1,254.27</b>	<b>1,898.51</b>	<b>2,264.68</b>	<b>4,136.93</b>
14	<b>Earning Per Equity Share</b>	<b>1.13</b>	<b>1.12</b>	<b>1.48</b>	<b>2.25</b>	<b>2.68</b>	<b>4.90</b>
	(of Re.1/ each) (not annualised)						
	(a) Basic						
	(b) Diluted						
	<b>Paid-up equity share capital (Face Value of Re.1/- each)</b>	<b>846.52</b>	<b>846.52</b>	<b>846.52</b>	<b>846.52</b>	<b>846.52</b>	<b>846.52</b>
15	<b>Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year</b>						<b>33,145.84</b>





**Statement of Standalone Un-Audited of Assets and Liabilities as at 30th September, 2019**

(Rs. in Lakhs)

Sr. No.	Particulars	As at	As at
		30.09.2019 (Unaudited)	31.03.2019 (Audited)
<b>A</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-Current Assets</b>		
	(a) Property, Plant and Equipment	27,032.73	28,010.79
	(b) Capital Work-in-Progress	2,664.02	1,830.13
	(c) Intangible Assets	97.44	114.88
	(d) Financial Assets:		
	(i) Investments	4,499.87	4,499.87
	(ii) Bank Balances	218.65	212.50
	(iii) Other Financial Assets	345.68	343.04
	(e) Other Non-Current Assets	3,032.03	1,911.81
	<b>Sub Total :Non-Current Assets</b>	<b>37,890.42</b>	<b>36,923.02</b>
<b>2</b>	<b>Current Assets</b>		
	(a) Inventories	11,961.98	13,639.98
	(b) Financial Assets		
	(i) Trade Receivables	5,852.94	2,602.25
	(ii) Cash and Cash Equivalents	883.10	1,479.77
	(iii) Bank Balances (Other than (ii) above)	7.96	7.90
	(iv) Other Financial Assets	42.14	24.33
	(c) Other Current Assets	2,280.66	2,963.29
	(d) Current Tax Asset (Net)	3.10	41.51
	<b>Sub Total : Current Assets</b>	<b>21,031.88</b>	<b>20,759.03</b>
	<b>TOTAL ASSETS</b>	<b>58,922.30</b>	<b>57,682.05</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Equity:</b>		
	(a) Equity Share Capital	846.52	846.52
	(b) Other Equity	34,789.21	33,145.84
	<b>Sub-Total -Shareholders' funds</b>	<b>35,635.73</b>	<b>33,992.36</b>
	<b>Liabilities:</b>		
<b>2</b>	<b>Non-Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	6,321.67	5,896.04
	(b) Provisions	166.84	151.84
	(c) Deferred Tax Liabilities (net)	3,482.77	3,061.84
	<b>Sub-Total -Non-Current Liabilities</b>	<b>9,971.28</b>	<b>9,109.72</b>
<b>3</b>	<b>Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	5,536.18	7,080.86
	(ii) Trade Payables:		
	(a) Dues to Micro & Small Enterprises	68.70	12.54
	(b) Dues to Creditors Otherthan Micro & Small Enterprises	4,285.39	4,812.65
	(iii) Other Financial Liabilities	2,694.17	1,621.85
	(b) Provisions	77.04	72.04
	(c) Other Current Liabilities	653.81	980.03
	<b>Sub-Total - Current Liabilities</b>	<b>13,315.29</b>	<b>14,579.97</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>58,922.30</b>	<b>57,682.05</b>





# SMS PHARMACEUTICALS LIMITED

Statement of Standalone Unaudited Cash Flow for the Half Year ended 30th September, 2019

S.No	Particulars	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)
<b>A</b>	<b>Cash Flows from operating activities :</b>		
	Profit Before Tax	2,976.24	3,533.74
	<b>Add:</b>		
	Depreciation	1,068.75	957.26
	Interest Income on Margin Money Deposits	(6.15)	(6.15)
	Interest on Term Loans	341.71	412.04
	Provision for Employee Benefits	13.20	33.56
	Amortisation of Transaction Cost on Borrowings	3.12	5.14
	<b>Operating Profit before working capital changes</b>	<b>4,396.87</b>	<b>4,935.59</b>
	<b>Adjustment for:</b>		
	Trade Receivables	(3,250.69)	222.17
	Inventories	1,678.00	(250.37)
	Other Non Current Financial Assets	-	(128.21)
	Other Non Current Assets	560.87	12.39
	Other Financial Assets	(2.65)	-
	Other current assets	664.82	(743.23)
	Trade Payables	(471.09)	743.95
	Other Current Liabilities	(326.23)	217.11
		<b>(1,146.97)</b>	<b>73.81</b>
	<b>Cash Generated From Operating activities</b>	<b>3,249.90</b>	<b>5,009.39</b>
	Income Tax Paid - Current Year	(611.59)	(700.20)
	<b>Net cash from operating activities " A "</b>	<b>2,638.31</b>	<b>4,309.18</b>
<b>B</b>	<b>Cash Flows from Investing activities :</b>		
	Purchase of fixed assets	(2,732.18)	(1,424.46)
	<b>Net cash used in Investing activities " B "</b>	<b>(2,732.18)</b>	<b>(1,424.46)</b>
<b>C</b>	<b>Cash Flows from Financing activities :</b>		
	Proceeds from long term borrowings	2,000.00	-
	Proceeds from Short term borrowings	-	(2,667.04)
	Repayment of Long Term borrowings	(625.00)	(825.00)
	Repayment of Short term borrowings	(1,544.68)	-
	Interest Paid	(333.12)	(419.28)
	Dividend paid	-	(211.63)
	<b>Net Cash used in financing activities " C "</b>	<b>(502.80)</b>	<b>(4,122.95)</b>
	<b>Net ( Decrease ) / Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(596.67)</b>	<b>(1,238.23)</b>
	<b>Cash and Cash Equivalents at the beginning of the Year</b>	<b>1,479.77</b>	<b>1,263.08</b>
	<b>Cash and Cash Equivalents at the end of the Year</b>	<b>883.10</b>	<b>24.85</b>






**Notes:**

- 1 The above standalone Financial Results have been reviewed and recommended by the Audit Committee on 12th November, 2019 and have been approved by the Board of Directors at its meeting held on 12th November, 2019.
- 2 Results for the quarter ended 30th September, 2019 were subjected to 'Limited Review' by the Auditors.
- 3 The above results are in accordance with the companies (Indian Accounting Standards) rules, 2015, (Ind AS) as amended by Company (Ind AS) (amendment) Rules, 2016, notified under Section 133 of the Companies Act 2013, read with relevant Rules issued there under and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 4 The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance, 2019, inserted a new Section 115BAA of the Income Tax Act 1961, which provides an option to the Company for paying income tax at concessional rates subject to the provisions/conditions specified in the said Section. The Company is in the process of evaluating the impact of this ordinance, pending which tax expense has been continued to be recognised at existing rate of taxation. Adjustments, if any needed in this respect will be given effect to in subsequent period.
- 5 The Company is engaged in the manufacturing of Active Pharmaceutical Ingredients and their intermediates and the same constitutes a single reportable business segment as per Ind AS108.
- 6 As approved by the Members of the company at the 30th Annual General Meeting held on 30th September, 2019, the company has disbursed on 4th October, 2019 a dividend of Rs.0.25 per equity share of Re.1 each for the year ended 31st March, 2019, aggregating to Rs.211.63 lakhs and also remitted an amount of Rs 43.50 Lakhs towards Dividend Distribution Tax.
- 7 The Ministry of Corporate Affairs (MCA), on 30th March, 2019, notified Ind AS 116 "Leases" as part of the Companies (Indian Accounting Standard) Amendment Rules, 2019. The new Standard is effective for accounting periods beginning on or after 1st April, 2019. The adoption of the Standard did not have any material impact to the financial results of the Company.
- 8 Figures for the previous year/period have been reclassified/ regrouped wherever necessary to conform to current year's classification.

Place: Hyderabad  
Date : 12-11-2019



For SMS Pharmaceuticals Limited

  
**Ramesh Babu Potluri**  
Chairman and Managing Director





**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone 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  
SMS Pharmaceuticals Limited

We have reviewed the accompanying statement of unaudited standalone financial results of SMS Pharmaceuticals Limited ("the Company"), for the quarter and six month period ended 30<sup>th</sup> September 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").

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 (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statements based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial information performed by Independent Auditor of 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 is free of material misstatement. A review of the interim financial information consists of making inquiries primarily of companies 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 u/s143(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.

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 Companies Act, 2013 as amended, read with relevant rules issued there under 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.

Place: Hyderabad  
Date: 12-11-2019

For Suryanarayana & Suresh.,  
Chartered Accountants  
Reg. No.006631S





**SMS PHARMACEUTICALS LIMITED**

(CIN : L24239TG1987PLC008066)

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**Statement of Consolidated Un-Audited Financial Results for the Quarter and Half Year Ended 30th September, 2019**

(Rs. In Lakhs)

S.No	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)
1	Revenue From Operations	11,789.58	11,713.59	13,484.05	23,503.18	25,994.71	46,491.08
2	Other Income	58.10	65.26	148.60	123.35	184.75	340.31
3	<b>Total Revenue</b>	<b>11,847.68</b>	<b>11,778.85</b>	<b>13,632.65</b>	<b>23,626.53</b>	<b>26,179.47</b>	<b>46,831.39</b>
4	<b>Expenses</b>						
	(a) Cost of Materials Consumed	7,876.35	8,533.16	9,971.38	16,409.50	18,311.36	30,719.13
	(b) Changes in Inventories	(500.11)	(1,233.07)	(1,269.48)	(1,733.18)	(1,571.86)	(1,448.28)
	(c) Manufacturing Expenses	945.08	832.30	992.25	1,777.38	2,024.50	3,484.18
	(d) Employee Benefits Expense	960.89	968.07	902.97	1,926.96	1,762.79	3,558.67
	(e) Finance Cost	299.28	341.52	295.14	640.80	597.01	1,187.34
	(f) Depreciation and Amortization Expense	538.50	530.24	481.92	1,068.75	957.26	1,927.29
	(g) Other Expenses	285.56	274.52	354.21	560.08	564.65	1,167.63
	<b>Total Expenses - (a to f)</b>	<b>10,405.56</b>	<b>10,244.73</b>	<b>11,728.39</b>	<b>20,650.29</b>	<b>22,645.71</b>	<b>40,595.96</b>
5	<b>Profit before Exceptional and Extraordinary Items and Tax (3-4)</b>	<b>1,442.12</b>	<b>1,534.12</b>	<b>1,904.26</b>	<b>2,976.24</b>	<b>3,533.75</b>	<b>6,235.43</b>
6	Exceptional Items	-	-	-	-	-	-
7	<b>Profit before Extraordinary Items and Tax (5-6)</b>	<b>1,442.12</b>	<b>1,534.12</b>	<b>1,904.26</b>	<b>2,976.24</b>	<b>3,533.74</b>	<b>6,235.43</b>
8	Extraordinary Items	-	-	-	-	-	-
9	<b>Profit before Tax (7-8)</b>	<b>1,442.12</b>	<b>1,534.12</b>	<b>1,904.26</b>	<b>2,976.24</b>	<b>3,533.74</b>	<b>6,235.43</b>
10	<b>Tax Expenses</b>						
	(1) Current Tax (MAT)	320.00	330.00	450.00	650.00	800.00	1,333.36
	(2) Deferred Tax	167.31	256.00	198.45	423.31	466.50	756.72
11	<b>Net Profit / (Loss) for the Period (9-10)</b>	<b>954.81</b>	<b>948.12</b>	<b>1,255.81</b>	<b>1,902.93</b>	<b>2,267.24</b>	<b>4,145.35</b>
12	Share of profit / (loss) of associates	33.61	(171.33)	(250.05)	(137.72)	(544.58)	(140.51)
13	Minority Interest	-	-	-	-	-	-
14	<b>Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (11+12-13)</b>	<b>988.43</b>	<b>776.78</b>	<b>1,005.77</b>	<b>1,765.21</b>	<b>1,722.66</b>	<b>4,004.84</b>
15	<b>Other Comprehensive Income/(Loss) (OCI):</b>						
	(A) Items that will not be reclassified to statement of Profit & Loss						
	Remeasurements of post-employment benefit obligations	(2.95)	(2.70)	(1.78)	(5.65)	(2.88)	(10.82)
16	<b>Total Other Comprehensive Income/(Loss) before related Tax</b>	<b>(2.95)</b>	<b>(2.70)</b>	<b>(1.78)</b>	<b>(5.65)</b>	<b>(2.88)</b>	<b>(10.82)</b>
17	Deferred Tax on OCI	(1.09)	(0.99)	(0.67)	(2.08)	(1.10)	(3.97)
18	<b>Other Comprehensive Income/(Loss) after tax for the Year (13-14)</b>	<b>(1.86)</b>	<b>(1.71)</b>	<b>(1.11)</b>	<b>(3.57)</b>	<b>(1.78)</b>	<b>(6.85)</b>
19	<b>Total comprehensive Income for the period/year (14+18)</b>	<b>986.57</b>	<b>775.07</b>	<b>1,004.66</b>	<b>1,761.64</b>	<b>1,720.88</b>	<b>3,997.99</b>
20	<b>Earning Per Equity Share</b>						
	(of Re.1/ each) (not annualised)						
	(a) Basic	1.17	0.92	1.19	2.09	2.03	4.73
	(b) Diluted	1.17	0.92	1.19	2.09	2.03	4.73
21	<b>Paid-up equity share capital (Face Value of Re.1/- each)</b>	<b>846.52</b>	<b>846.52</b>	<b>846.52</b>	<b>846.52</b>	<b>846.52</b>	<b>846.52</b>
22	<b>Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year</b>						<b>31,345.22</b>

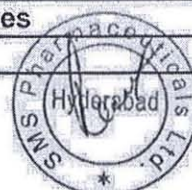




**Statement of Consolidated Un-Audited of Assets and Liabilities as at 30th September, 2019**

(Rs. in Lakhs)

Sr. No.	Particulars	As at	As at
		30.09.2019 (Unaudited)	31.03.2019 (Audited)
<b>A</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-Current Assets</b>		
	(a) Property, Plant and Equipment	27,032.73	28,010.79
	(b) Capital Work-in-Progress	2,664.02	1,830.13
	(c) Intangible Assets	97.44	114.88
	(d) Financial Assets:		
	(i) Investments	2,562.37	2,699.25
	(ii) Bank Balances	218.65	212.50
	(iii) Other Financial Assets	345.68	343.04
	(e) Other Non-Current Assets	3,032.03	1,911.81
	<b>Sub Total :Non-Current Assets</b>	<b>35,952.92</b>	<b>35,122.40</b>
<b>2</b>	<b>Current Assets</b>		
	(a) Inventories	11,961.98	13,639.98
	(b) Financial Assets		
	(i) Trade Receivables	5,852.94	2,602.25
	(ii) Cash and Cash Equivalents	883.10	1,479.77
	(iii) Bank Balances		
	(Other than (ii) above)	7.96	7.90
	(iv) Other Financial Assets	42.14	24.33
	(c) Other Current Assets	2,280.66	2,963.29
	(d) Current Tax Asset (Net)	3.10	41.51
	<b>Sub Total : Current Assets</b>	<b>21,031.87</b>	<b>20,759.03</b>
	<b>TOTAL ASSETS</b>	<b>56,984.80</b>	<b>55,881.43</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Equity:</b>		
	(a) Equity Share Capital	846.52	846.52
	(b) Other Equity	32,851.71	31,345.22
	<b>Sub-Total -Shareholders' funds</b>	<b>33,698.23</b>	<b>32,191.74</b>
	<b>Liabilities:</b>		
<b>2</b>	<b>Non-Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	6,321.66	5,896.04
	(b) Provisions	166.84	151.84
	(c) Deferred Tax Liabilities (net)	3,482.77	3,061.84
	<b>Sub-Total -Non-Current Liabilities</b>	<b>9,971.27</b>	<b>9,109.72</b>
<b>3</b>	<b>Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	5,536.18	7,080.86
	(ii) Trade Payables:		
	(a) Dues to Micro & Small Enterprises	68.70	12.54
	(b) Dues to Creditors Otherthan Micro & Small Enterprises	4,285.39	4,812.65
	(iii) Other Financial Liabilities	2,694.17	1,621.85
	(b) Provisions	77.04	72.04
	(c) Other Current Liabilities	653.81	980.03
	<b>Sub-Total - Current Liabilities</b>	<b>13,315.29</b>	<b>14,579.97</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>56,984.80</b>	<b>55,881.43</b>

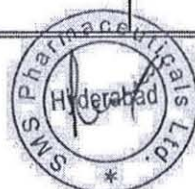




# SMS PHARMACEUTICALS LIMITED

Statement of Consolidated Unaudited Cash Flow for the Half Year ended 30th September, 2019

S.No	Particulars	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)
<b>A</b>	<b>Cash Flows from operating activities :</b>		
	Profit Before Tax	2,976.24	3,533.74
	<b>Add:</b>		
	Depreciation	1,068.75	957.26
	Interest Income on Margin Money Deposits	(6.15)	(6.15)
	Interest on Term Loans	341.71	412.04
	Provision for Employee Benefits	13.20	33.56
	Amortisation of Transaction Cost on Borrowings	3.12	5.14
	<b>Operating Profit before working capital changes</b>	<b>4,396.87</b>	<b>4,935.59</b>
	<b>Adjustment for:</b>		
	Trade Receivables	(3,250.69)	222.17
	Inventories	1,678.00	(250.37)
	Other Non Current Financial Assets	-	(128.21)
	Other Non Current Assets	560.87	12.39
	Other Financial Assets	(2.65)	-
	Other current assets	664.82	(743.23)
	Trade Payables	(471.09)	743.95
	Other Current Liabilities	(326.23)	217.11
		<b>(1,146.97)</b>	<b>73.81</b>
	<b>Cash Generated From Operating activities</b>	<b>3,249.90</b>	<b>5,009.39</b>
	Income Tax Paid - Current Year	(611.59)	(700.20)
	<b>Net cash from operating activities " A "</b>	<b>2,638.31</b>	<b>4,309.18</b>
<b>B</b>	<b>Cash Flows from Investing activities :</b>		
	Purchase of fixed assets	(2,732.18)	(1,424.46)
	<b>Net cash used in Investing activities " B "</b>	<b>(2,732.18)</b>	<b>(1,424.46)</b>
<b>C</b>	<b>Cash Flows from Financing activities :</b>		
	Proceeds from long term borrowings	2,000.00	-
	Proceeds from Short term borrowings	-	(2,667.04)
	Repayment of Long Term borrowings	(625.00)	(825.00)
	Repayment of Short term borrowings	(1,544.68)	-
	Interest Paid	(333.12)	(419.28)
	Dividend paid	-	(211.63)
	<b>Net Cash used in financing activities " C "</b>	<b>(502.80)</b>	<b>(4,122.95)</b>
	<b>Net ( Decrease ) / Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(596.67)</b>	<b>(1,238.23)</b>
	<b>Cash and Cash Equivalents at the beginning of the Year</b>	<b>1,479.77</b>	<b>1,263.08</b>
	<b>Cash and Cash Equivalents at the end of the Year</b>	<b>883.10</b>	<b>24.85</b>



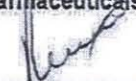


**Notes:**

- 1 The above consolidated Financial Results have been reviewed and recommended by the Audit Committee on 12th November, 2019 and have been approved by the Board of Directors at its meeting held on 12th November, 2019.
- 2 Results for the quarter ended 30th September, 2019 were subjected to 'Limited Review' by the Auditors.
- 3 The consolidated financial results of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 4 The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance, 2019, inserted a new Section 115BAA of the Income Tax Act 1961, which provides an option to the Company for paying income tax at concessional rates subject to the provisions/conditions specified in the said Section. The Company is in the process of evaluating the impact of this ordinance, pending which tax expense has been continued to be recognised at existing rate of taxation. Adjustments, if any needed in this respect will be given effect to in subsequent period.
- 5 VKT Pharma Pvt Ltd is considered as associate of the Company for consolidation in which the Company holds 42.62% in their equity. Accordingly, the results include appropriate share of the company in the results of the said associate.
- 6 Consolidated Financial Statements have been prepared by applying Accounting Standard "Ind AS" 27 "Accounting for Investments in Associates in Consolidated Financial Statements" as applicable under the Companies Act, 2013 and applicable rules there under.
- 7 The figures for the quarter and half year ended 30th September, 2018 included in the statement of Consolidated Financial Results have been approved by the parent company's Board of Directors, but have not been subjected to review, as the mandatory requirement for limited review has been made applicable for periods beginning 01st April, 2019, pursuant to Regulation 33(8) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, as amended.
- 8 The Company is engaged in the manufacturing Active Pharmaceutical Ingredients and their intermediates and the same constitutes a single reportable business segment as per Ind AS 108.
- 9 As approved by the Members of the company at the 30th Annual General Meeting held on 30th September, 2019, the company has disbursed on 4th October, 2019 a dividend of Rs.0.25 per equity share of Re.1/- each for the year ended 31st March, 2019, aggregating to Rs.211.63 lakhs and also remitted an amount of Rs 43.50 Lakhs towards Dividend Distribution Tax.
- 10 The Ministry of Corporate Affairs (MCA), on 30th March, 2019, notified Ind AS 116 "Leases" as part of the Companies (Indian Accounting Standard) Amendment Rules, 2019. The new Standard is effective for accounting periods beginning on or after 1st April, 2019. The adoption of the Standard did not have any material impact to the financial results of the Company.
- 11 Figures for the previous year/period have been reclassified/ regrouped wherever necessary to conform to current year's classification.



For SMS Pharmaceuticals Limited

  
Ramesh Babu Potluri  
Chairman and Managing Director

Place: Hyderabad  
Date : 12-11-2019





**Limited Review Report**

**To the Board of Directors  
SMS Pharmaceuticals Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial results of SMS Pharmaceuticals Limited ("the Parent") and share of the net profit after tax and total comprehensive income of its associates for the quarter ended 30th September, 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. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended 30th September 2018, as reported in these financial results have been approved by the Parent's Board of Directors but have not been subjected to review.
2. This statement is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 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 Engagement (SRE) 2410, *Review of Interim Financial information performed by the Independent Auditor of the Entity*, issued by 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the result of the following Associates:

a. VKT Pharma Private Limited







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 interim financial statements of associate included in the consolidated unaudited financial results, whose interim financial statements reflects the Group's share of net profit after tax of Rs. 33.61 lakhs and total comprehensive income of Rs.79.92lakhs for the quarter ended 30th September 2019 as considered in the consolidated unaudited financial results, in respect of associate, whose interim financial statements have not been reviewed by us. These interim financial statements 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 the associate 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 the above matters.

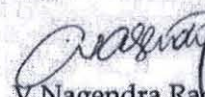
Place: Hyderabad

Date: 12-11-2019

For Suryanarayana & Suresh.,

Chartered Accountants

Reg. No.006631S

  
V Nagendra Rao

Partner

M. No. 227679

