

SMS PHARMACEUTICALS LIMITED

Regd. Office: Plot No.19-III, Opp. BVBP School, Road No.71, Jubilee Hills, Hyderabad - 500 096

Statement of Standalone Un-Audited Financial Results for the Quarter and Half Year Ended 30th September, 2017

S.No	Particulars	Quarter Ended			Half Year ended	
		30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
1	Revenue From Operations	12,728.67	13,261.80	13,321.77	25,990.47	22,579.87
2	Other Income	112.41	41.85	26.69	154.26	36.38
3	Total Revenue	12,841.08	13,303.65	13,348.46	26,144.73	22,616.25
4	Expenses					
	(a) Cost of materials consumed	9,854.31	7,676.86	8,469.33	17,531.17	15,781.35
	(b) Purchases of stock-in-trade					
	(c) Changes in inventories of finished goods work-in-progress and stock-in trade	(1,219.24)	1,539.02	768.86	319.78	(520.53)
	(d) Employee Benefits Expense	775.37	715.21	596.08	1,490.58	1,210.05
	(e) Finance costs	426.76	351.05	396.19	777.82	803.79
	(f) Depreciation and amortisation expense	496.73	493.56	482.35	990.28	957.10
	(g) Other expenses	1,253.17	1,299.76	1,179.67	2,552.93	2,280.04
5	Total Expenses - (a to g)	11,587.10	12,075.46	11,892.48	23,662.56	20,511.80
6	Profit before Exceptional and Extraordinary Items and Tax (3-4)	1,253.98	1,228.19	1,455.98	2,482.17	2,104.45
7	Exceptional items					
8	Profit before Extraordinary Items and Tax (5-6)	1,253.98	1,228.19	1,455.98	2,482.17	2,104.45
9	Extraordinary Items					
10	Profit before Tax (7-8)	1,253.98	1,228.19	1,455.98	2,482.17	2,104.45
	Tax Expenses					
	(1) Current Tax (MAT)	276.64	265.00	300.00	541.65	450.00
	(2) Deferred Tax	40.18	40.09	226.78	80.26	300.04
11	Net Profit / (Loss) for the Period (9-10)	937.16	923.11	929.20	1,860.27	1,354.41
12	Other Comprehensive Income (OCI):					
	Items that will not be reclassified to profit or Loss:					
	Tax on items that will not be reclassified to profit or Loss:	(6.54)	(10.07)	-	(16.61)	(8.39)
13	Total comprehensive income for the period (11+12)	930.62	913.04	929.20	1,843.65	1,346.02
14	Earning Per Equity Share					
	(of Re.1/ each) (not annualised)					
	(a) Basic	1.11	1.09	1.10	2.20	1.60
	(b) Diluted					
	Paid-up equity share capital (Face Value of Re.1/- each)	846.52	846.52	846.52	846.52	846.52
	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year					



Statement of Assets & Liabilities as at 30th September, 2017

(Rs.in Lakhs)

Sr.No.	Particulars	As at
		30.09.2017 (Unaudited)
A	ASSETS	
1	Non-Current Assets	
	Property, plant and equipment,	28,214.00
	Capital work-in-progress	1,186.07
	Intangible Assets	37.39
	Financial Assets	
	a) Investments	4,499.87
	b) Other Financial Assets	237.17
	c) Other Non-Current Assets	8.17
	Sub Total :Non-Current Assets	34,182.67
2	Current Assets	
	Inventories	8,373.97
	Financial Assets	
	a) Trade Receivables	4,528.21
	b) Cash and Cash Equivalents	383.39
	c) Bank Balances other than c) above	201.88
	d) Other Financial Assets	446.44
	e) Other Current Assets	2,363.16
	f) Pre-paid Taxes (Net)	58.21
	Sub Total : Current Assets	16,355.26
	TOTAL ASSETS	50,537.93
B	EQUITY AND LIABILITIES	
1	Equity:	
	Share Capital	846.52
	Other Equity	
	a) Reserves & Surplus	15,614.37
	b) Other Reserves	11,441.12
	Sub-Total -Shareholders' funds	27,902.01
	Liabilities:	
2	Non-Current Liabilities	
	Financial Liabilities	
	a) Borrowings	6,801.55
	b) Provisions	194.52
	c) Deferred Tax Liability (Net)	1,656.34
	Sub-Total -Non-Current Liabilities	8,652.41
3	Current Liabilities	
	Financial Liabilities	
	a) Borrowings	5,776.44
	b) Trade Payables	6,241.18
	c) Other Financial Liabilities	1,716.59
	d) Other Current Liabilities	180.01
	e) Provisions	69.30
	Sub-Total - Current Liabilities	13,983.51
	TOTAL - EQUITY AND LIABILITIES	50,537.93



Notes:

- 1 The above standalone Financial Results have been reviewed and recommended by the Audit Committee on 13th December, 2017 and have been approved by the Board of Directors at its meeting held on 13th December, 2017.
- 2 Results for the quarter ended 30th September, 2017 were subjected to "Limited Review" by the Auditors.
- 3 The Company has adopted Indian Accounting Standards (IND-AS), prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder, with effect from 01st April, 2017, with transition date April 1, 2016. The unaudited Standalone Financial Results has been prepared by the Company in accordance with IND AS notified under the Company's (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. The financial results have been prepared in accordance with recognition and measurement principles laid down in IND AS 34 Interim Financial Reporting.

The Ind AS compliant financial results pertaining to quarter ended 30th June, 2016 has not been subjected to limited review in line with SEBI Circular no. CIR/CFD/FAC/62/2016 dated 05th July, 2016. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.

A reconciliation of financial results as reported under Previous Indian GAAP (referred as "IGAAP") and IND-AS is summarised below:

Particulars	(Rs. In Lakhs)	
	Quarter ended 30.09.2016	Half Year ended 30.09.2016
Net Profit as per previous GAAP (Indian GAAP)	928.89	1,350.30
Ind AS adjustments:		
Actuarial loss on employee defined benefit funds recognised in Other Comprehensive Income	-	12.83
Others	(2.41)	(12.32)
Deferred taxes on Ind AS adjustments	2.72	3.59
Net Profit as per Ind AS	929.20	1,354.42
Other Comprehensive Income, net of Income Tax	-	(8.39)
Total comprehensive Income for the period	929.20	1,346.02

- 4 These results do not include Ind AS compliant results for the previous year ended 31st March, 2017 as the same is not mandatory as per SEBI Circular dated 5th July, 2016.
- 5 In accordance with the requirements of Ind AS18, revenue from operations for the quarter ended 30th September, 2017 is shown net of Goods and Services Tax (GST). However, net sales for the corresponding quarter and previous half year are shown inclusive of excise duty. Six months period ended 30th September, 2017 includes excise duty upto 30th June, 2017. The following additional information is being provided to facilitate better understanding.

Particulars	Quarter Ended			Half Year ended	
	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016
Revenue from Operations	14,909.95	13,261.79	13,321.77	28,171.75	22,579.87
GST Recovered	2,181.28	-	-	2,181.28	-
Excise Duty on Sale		255.17	174.98	255.17	434.39
Revenue from Operations excluding GST/Excise Duty	12,728.67	13,006.62	13,146.79	25,735.30	22,145.48

- 6 The Company is engaged in the manufacturing of Active Pharmaceutical Ingredients and intermediates and the same constitutes a single reportable business segment as per Ind AS108.
- 7 As per Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the company has opted to publish quarterly unaudited standalone and to publish consolidated results at the year end.
- 8 Figures of previous period have been regrouped / rearranged wherever necessary.

Place: Hyderabad
Date : 13-12-2017



For SMS Pharmaceuticals Limited

Ramesh Babu Potluri
Ramesh Babu Potluri
Chairman and Managing Director



Limited Review Report

To
The Board of Directors
SMS PHARMACEUTICALS LIMITED
Hyderabad.

We have reviewed the accompanying statement of unaudited financial results of SMS PHARMACEUTICALS LIMITED ("the Company"), for the quarter ended 30th September 2017("the statement"), being submitted by the company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No.CIR/CFD/FAC/62/2016 dated 5th July,2016.

This statement which is the responsibility of the Company's Management and approved by the 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 there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

As stated in Notes of financial statement, we have not performed a review of the figures relating to the corresponding quarter ended 30th September,2016 including the reconciliation of net profit for the quarter ended 30th September,2016 between the previous GAAP and the Indian Accounting Standards ("Ind AS")

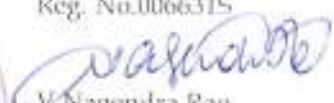
We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial information performed by Independent Auditor of Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial 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.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the aforesaid Indian Accounting standards 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 modified by Circular No.CIR/CFD/FAC/62/2016 dated 5th July,2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Hyderabad
Date: 13-12-2017

For Suryanarayana & Suresh,
Chartered Accountants
Reg. No.0066315




V. Nagendra Rao
Partner
M. No. 227679