

SMS PHARMACEUTICALS LIMITED

(CIN : L24239TG1987PLC008066)

Regd. 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

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Standalone Statement of Audited Financial Results for the Quarter and Year Ended 31st March, 2024

(Rs. In Lakhs)

S.No	Particulars	Quarter Ended			Year ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		(Audited)*	(Unaudited)	(Audited)*	(Audited)	(Audited)
1	Income					
	(a) Revenue from Operations	24,579.83	16,148.22	14,942.55	70,926.34	52,205.14
	(b) Other Income	164.57	149.08	125.64	445.97	491.38
	Total Income	24,744.40	16,297.30	15,068.19	71,372.31	52,696.52
2	Expenses					
	(a) Cost of Materials Consumed	9,760.04	13,259.89	7,537.10	42,504.00	29,952.40
	(b) Changes in Inventories	6,322.49	(4,122.12)	1,110.50	(100.00)	3,608.44
	(c) Manufacturing Expenses	2,185.35	1,951.94	1,566.83	7,344.30	5,369.08
	(d) Employee Benefits Expense	2,012.21	1,497.15	1,530.02	6,414.97	5,382.36
	(e) Finance Cost	560.92	595.27	588.54	2,345.68	2,191.33
	(f) Depreciation and Amortization Expense	791.63	800.85	797.49	3,151.57	3,212.54
	(g) Other Expenses	951.05	673.53	873.44	3,078.62	2,425.41
	Total Expenses - (a to g)	22,583.69	14,656.51	14,003.92	64,739.14	52,141.56
3	Profit/(loss) Before Exceptional and Extraordinary Items and Tax (1-2)	2,160.71	1,640.79	1,064.27	6,633.17	554.96
4	Exceptional items	-	-	-	-	-
5	Profit/(loss) Before Extraordinary Items and Tax (3-4)	2,160.71	1,640.79	1,064.27	6,633.17	554.96
6	Extraordinary Items	-	-	-	-	-
7	Profit/(loss) Before Tax (5-6)	2,160.71	1,640.79	1,064.27	6,633.17	554.96
8	Tax Expenses					
	(a) Current Tax relating to Current Period	450.00	400.00	5.50	1,500.00	5.50
	(b) Current Tax relating to Earlier Period	13.02	(0.22)	-	12.79	(5.92)
	(c) Deferred Tax	105.51	23.73	251.31	177.89	146.92
	Total Tax Expense	568.53	423.51	256.81	1,690.68	146.50
9	Net Profit / (Loss) after Tax (7-8)	1,592.18	1,217.28	807.46	4,942.49	408.46
10	Other Comprehensive Income (OCI):					
	Items that will not be reclassified to profit or Loss:					
	(i) Remeasurement gains/(losses) on defined benefit plans	31.73	(8.91)	(32.16)	7.04	(27.43)
	(ii) Income Tax effect on the above	(7.98)	2.24	8.09	(1.77)	6.90
	Total Other comprehensive Income/(loss), net of tax	23.75	(6.67)	(24.07)	5.27	(20.53)
11	Total Comprehensive Income (9+10)	1,615.93	1,210.61	783.39	4,947.76	387.93
12	Paid-up equity share capital (Face Value of Re.1/- each)	846.52	846.52	846.52	846.52	846.52
13	Other Equity excluding revaluation reserves				56,202.26	48,663.47
14	Earnings Per Equity Share of Re.1/- each Basic / Diluted (not annualised)	1.88	1.44	0.95	5.84	0.48



Standalone Audited Statement of Assets and Liabilities as at 31st March, 2024

(Rs.in Lakhs)

Sr. No.	Particulars	As at	As at
		31.03.2024 (Audited)	31.03.2023 (Audited)
A	ASSETS		
1	Non-Current Assets		
	(a) Property, Plant and Equipment	43,418.90	40,949.96
	(b) Capital Work-in-Progress	3,027.17	3,319.05
	(c) Right-of-use Assets	40.98	105.23
	(d) Intangible Assets	265.95	146.56
	(e) Financial Assets:		
	(i) Investments	4,509.67	4,509.67
	(ii) Bank Balances	268.83	253.61
	(iii) Other Financial Assets	517.05	508.50
	(f) Other Non-Current Assets	1,387.12	561.04
	Sub Total :Non-Current Assets	53,435.67	50,353.62
2	Current Assets		
	(a) Inventories	23,369.78	22,349.94
	(b) Financial Assets		
	(i) Trade Receivables	23,623.32	14,834.62
	(ii) Cash and Cash Equivalents	3,603.95	730.78
	(iii) Bank Balances (Other than (ii) above)	16.30	16.18
	(iv) Other Financial Assets	327.86	660.12
	(c) Other Current Assets	2,275.45	1,896.97
	(d) Current Tax Asset (Net)	172.82	576.25
	Sub Total : Current Assets	53,389.48	41,064.86
	TOTAL ASSETS	1,06,825.15	91,418.48
B	EQUITY AND LIABILITIES		
1	Equity:		
	(a) Equity Share Capital	846.52	846.52
	(b) Other Equity	56,202.26	48,663.47
	Sub-Total -Shareholders' funds	57,048.78	49,509.99
	Liabilities:		
2	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	12,208.63	12,113.33
	(ii) Lease Liabilities	-	61.36
	(b) Provisions	116.01	140.45
	(c) Deferred Tax Liabilities (net)	4,279.89	4,102.00
	Sub-Total -Non-Current Liabilities	16,604.53	16,417.14
3	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	15,809.24	13,138.01
	(ii) Lease Liabilities	59.18	93.99
	(iii) Trade Payables:		
	(a) Dues to Micro & Small Enterprises	95.79	68.93
	(b) Dues to Creditors Otherthan Micro & Small Ente	15,036.48	10,674.04
	(iv) Other Financial Liabilities	1,585.16	1,122.32
	(b) Provisions	103.04	104.20
	(c) Other Current Liabilities	482.95	289.86
	Sub-Total - Current Liabilities	33,171.84	25,491.35
	TOTAL - EQUITY AND LIABILITIES	1,06,825.15	91,418.48



SMS Pharmaceuticals Limited

Standalone Statement of Cash Flow for the Year Ended March 31, 2024

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

S No	Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
A	Cash Flow from Operating Activities		
	Profit Before Tax	6,633.17	554.96
	Adjustments for:		
	Depreciation and Amortisation Expense	3,151.57	3,212.54
	Interest Income	(16.77)	(14.31)
	Interest on lease liability	12.00	22.30
	Interest on Borrowings	2,235.79	2,070.46
	Provision for Employee Benefits	(20.33)	(34.14)
	Amortisation of Transaction Cost on Borrowings	15.55	16.69
	Profit on Sale of Assets	(4.27)	(1.75)
	Loss on Sale of Assets	0.54	7.19
		<u>12,007.25</u>	<u>5,833.94</u>
	Change in Operating Assets and Liabilities		
	(Increase)/Decrease in Trade Receivables	(8,784.70)	(9,982.69)
	(Increase)/Decrease in Inventories	(1,019.84)	2,759.81
	(Increase)/Decrease in Other Non Current Financial Assets	(8.55)	(6.25)
	(Increase)/Decrease in Other Non Current Asset	(826.08)	(130.98)
	(Increase)/Decrease in Other Current Financial Assets	331.15	(378.46)
	(Increase)/Decrease in Other Current Assets	(381.61)	468.17
	(Increase)/Decrease in Prepaid Taxes	430.64	329.07
	Increase/(Decrease) in Trade Payables	4,386.77	4,243.73
	Increase/(Decrease) in other Current Financial Liabilities	224.61	(214.71)
	Increase/(Decrease) in Other Current Liabilities	192.83	(216.63)
		<u>(5,454.78)</u>	<u>(3,128.94)</u>
	Cash generated from Operations	6,552.47	2,705.00
	Income Taxes Paid	(1,540.00)	(460.00)
		<u>5,012.47</u>	<u>2,245.00</u>
B	Cash flow from Investing Activities		
	Purchase of Property, Plant and Equipment	(5,216.00)	(2,992.07)
	Sale of Property, Plant and Equipment	8.80	26.33
	Investment in LLP	-	(9.80)
	Investment in Deposits	(0.65)	(7.00)
	Margin Money Deposits	(15.22)	(8.88)
	Interest Received on Deposits	15.87	15.81
	Net Cash Inflow (Outflow) from Investing Activities "B"	<u>(5,207.20)</u>	<u>(2,975.61)</u>
C	Cash Flow from Financing Activities		
	Proceeds from Long Term Borrowings	4,508.63	941.37
	Repayment of Long Term Borrowings	(3,776.36)	(4,305.79)
	Net Proceeds from Short Term Borrowings	2,020.71	2,587.71
	Interest paid on Borrowings	(2,175.16)	(2,092.76)
	Repayment of Lease Liability	(103.74)	(73.46)
	Net Proceeds from Share Warrants	2,847.78	-
	Dividend Paid to Company's Shareholders	(253.96)	(253.96)
	Net Cash Inflow (Outflow) from Financing Activities "C"	<u>3,067.90</u>	<u>(3,196.89)</u>
	Net Increase (Decrease) in Cash and Cash Equivalents (A+B+C)	2,873.17	(3,927.50)
	Cash and Cash Equivalents at the beginning of the Financial Year	730.78	4,658.28
	Cash and Cash Equivalents at end of the Year	<u>3,603.95</u>	<u>730.78</u>

1. Previous year figures have been regrouped/reclassified to confirm to current year classification.



Notes:

- 1 The above standalone financial results have been reviewed by the Audit Committee on May 28,2024 and has been approved by the Board of Directors at its meeting held on May 29,2024.
- 2 These standalone 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 guidelines issued by the Securities and Exchange Board of India (SEBI).
- 3 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.
- 4 The Board of Directors of the Company at their meeting meeting held on February 08, 2024 approved for raising of funds through Issue of Convertible Equity Warrants to the Promoters/Promoters Group by way of issuance upto 90,00,000 Warrants convertible in one or more tranches to equity shares of Rs.1/- each of the Company at an issue price of Rs.127/- (including premium of Rs.126/-) for each Warrant, aggregating to Rs.11,430.00 Lakhs by way of preferential issue, which was subsequently approved by the members through Special resolution in the Extra-Ordinary General Meeting dated March 06, 2024.

Securities Allotment Committee of the Board of Directors of the Company held on March 19, 2024 have allotted 90,00,000 Convertible Warrants at an issue price of Rs. 127/- each, which will be convertible into equity shares within a period of 18 months from the date of allotment. The Company has received Rs.2857.50 lakhs being 25% of the total amount payable towards subscription of the warrants from all the allottees.

- 5 The Board of Directors of the company has recommended a dividend of Re. 0.40 per share of face value Re. 1/- each (40%) for the financial year 2023-24, subject to approval of members at the ensuing annual general meeting.
- 6 * The figures for the current quarter and quarter ended March 31, 2023 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2024 and March 31, 2023, respectively and the unaudited published year to date figures up to third quarter ended December 31, 2023 and December 31, 2022 respectively. The figures have been regrouped/reclassified as necessary.

Place: Hyderabad
Date : May 29, 2024



For SMS Pharmaceuticals Limited

A handwritten signature in blue ink, appearing to read 'Ramesh Babu Potluri'.

**Ramesh Babu Potluri
Chairman and Managing Director**



Independent Auditor's report on the Quarterly and Year to Date standalone financial results of SMS PHARMACEUTICALS LIMITED under regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

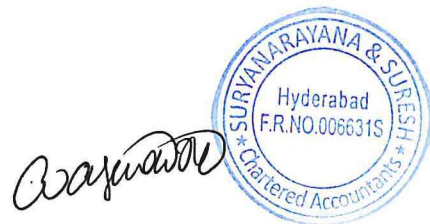
To
The Board of Directors of
SMS PHARMACEUTICALS LIMITED

Opinion

We have audited the accompanying Statement of Quarterly and Year to date Standalone Financial Results of SMS PHARMACEUTICALS LIMITED ('the Company') for the Quarter and Year ended March 31, 2024 being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

In our opinion and to the best of our information and according to the explanations given to us, aforesaid Standalone Financial Results:

- are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards 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 of the net profit and total comprehensive income and other financial information of the Company for the Quarter and Year ended March 31, 2024.





Basis for Opinion

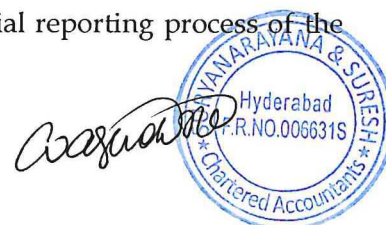
We conducted our audit of this Standalone Financial Results in accordance with the Standards on Auditing (“SAs”) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the independence requirements that are relevant to our audit of the Standalone Financial Results under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management’s Responsibilities for the Audit of Standalone Financial Results

These standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company’s Board of Directors is responsible for the preparation and presentation of the Standalone Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company in accordance with applicable Indian Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors is responsible for assessing the Company’s ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the financial reporting process of the Company.





Auditor's Responsibilities

a) Audit of the Standalone Financial Results:

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.





- Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

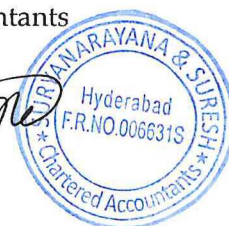
The Statement includes the Standalone Financial Results for the quarter ended March 31, 2024 being the balancing figure between audited figures in respect of the full financial year and the unaudited published year to date figures up to the third quarter of the current financial year which were subjected to limited review by us. Our opinion on the Statement is not modified in respect of this matter.

Place: Hyderabad
Date: 29/05/2024

UDIN: 24227679BKDIJH4898

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

V Nagendra Rao
Partner
M. No. 227679



SMS PHARMACEUTICALS LIMITED

(CIN : L24239TG1987PLC008066)

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Consolidated Statement of Audited Financial Results for the Quarter and Year Ended 31st March, 2024

(Rs. In Lakhs)

S.No	Particulars	Quarter Ended			Year ended	
		31.03.2024	31.12.2023	31.03.2023	31.03.2024	31.03.2023
		(Audited) *	(Unaudited)	(Audited) *	(Audited)	(Audited)
1	Income					
	(a) Revenue from Operations	24,579.83	16,148.22	14,942.55	70,926.34	52,205.14
	(b) Other Income	164.57	149.08	125.64	445.97	491.38
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2	Expenses					
	(a) Cost of Materials Consumed	9,746.97	13,247.98	7,537.97	42,526.49	29,972.45
	(b) Changes in Inventories	6,322.49	(4,122.12)	1,110.50	(100.00)	3,608.44
	(c) Manufacturing Expenses	2,185.35	1,951.94	1,566.83	7,344.30	5,369.08
	(d) Employee Benefits Expense	2,012.21	1,497.15	1,530.02	6,414.97	5,382.36
	(e) Finance Cost	560.92	595.27	588.54	2,345.68	2,191.33
	(f) Depreciation and Amortization Expense	791.63	800.85	797.49	3,151.57	3,212.54
	(g) Other Expenses	951.05	673.53	873.44	3,078.62	2,425.41
	Total Expenses - (a to g)	22,570.62	14,644.60	14,004.79	64,761.63	52,161.61
3	Profit/(loss) Before Exceptional and Extraordinary Items and Tax (1-2)	2,173.78	1,652.70	1,063.40	6,610.68	534.91
4	Exceptional items	-	-	-	-	-
5	Profit/(loss) Before Extraordinary Items and Tax (3-4)	2,173.78	1,652.70	1,063.40	6,610.68	534.91
6	Extraordinary Items	-	-	-	-	-
7	Profit/(loss) Before Tax (5-6)	2,173.78	1,652.70	1,063.40	6,610.68	534.91
8	Tax Expenses					
	(a) Current Tax relating to current period	450.00	400.00	5.50	1,500.00	5.50
	(b) Current tax relating to Earlier period	13.02	(0.22)	-	12.79	(5.92)
	(c) Deferred Tax	105.51	23.73	251.31	177.89	146.92
	Total Tax Expense	568.53	423.51	256.81	1,690.68	146.50
9	Net Profit / (Loss) after Tax (7-8)	1,605.25	1,229.19	806.59	4,920.00	388.41
10	Share of Profit/(Loss) in Associate, net of tax	122.65	(81.16)	(184.76)	62.60	(1,094.34)
11	Net Profit / (loss) after taxes and share of profit/(loss) from associate (9+10)	1,727.90	1,148.03	621.83	4,982.60	(705.93)
12	Other Comprehensive Income (OCI):					
	Items that will not be reclassified to Profit & Loss					
	(i) Remeasurement Gain / (Loss) of the defined benefit plans	31.73	(8.91)	(32.16)	7.04	(27.43)
	(ii) Income Tax effect on the above	(7.98)	2.24	8.09	(1.77)	6.90
	(iii) Share of Other Comprehensive Income in Associates	(2.15)	1.39	1.35	1.99	5.51
	(iv) Share of Income Tax effect on the above in Associates	0.55	(0.36)	(0.35)	(0.52)	(1.43)
	Total Other comprehensive Income/(loss), net of tax	22.15	(5.64)	(23.07)	6.74	(16.45)
13	Total comprehensive Income (11+12)	1,750.05	1,142.39	598.76	4,989.34	(722.38)
14	Paid-up equity share capital (Face Value of Re.1/- each)	846.52	846.52	846.52	846.52	846.52
15	Other Equity excluding revaluation reserve				52,786.37	45,206.00
16	Earnings Per Equity Share of Re.1/- each	2.04	1.36	0.73	5.89	(0.83)
	Basic / Diluted (not annualised)					



Consolidated Audited Statement of Assets and Liabilities as at 31st March, 2024

(Rs.in Lakhs)

Sr. No.	Particulars	As at	As at
		31.03.2024 (Audited)	31.03.2023 (Audited)
A	ASSETS		
1	Non-Current Assets		
	(a) Property, Plant and Equipment	43,418.90	40,949.96
	(b) Capital Work-in-Progress	3,027.17	3,319.05
	(c) Right-of-use Assets	40.98	105.23
	(d) Intangible Assets	265.95	146.56
	(e) Financial Assets:		
	(i) Investments	1,093.78	1,052.20
	(ii) Bank Balances	268.83	253.61
	(iii) Other Financial Assets	517.05	508.50
	(f) Other Non-Current Assets	1,387.12	561.04
	Sub Total :Non-Current Assets	50,019.78	46,896.15
2	Current Assets		
	(a) Inventories	23,369.78	22,349.94
	(b) Financial Assets		
	(i) Trade Receivables	23,623.32	14,834.62
	(ii) Cash and Cash Equivalents	3,603.95	730.78
	(iii) Bank Balances		
	(Other than (ii) above)	16.30	16.18
	(iv) Other Financial Assets	327.86	660.12
	(c) Other Current Assets	2,275.45	1,896.97
	(d) Current Tax Asset (Net)	172.82	576.25
	Sub Total : Current Assets	53,389.48	41,064.86
	TOTAL ASSETS	1,03,409.26	87,961.01
B	EQUITY AND LIABILITIES		
1	Equity:		
	(a) Equity Share Capital	846.52	846.52
	(b) Other Equity	52,786.37	45,206.00
	Sub-Total -Shareholders' funds	53,632.89	46,052.52
	Liabilities:		
2	Non-Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	12,208.63	12,113.33
	(ii) Lease Liabilities	-	61.36
	(b) Provisions	116.01	140.45
	(c) Deferred Tax Liabilities (net)	4,279.89	4,102.00
	Sub-Total -Non-Current Liabilities	16,604.53	16,417.14
3	Current Liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	15,809.24	13,138.01
	(ii) Lease Liabilities	59.18	93.99
	(iii) Trade Payables:		
	(a) Dues to Micro & Small Enterprises	95.79	68.93
	(b) Dues to Creditors Other than Micro & Small Enterprises	15,036.48	10,674.04
	(iv) Other Financial Liabilities	1,585.16	1,122.32
	(b) Provisions	103.04	104.20
	(c) Other Current Liabilities	482.95	289.86
	Sub-Total - Current Liabilities	33,171.84	25,491.35
	TOTAL - EQUITY AND LIABILITIES	1,03,409.26	87,961.01



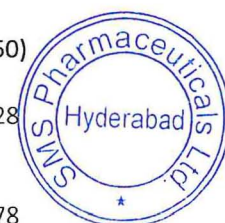
SMS Pharmaceuticals Limited

Consolidated Statement of Cash Flow for the Year Ended March 31, 2024

(All amounts in Indian Rupees in Lakhs, unless otherwise stated)

S No	Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
A	Cash Flow from Operating Activities		
	Profit Before Tax	6,610.68	534.91
	Adjustments for:		
	Depreciation and Amortisation Expense	3,151.57	3,212.54
	Interest Income	(16.77)	(14.31)
	Interest on lease liability	12.00	22.30
	Interest on Borrowings	2,235.79	2,070.46
	Provision for Employee Benefits	(20.33)	(34.14)
	Amortisation of Transaction Cost on Borrowings	15.55	16.69
	Profit on Sale of Assets	(4.27)	(1.75)
	Loss on Sale of Assets	0.54	7.19
	Unrealised Profit on Sales to Associate Company	22.49	20.05
		12,007.25	5,833.94
	Change in Operating Assets and Liabilities		
	(Increase)/Decrease in Trade Receivables	(8,784.70)	(9,982.69)
	(Increase)/Decrease in Inventories	(1,019.84)	2,759.81
	(Increase)/Decrease in Other Non Current Financial A	(8.55)	(6.25)
	(Increase)/Decrease in Other Non Current Asset	(826.08)	(130.98)
	(Increase)/Decrease in Other Current Financial Assets	331.15	(378.46)
	(Increase)/Decrease in Other Current Assets	(381.61)	468.17
	(Increase)/Decrease in Prepaid Taxes	430.64	329.07
	Increase/(Decrease) in Trade Payables	4,386.77	4,243.73
	Increase/(Decrease) in other Current Financial Liabiliti	224.61	(214.71)
	Increase/(Decrease) in Other Current Liabilities	192.83	(216.63)
		(5,454.78)	(3,128.94)
	Cash generated from Operations	6,552.47	2,705.00
	Income Taxes Paid	(1,540.00)	(460.00)
		5,012.47	2,245.00
B	Cash flow from Investing Activities		
	Purchase of Property, Plant and Equipment	(5,216.00)	(2,992.07)
	Sale of Property, Plant and Equipment	8.80	26.33
	Investment in LLP	-	(9.80)
	Investment in Deposits	(0.65)	(7.00)
	Margin Money Deposits	(15.22)	(8.88)
	Interest Received on Deposits	15.87	15.81
	Net Cash Inflow (Outflow) from Investing Activities		
	"B"	(5,207.20)	(2,975.61)
C	Cash Flow from Financing Activities		
	Proceeds from Long Term Borrowings	4,508.63	941.37
	Repayment of Long Term Borrowings	(3,776.36)	(4,305.79)
	Net Proceeds from Short Term Borrowings	2,020.71	2,587.71
	Interest paid on Borrowings	(2,175.16)	(2,092.76)
	Repayment of Lease Liability	(103.74)	(73.46)
	Net Proceeds from Share Warrants	2,847.78	-
	Dividend Paid to Company's Shareholders	(253.96)	(253.96)
	Net Cash Inflow (Outflow) from Financing Activities		
	"C"	3,067.90	(3,196.89)
	Net Increase (Decrease) in Cash and Cash		
	Equivalents (A+B+C)	2,873.17	(3,927.50)
	Cash and Cash Equivalents at the beginning of the		
	Financial Year	730.78	4,658.28
	Cash and Cash Equivalents at end of the Year	3,603.95	730.78

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Notes:

- 1 The above Consolidated financial results have been reviewed by the Audit Committee on May 28, 2024 and has been approved by the Board of Directors at its meeting held on May 29, 2024.
- 2 These 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 the 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 VKT Pharma Private Limited is considered as an Associate Company for the consolidation in which the Company holds 36.55% as on March 31, 2024 in their equity. Accordingly, the results include appropriate share of the results of said Associate . The Company has another Joint venture "Chemo SMS Enterprises SL" in which there were no financial operations during the reporting period.
- 4 The Board of Directors of the Company at their meeting held on February 08, 2024 approved for raising of funds through Issue of Convertible Equity Warrants to the Promoters/Promoters Group by way of issuance upto 90,00,000 Warrants convertible in one or more tranches to equity shares of Rs.1/- each of the Company at an issue price of Rs.127/- (including premium of Rs.126/-) for each Warrant, aggregating to Rs.11,430.00 Lakhs by way of preferential issue, which was subsequently approved by the members through Special resolution in the Extra-Ordinary General Meeting dated March 06, 2024.

Securities Allotment Committee of the Board of Directors of the Company held on March 19, 2024 have allotted 90,00,000 Convertible Warrants at an issue price of Rs. 127/- each, which will be convertible into equity shares within a period of 18 months from the date of allotment. The Company has received Rs.2857.50 lakhs being 25% of the total amount payable towards subscription of the warrants from all the allottees.

- 5 The Board of Directors of the company has recommended a dividend of Re. 0.40 per share of face value Re. 1/- each (40%) for the financial year 2023-24, subject to approval of members at the ensuing annual general meeting.
- 6 Consolidated Financial Statements have been prepared by applying Accounting Standard "Ind AS 28 "Investments in Associates and Joint Ventures" as applicable under the Companies Act,2013 and applicable rules there under.
- 7 The Group is engaged in the manufacturing Active Pharmaceutical Ingredients and their intermediates and the same constitutes a single reportable business segment as per Ind AS108.
- 8 * The figures for the current quarter and quarter ended March 31, 2023 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2024 and March 31, 2023, respectively and the unaudited published year to date figures up to third quarter ended December 31, 2023 and December 31, 2022 respectively.The figures have been regrouped/reclassified as necessary.

Place: Hyderabad
Date : May 29, 2024



For SMS Pharmaceuticals Limited

A handwritten signature in blue ink, appearing to read "Ramesh Babu Potluri".

Ramesh Babu Potluri
Chairman and Managing Director



INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF SMS PHARMACEUTICALS LIMITED

Report on the Audit of Quarterly and Year to Date Consolidated Financial Results

Opinion

We have audited the accompanying Quarterly and Year to date Consolidated financial results of SMS PHARMACEUTICALS LIMITED (hereinafter referred to as the holding Company) and its associate (Holding Company and its associate together referred to as the Group) for the year ended March 31, 2024, attached here with, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

In our opinion and to the best of our information and according to the explanations given to us, aforesaid consolidated financial Results:

- (i) includes the share of profit/(loss) of the following associate entity
VKT Pharma Private Limited
- (ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (iii) gives a true and fair view in conformity with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued there under and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Group for the Quarter and Year ended March 31, 2024.





Basis for Opinion

We conducted our audit of this Consolidated Financial Results in accordance with the Standards on Auditing (“SAs”) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the independence requirements that are relevant to our audit of the Consolidated Financial Results under the provisions of the Act and the Rules there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management’s Responsibilities for the Audit of Consolidated Financial Results

These Consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company’s Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information of the Group including its associates and jointly controlled entities in accordance with the applicable Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates and jointly controlled entities and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.





In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditor's Responsibilities for the audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.





- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Consolidated Financial Results of the Company to express an opinion on the Consolidated Financial Results.

Materiality is the magnitude of misstatements in the Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

The Audited Financial Results of Associate namely VKT Pharma Private Limited which have been Audited by their auditors whose annual financial results reflect total revenue Rs.9,437.47 lakhs, total net profit/(loss) after tax of Rs.171.28 lakhs and total comprehensive income/(loss) of Rs.175.3 lakhs for the year ended March 31,2024.





The independent auditors' reports on financial statements/ Financial Results of the Associate entity have been furnished to us and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of the entity, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

The Consolidated financial results include the financial results of Joint Venture namely Chemo SMS Enterprises SL in which there is no operations during the year ended March 31, 2024. Hence, there is no significant effect on the Audited financial results and not material to the Group.

Our opinion on the consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

The Statement includes the Consolidated Financial Results for the quarter ended 31 March 2024 being the balancing figure between audited figures in respect of the full financial year and the unaudited published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our opinion on the Statement is not modified in respect of this matter.

Place: Hyderabad
Date: 29/05/2024

UDIN: 24227679BKDIJ18461

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



V Nagendra Rao
Partner
M. No. 227679