

October 31, 2019

To  The Corporate Relations Department BSE Limited Phiroz Jeejeebhoy Towers, 25 <sup>th</sup> Floor, Dalal Street Mumbai – 400001  <b>Code: 540222</b>	To  The Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051  <b>Code: LAURUSLABS</b>
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Dear Sirs,

**Sub: Unaudited Financial Results for the Quarter and Half-year ended September 30, 2019**


Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Unaudited Financial Results of the Company for the Quarter and Half-year ended September 30, 2019 as approved by the Board of Directors of the Company in their Meeting held on October 31, 2019 along with the Limited Review Report issued by the Statutory Auditors of the Company.

The financial results are also being uploaded on the website of the Company at [www.lauruslabs.com](http://www.lauruslabs.com).

This is for your information and records.

Thanking you,

Yours sincerely,  
**For Laurus Labs Limited**

  
**G. Venkateswar Reddy**  
Company Secretary



*Encl: As above*

**LAURUS LABS LIMITED**  
 (CIN: L24239AP2005PLC047518)

Regd. Office: Plot No.21, Jawaharlal Nehru Pharma City, Parawada, Visakhapatnam 531 021, Andhra Pradesh, India.  
 Corp. Office: 2nd Floor, Serene Chambers, Road No.7, Banjara Hills, Hyderabad 500034, Telangana, India.  
 Tel: +91 40 3980 4333 ; Fax : +91 040 3980 4320 ; E-mail: secretarial@lauruslabs.com; Website: www.lauruslabs.com

**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019**

₹ in Million

Sl. No.	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-19	30-Jun-19	30-Sep-18	30-Sep-19	30-Sep-18	31-Mar-19
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1</b>	<b>Income</b>						
	(a) Revenue from operations	7,124.23	5,505.69	5,882.81	12,629.92	11,272.98	22,919.16
	(b) Other income	13.61	44.97	105.28	58.58	131.15	161.52
	<b>Total income</b>	<b>7,137.84</b>	<b>5,550.66</b>	<b>5,988.09</b>	<b>12,688.50</b>	<b>11,404.13</b>	<b>23,080.68</b>
<b>2</b>	<b>Expenses</b>						
	(a) Cost of materials consumed	4,752.51	3,486.28	3,265.92	8,238.79	6,148.11	12,452.47
	(b) Purchase of traded goods	95.32	31.53	58.31	126.85	85.30	223.80
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,247.97)	(772.19)	(177.84)	(2,020.16)	(135.54)	(319.87)
	(d) Employee benefits expense	879.54	803.36	734.75	1,682.90	1,462.87	2,892.04
	(e) Other expenses	1,266.76	1,124.09	1,244.41	2,390.85	2,149.45	4,110.90
	(f) Depreciation and amortisation expense	478.30	458.37	398.18	936.67	780.11	1,641.92
	(g) Finance costs	255.66	225.34	246.45	481.00	469.68	881.90
	<b>Total expenses</b>	<b>6,480.12</b>	<b>5,356.78</b>	<b>5,770.18</b>	<b>11,836.90</b>	<b>10,959.98</b>	<b>21,883.16</b>
<b>3</b>	<b>Profit before tax (1-2)</b>	<b>657.72</b>	<b>193.88</b>	<b>217.91</b>	<b>851.60</b>	<b>444.15</b>	<b>1,197.52</b>
<b>4</b>	<b>Tax expense</b>						
	(a) Current tax	107.79	45.74	30.61	153.53	76.15	248.32
	(b) Deferred tax	(15.60)	(2.81)	25.20	(18.41)	40.32	11.56
	<b>Total Tax expense</b>	<b>92.19</b>	<b>42.93</b>	<b>55.81</b>	<b>135.12</b>	<b>116.47</b>	<b>259.88</b>
<b>5</b>	<b>Net Profit after tax (3-4)</b>	<b>565.53</b>	<b>150.95</b>	<b>162.10</b>	<b>716.48</b>	<b>327.68</b>	<b>937.64</b>
<b>6</b>	<b>Other comprehensive income</b>						
	<b>Items that will not be reclassified subsequently to profit or loss:</b>						
	(i) Remeasurement gains/ (losses) on defined benefit plans	12.43	(5.79)	(16.46)	6.64	(30.52)	(36.19)
	(ii) Income tax relating to items that will not be reclassified to profit or loss in subsequent periods	(4.34)	2.02	5.75	(2.32)	10.66	12.67
	<b>Items that will be reclassified subsequently to profit or loss:</b>						
	(i) Exchange differences on translating the financial statements of foreign operations	(4.03)	(0.78)	(4.39)	(4.81)	(8.99)	(6.23)
	(ii) Effective portion of gain/ (loss) on designated portion of hedging instruments in a cash flow hedge	(8.03)	16.77	(63.98)	8.74	(63.98)	(10.74)
	(iii) Income tax relating to items that will be reclassified to profit or loss in subsequent periods	2.81	(5.86)	22.36	(3.05)	22.36	3.75
	<b>Total other comprehensive income/(loss), net of tax</b>	<b>(1.16)</b>	<b>6.36</b>	<b>(56.72)</b>	<b>5.20</b>	<b>(70.47)</b>	<b>(36.74)</b>
<b>7</b>	<b>Total comprehensive income (5+6)</b>	<b>564.37</b>	<b>157.31</b>	<b>105.38</b>	<b>721.68</b>	<b>257.21</b>	<b>900.90</b>
<b>8</b>	<b>Paid-up equity share capital (face value ₹ 10/- each)</b>	<b>1,069.14</b>	<b>1,064.37</b>	<b>1,064.37</b>	<b>1,069.14</b>	<b>1,064.37</b>	<b>1,064.37</b>
<b>9</b>	<b>Other equity</b>						<b>14,519.70</b>
<b>10</b>	<b>Earnings per equity share (face value ₹ 10/- each)</b>						
	- Basic (₹)	5.31	1.42	1.53	6.73	3.09	8.83
	- Diluted (₹)	5.32	1.41	1.53	6.73	3.08	8.80
		(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	

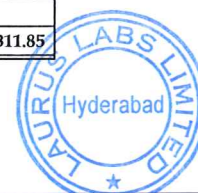
See accompanying notes to the financial results



Consolidated Balance Sheet

₹ in Million

Sl. No.	Particulars	September 30, 2019	March 31, 2019
		Unaudited	Audited
<b>I</b>	<b>ASSETS</b>		
	<b>Non-current assets</b>		
(a)	Property, plant and equipment	16,075.89	16,071.99
(b)	Right-of-use assets	438.59	-
(c)	Capital work-in- progress	1,028.24	1,096.32
(d)	Goodwill	97.39	97.39
(e)	Other intangible assets	104.24	121.31
(f)	Financial assets		
	(i) Investments	34.05	34.05
	(ii) Other financial assets	428.92	293.80
(g)	Deferred tax assets (net)	548.02	533.83
(h)	Income tax assets (net)	9.70	16.00
(i)	Other non-current assets	198.73	417.58
	<b>Total non-current assets (1)</b>	<b>18,963.77</b>	<b>18,682.27</b>
	<b>Current assets</b>		
(a)	Inventories	8,970.03	6,819.37
(b)	Financial assets		
	(i) Trade receivables	7,146.91	7,099.40
	(ii) Cash and cash equivalents	47.80	29.68
	(iii) Other balances with banks	0.53	0.53
	(iv) Loans	5.60	4.17
	(v) Other financial assets	222.38	209.75
(c)	Other current assets	803.94	466.68
	<b>Total current assets (2)</b>	<b>17,197.19</b>	<b>14,629.58</b>
	<b>Total - assets (1+2)</b>	<b>36,160.96</b>	<b>33,311.85</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
(a)	Equity share capital	1,069.14	1,064.37
(b)	Other equity	15,088.24	14,519.70
	<b>Total equity (1)</b>	<b>16,157.38</b>	<b>15,584.07</b>
	<b>Non-current liabilities</b>		
(a)	Financial liabilities		
	(i) Borrowings	2,101.55	2,587.13
	(ii) Lease liabilities	209.38	-
(b)	Provisions	356.93	300.45
(c)	Other non-current liabilities	625.79	601.16
	<b>Total non-current liabilities (2)</b>	<b>3,293.65</b>	<b>3,488.74</b>
	<b>Current liabilities</b>		
(a)	Financial liabilities		
	(i) Borrowings	7,504.07	6,842.05
	(ii) Trade payables		
	-total outstanding dues of micro enterprises and small enterprises	178.81	70.37
	-total outstanding dues of creditors other than micro enterprises and small enterprises	6,365.75	4,812.75
	(iii) Lease liabilities	19.94	-
	(iv) Current maturities and other financial liabilities	1,614.41	1,638.74
(b)	Other current liabilities	921.38	806.21
(c)	Provisions	74.92	64.66
(d)	Income tax liabilities (net)	30.65	4.26
	<b>Total current liabilities (3)</b>	<b>16,709.93</b>	<b>14,239.04</b>
	<b>Total - equity and liabilities (1+2+3)</b>	<b>36,160.96</b>	<b>33,311.85</b>



Statement of Consolidated Cash Flows

₹ in Million

Particulars	For the half year ended September 30, 2019	For the half year ended September 30, 2018
	Unaudited	Unaudited (Refer note 8)
Profit before tax	851.60	444.15
<b>Cash flows from operating activities</b>		
<b>Adjustments for :</b>		
Depreciation of property, plant and equipment	916.97	762.05
Amortisation of intangible assets	19.70	18.06
Loss on sale of fixed assets (net)	3.48	4.84
Interest income	(8.05)	(6.97)
Interest expenses	449.85	459.32
Share based payment expense	20.19	9.94
Net loss on foreign exchange fluctuations (unrealised)	89.74	249.30
Allowance for bad and doubtful advances and receivables	0.34	1.15
Provisions no longer required written back	(2.35)	(101.68)
Gratuity and compensated absences	73.38	29.75
<b>Operating profit before working capital changes</b>	<b>2,414.85</b>	<b>1,869.91</b>
<b>Movement In working capital:</b>		
Increase in inventories	(2,154.65)	(633.07)
Increase in trade receivables	(35.59)	(1,200.54)
Increase in financial and non-financial assets	(710.70)	(61.81)
Increase in trade payables	1,668.86	1,310.32
Increase/ (decrease) in financial, non-financial liabilities and provisions	355.18	(330.12)
<b>Cash generated from operations</b>	<b>1,537.95</b>	<b>954.69</b>
Income tax paid	(121.99)	(99.62)
<b>Net cash flows from operating activities (A)</b>	<b>1,415.96</b>	<b>855.07</b>
<b>Cash flows used in investing activities</b>		
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(964.08)	(1,581.98)
Proceeds from sale of property, plant and equipment	1.27	3.03
Movement in other bank balances	-	(0.83)
Interest received	8.05	6.97
<b>Net cash flows used in investing activities (B)</b>	<b>(954.76)</b>	<b>(1,572.81)</b>
<b>Net cash flows (used in)/ from financing activities</b>		
Proceeds from exercise of employee stock options	4.78	24.31
Repayment of long - term borrowings	(408.43)	(418.65)
Proceeds from long - term borrowings	-	1,682.53
Proceeds from short - term borrowings (net)	617.85	135.64
Dividend paid	(159.66)	(159.04)
Tax on dividend	(32.82)	(32.69)
Interest paid	(464.90)	(454.47)
<b>Net cash flows from / (used in) financing activities (C)</b>	<b>(443.18)</b>	<b>777.63</b>
Net increase in cash and cash equivalents (A+B+C)	18.02	59.89
Effect of exchange differences on cash and cash equivalents	0.10	(0.04)
Cash and cash equivalents at the beginning of the period	29.68	30.04
<b>Cash and cash equivalents at the period end</b>	<b>47.80</b>	<b>89.89</b>



**Laurus Labs Limited**  
**Corporate Office**

2<sup>nd</sup> Floor, Serene Chambers, Road No. 7  
Banjara Hills, Hyderabad - 500034, Telangana, India  
T +91 40 39804333 / 2342 0500 / 501  
F +91 40 3980 4320



**Notes:**

- 1 The above unaudited consolidated financial results of Laurus Labs Limited ("the Company") as reviewed by the Audit Committee has been approved by the Board of Directors at its meeting held on October 31, 2019. The statutory auditors of the Company have carried out a limited review on consolidated financial results and expressed an unmodified audit opinion thereon.
- 2 These consolidated financial results of the Company have been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with 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 The consolidated financial results include the results of the following subsidiaries:

Name of the Company	Country of Incorporation	Nature of relationship	% Holding
Laurus Synthesis Inc	USA	Subsidiary	100%
Sriam Labs Private Limited	India	Subsidiary	100%
Laurus Holdings Limited	UK	Subsidiary	100%
Laurus Generics Inc	USA	Step-down subsidiary	100%
Laurus Generics GmbH	Germany	Step-down subsidiary	100%

- 4 During the quarter and half year ended September 30, 2019, the Company allotted 477,750 equity shares of ₹ 10/- each, consequent to the exercise of the stock options by the employees of the Company under the Employee Stock Option Plan.
- 5 The Company and its subsidiaries are engaged in the manufacture and sale of "Pharmaceuticals" which constitutes a single reportable business segment as per Ind AS 108 - 'Operating Segments'.
- 6 Effective April 1, 2019, the Group adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. During the quarter and half year ended, the Group has recognised interest expense on lease amounting to ₹ 4.82 mn, ₹ 9.52 mn and depreciation on right-of-use assets amounting to ₹ 4.99 mn, ₹ 9.96 mn respectively.
- 7 The Board of Directors, at their meeting held on August 02, 2019, approved the proposal to acquire the 100% shares of Phekolong Pharmaceuticals Pty Ltd, a wholly owned subsidiary of Pharmicare Limited t/a Aspen Pharmicare, South Africa. The transaction is expected to close subject to completion of conditions precedent.
- 8 The Statement of consolidated cash flows for the corresponding six months ended September 30, 2018, as reported in the accompanying results has been approved by the Company's Board of Directors, but have not been subjected to review.

By order of the Board  
For Laurus Labs Limited

Dr. Satyanarayana Chava  
Whole Time Director & Chief Executive Officer



Place: Hyderabad

Date : October 31, 2019



**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM  
CONSOLIDATED FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
LAURUS LABS LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **LAURUS LABS LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and six months ended September 30, 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.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's 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 thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's 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 under Section 143(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.

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.

Attention is drawn to Note 8 of the Statement which states that the consolidated figures of cash flows for the corresponding six months ended September 30, 2018 as reported in the accompanying Statement have been approved by the Company's Board of Directors, but have not been subjected to review.

4. The Statement includes the results of the following entities:
  - a) Sriam Labs Private Limited, India
  - b) Laurus Synthesis Inc., United States of America
  - c) Laurus Holdings Limited, United Kingdom
  - d) Laurus Generic Inc., United States of America
  - e) Laurus Generic GmbH, Germany



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 information of five subsidiaries included in the consolidated unaudited financial results, whose interim financial information reflect total assets of ₹ 805.49 as at September 30, 2019, total revenues of ₹ 203.61 million and ₹ 416.58 for the quarter and six months ended September 30, 2019 respectively, total net loss after tax of ₹ 34.92 million and ₹ 51.25 million for the quarter and six months ended September 30, 2019 respectively and total comprehensive loss of ₹ 34.92 million and ₹ 51.25 million for the quarter and six months ended September 30, 2019 respectively and net cash flows of ₹ 14.33 million for the six months ended September 30, 2019, as considered in the Statement. These interim financial information 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 these subsidiaries 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 these matters.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

  
**Ganesh Balakrishnan**  
Partner  
(Membership No. 201193)  
(UDIN: 19201193AAAAEI8716)

Place: Hyderabad  
Date: October 31, 2019

**LAURUS LABS LIMITED**  
 (CIN: L24239AP2005PLC047518)

Regd. Office: Plot No.21, Jawaharlal Nehru Pharma City, Parawada, Visakhapatnam 531 021, Andhra Pradesh, India.

Corp. Office: 2nd Floor, Serene Chambers, Road No.7, Banjara Hills, Hyderabad 500034, Telangana, India.

Tel: +91 40 3980 4333 ; Fax : +91 040 3980 4320 ; E-mail: secretarial@lauruslabs.com; Website: www.lauruslabs.com

**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2019**

₹ in Million

Sl. No.	Particulars	Quarter ended			Half year ended		Year ended
		30-Sep-19	30-Jun-19	30-Sep-18	30-Sep-19	30-Sep-18	31-Mar-19
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1</b>	<b>Income</b>						
	(a) Revenue from operations	7,058.55	5,412.63	5,746.34	12,471.18	11,057.35	22,361.48
	(b) Other income	12.84	44.76	105.10	57.60	130.90	161.25
	<b>Total income</b>	<b>7,071.39</b>	<b>5,457.39</b>	<b>5,851.44</b>	<b>12,528.78</b>	<b>11,188.25</b>	<b>22,522.73</b>
<b>2</b>	<b>Expenses</b>						
	(a) Cost of materials consumed	4,745.63	3,440.05	3,180.00	8,185.68	6,018.56	12,154.70
	(b) Purchase of traded goods	95.32	31.53	58.31	126.85	85.30	223.80
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,241.80)	(765.37)	(150.11)	(2,007.17)	(68.85)	(289.19)
	(d) Employee benefits expense	828.78	753.05	678.81	1,581.83	1,365.80	2,697.22
	(e) Other expenses	1,239.64	1,115.99	1,227.74	2,355.63	2,122.08	4,060.37
	(f) Depreciation and amortisation expense	469.98	449.45	389.03	919.43	761.97	1,605.32
	(g) Finance costs	250.35	220.10	240.22	470.45	457.73	858.32
	<b>Total expenses</b>	<b>6,387.90</b>	<b>5,244.80</b>	<b>5,624.00</b>	<b>11,632.70</b>	<b>10,742.59</b>	<b>21,310.54</b>
<b>3</b>	<b>Profit before tax (1-2)</b>	<b>683.49</b>	<b>212.59</b>	<b>227.44</b>	<b>896.08</b>	<b>445.66</b>	<b>1,212.19</b>
<b>4</b>	<b>Tax expense</b>						
	(a) Current tax	107.72	45.65	30.61	153.37	76.15	248.32
	(b) Deferred tax	(19.63)	(3.36)	20.49	(22.99)	33.87	13.93
	<b>Total Tax expense</b>	<b>88.09</b>	<b>42.29</b>	<b>51.10</b>	<b>130.38</b>	<b>110.02</b>	<b>262.25</b>
<b>5</b>	<b>Net Profit after tax (3-4)</b>	<b>595.40</b>	<b>170.30</b>	<b>176.34</b>	<b>765.70</b>	<b>335.64</b>	<b>949.94</b>
<b>6</b>	<b>Other comprehensive income</b>						
	<b>Items that will not be reclassified subsequently to profit or loss:</b>						
	(i) Remeasurement gains/(losses) on defined benefit plans	12.43	(5.79)	(16.46)	6.64	(30.52)	(36.44)
	(ii) Income tax relating to items that will not be reclassified to profit or loss in subsequent periods	(4.34)	2.02	5.75	(2.32)	10.66	12.73
	<b>Items that will be reclassified subsequently to profit or loss:</b>						
	(i) Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedge	(8.03)	16.77	(63.98)	8.74	(63.98)	(10.74)
	(ii) Income tax relating to items that will be reclassified to profit or loss in subsequent periods	2.81	(5.86)	22.36	(3.05)	22.36	3.75
	<b>Total other comprehensive income/(loss), net of tax</b>	<b>2.87</b>	<b>7.14</b>	<b>(52.33)</b>	<b>10.01</b>	<b>(61.48)</b>	<b>(30.70)</b>
<b>7</b>	<b>Total comprehensive income (5+6)</b>	<b>598.27</b>	<b>177.44</b>	<b>124.01</b>	<b>775.71</b>	<b>274.16</b>	<b>919.24</b>
<b>8</b>	<b>Paid-up equity share capital (face value ₹ 10/- each)</b>	<b>1,069.14</b>	<b>1,064.37</b>	<b>1,064.37</b>	<b>1,069.14</b>	<b>1,064.37</b>	<b>1,064.37</b>
<b>9</b>	<b>Other equity</b>						<b>14,844.61</b>
<b>10</b>	<b>Earnings per equity share (face value ₹ 10/- each)</b>						
	- Basic (₹)	5.59	1.60	1.66	7.19	3.16	8.94
	- Diluted (₹)	5.59	1.60	1.66	7.19	3.16	8.92
		(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	(Not annualised)	

See accompanying notes to the financial results

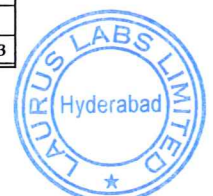




**Standalone Balance Sheet**

₹ in Million

Sl. No.	Particulars	September 30, 2019	March 31, 2019
		Unaudited	Audited
<b>I</b>	<b>ASSETS</b>		
	<b>Non-current assets</b>		
(a)	Property, plant and equipment	15,869.98	15,868.74
(b)	Right-of-use assets	438.59	
(c)	Capital work-in- progress	997.07	1,071.45
(d)	Intangible assets	104.11	121.16
(e)	Financial assets		
	(i) Investments	583.15	583.15
	(ii) Other financial assets	416.38	280.79
(f)	Deferred tax assets (net)	507.84	489.07
(g)	Income tax assets (net)	7.05	13.29
(h)	Other non-current assets	198.73	417.58
	<b>Total non-current assets (1)</b>	<b>19,122.90</b>	<b>18,845.23</b>
	<b>Current assets</b>		
(a)	Inventories	8,782.47	6,659.06
(b)	Financial assets		
	(i) Trade receivables	6,983.36	6,866.42
	(ii) Cash and cash equivalents	8.85	5.16
	(iii) Other balances with banks	0.53	0.53
	(iv) Loans	5.60	4.17
	(v) Other financial assets	208.99	197.94
(c)	Other current assets	833.69	604.82
	<b>Total current assets (2)</b>	<b>16,823.49</b>	<b>14,338.10</b>
	<b>Total - assets (1+2)</b>	<b>35,946.39</b>	<b>33,183.33</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
(a)	Equity share capital	1,069.14	1,064.37
(b)	Other equity	15,467.18	14,844.61
	<b>Total equity (1)</b>	<b>16,536.32</b>	<b>15,908.98</b>
	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
(a)	Financial liabilities		
	(i) Borrowings	2,101.19	2,586.60
	(ii) Lease liabilities	209.38	-
(b)	Provisions	347.95	292.22
(c)	Other non-current liabilities	625.79	601.16
	<b>Total non-current liabilities (2)</b>	<b>3,284.31</b>	<b>3,479.98</b>
	<b>Current liabilities</b>		
(a)	Financial liabilities		
	(i) Borrowings	7,197.15	6,576.84
	(ii) Trade payables		
	-total outstanding dues of micro enterprises and small enterprises	170.26	66.40
	-total outstanding dues of creditors other than micro enterprises and small enterprises	6,228.07	4,707.63
	(iii) Lease liabilities	19.94	-
	(iv) Current maturities and other financial liabilities	1,603.98	1,628.10
(b)	Other current liabilities	801.50	746.95
(c)	Provisions	74.64	64.46
(d)	Income tax liabilities (net)	30.22	3.99
	<b>Total current liabilities (3)</b>	<b>16,125.76</b>	<b>13,794.37</b>
	<b>Total - equity and liabilities (1+2+3)</b>	<b>35,946.39</b>	<b>33,183.33</b>

Statement of Standalone Cash Flows

Particulars	For the half year ended September 30, 2019	For the half year ended September 30, 2018
	Unaudited	Unaudited (Refer note 7)
<b>Profit before tax</b>	896.08	445.66
<b>Cash Flows from operating activities</b>		
Adjustments for :		
Depreciation of property, plant and equipment	899.75	743.93
Amortisation of intangible assets	19.68	18.04
Loss on sale of fixed assets (net)	3.65	4.84
Finance income	(7.83)	(6.72)
Interest expense	440.83	448.67
Share based payment expense	20.19	9.94
Net loss on foreign exchange fluctuations (unrealised)	88.51	249.60
Provisions no longer required written back	(2.35)	(101.68)
Allowance for bad and doubtful advance and debts	0.34	1.15
Gratuity and compensated absences	72.56	28.23
<b>Operating profit before working capital changes</b>	<b>2,431.41</b>	<b>1,841.66</b>
<b>Movement in working capital:</b>		
Increase in inventories	(2,123.40)	(524.96)
Increase in trade receivables	(103.25)	(1,147.52)
Increase in financial and non-financial assets	(602.20)	(146.51)
Increase in trade payables	1,633.13	1,265.77
Increase/(decrease) in financial, non-financial liabilities and provisions	294.55	(333.60)
<b>Cash generated from operations</b>	<b>1,530.24</b>	<b>954.84</b>
Income tax paid	(122.06)	(100.67)
<b>Net cash flows from operating activities (A)</b>	<b>1,408.18</b>	<b>854.17</b>
<b>Cash flows used in investing activities</b>		
Purchase of property, plant and equipment, including intangible assets, capital work in progress and capital advances	(937.72)	(1,560.94)
Proceeds from sale of property, plant and equipment	1.10	3.03
Movement in other bank balances	-	(0.83)
Investment in subsidiaries	-	(32.85)
Interest received	7.83	6.72
<b>Net cash flows used in investing activities (B)</b>	<b>(928.79)</b>	<b>(1,584.87)</b>
<b>Net cash flows from financing activities</b>		
Proceeds from exercise of employee stock options	4.78	24.31
Repayment of long - term borrowings	(408.27)	(418.65)
Proceeds from long - term borrowings	-	1,682.54
Proceeds from Short - term borrowings (net)	576.15	147.58
Dividend paid	(159.66)	(159.04)
Tax on dividend	(32.82)	(32.69)
Interest paid	(455.88)	(443.78)
<b>Net cash flows from/(used in) financing activities (C)</b>	<b>(475.70)</b>	<b>800.27</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>3.69</b>	<b>69.57</b>
Cash and cash equivalents at the beginning of the period	5.16	8.66
<b>Cash and cash equivalents at the period end</b>	<b>8.85</b>	<b>78.23</b>



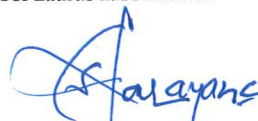
Notes:

- 1 The above unaudited standalone financial results of Laurus Labs Limited ("the Company") as reviewed by the Audit Committee has been approved by the Board of Directors at its meeting held on October 31, 2019. The statutory auditors of the Company have carried out a limited review on the standalone financial results and expressed an unmodified audit opinion thereon.
- 2 These standalone financial results of the Company have been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with 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 In accordance with Indian Accounting Standard (Ind AS) 108 on 'operating segments', segment information has been given in the consolidated financial results of the Company, and therefore no separate disclosure on segment information is given in these standalone financial results.
- 4 During the quarter and half year ended September 30, 2019, the Company allotted 477,750 equity shares of ₹ 10/- each, consequent to the exercise of the stock options by the employees of the Company under the Employee Stock Option Plan.
- 5 Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. During the quarter and half year ended, the Company has recognised interest expense on lease amounting to ₹ 4.82 mn, ₹ 9.52 mn and depreciation on right-of-use assets amounting to ₹ 4.99 mn, ₹ 9.96 mn respectively.
- 6 The Board of Directors, at their meeting held on August 02, 2019, approved the proposal to acquire the 100% shares of Phekolong Pharmaceuticals Pty Ltd, a wholly owned subsidiary of Pharmacare Limited t/a Aspen Pharmacare, South Africa. The transaction is expected to close subject to completion of conditions precedent.
- 7 The Statement of standalone cash flows for the corresponding six months ended September 30, 2018, as reported in the accompanying results has been approved by the Company's Board of Directors, but have not been subjected to review.

Place: Hyderabad

Date : October 31, 2019

By order of the Board  
For Laurus Labs Limited



Dr. Satyanarayana Chava

Whole Time Director & Chief Executive Officer



**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM  
STANDALONE FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
LAURUS LABS LIMITED**

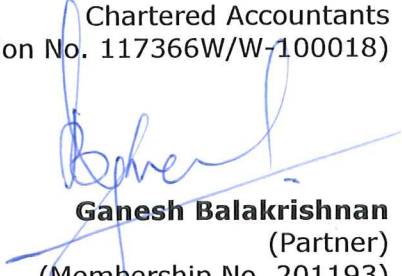
1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **LAURUS LABS LIMITED** ("the Company"), for the quarter and six months ended September 30, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in 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 thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's 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 under section 143(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.

Attention is drawn to Note 7 of the Statement which states that the statement of cash flows for the corresponding six months ended September 30, 2018 as reported in the accompanying Statement have been approved by the Company's Board of Directors, but have not been subjected to review.

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4. Based on our review conducted as stated in paragraph 3 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 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.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Ganesh Balakrishnan**  
(Partner)  
(Membership No. 201193)  
(UDIN: 19201193AAAAEH1044)

Place: Hyderabad  
Date: October 31, 2019