

AstraZeneca Pharma India Limited
 Regd. Office : Block N1, 12th Floor, Manyata Embassy Business Park, Rachenahalli, Outer Ring Road, Bangalore 560 045
 Statement of unaudited financial results for the quarter and six months ended 30 September 2019

Sl No.	Particulars	Rs in lakhs except for earnings per share data					
		3 months ended 30/09/2019	Previous 3 months ended 30/06/2019	Corresponding 3 months ended in the previous year 30/09/2018	6 months ended 30/09/2019	6 months ended 30/09/2018	Year ended 31/03/2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	Audited
1	Revenue						
	a) Revenue from operations	20,848.31	20,456.13	16,136.08	41,304.44	32,279.76	72,829.43
	b) Other income	316.08	298.92	335.45	614.99	677.73	1,628.52
	Total income	21,164.39	20,755.05	16,471.53	41,919.43	32,957.49	74,457.95
2	Expenses						
	(a) Cost of materials consumed	1,328.21	1,875.47	856.25	3,203.69	2,449.23	6,267.23
	(b) Purchase of stock-in-trade	6,358.21	4,667.63	2,736.24	11,025.84	4,735.69	16,983.88
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(270.94)	460.81	1,590.00	189.87	3,238.04	(137.78)
	(e) Employee benefits expense	5,216.35	5,073.41	4,398.04	10,289.76	8,589.93	19,739.86
	(f) Depreciation and amortisation expense	464.06	462.74	367.38	926.79	722.42	1,492.41
	(g) Selling, marketing and distribution expense	1,401.17	1,698.33	1,168.43	3,099.50	4,030.45	7,980.28
	(h) Other expenses	3,459.35	3,124.21	3,910.81	6,583.56	6,832.16	14,865.72
	(i) Finance cost	28.36	29.54	-	57.90	-	-
	Total expenses	17,984.77	17,392.14	15,027.15	35,376.91	30,597.92	67,191.60
3	Profit before exceptional and extraordinary items and tax (1-2)	3,179.62	3,362.91	1,444.38	6,542.52	2,359.57	7,266.35
4	Exceptional items	-	-	-	-	-	-
5	Profit before extraordinary items and tax (3+4)	3,179.62	3,362.91	1,444.38	6,542.52	2,359.57	7,266.35
6	Extraordinary items	-	-	-	-	-	-
7	Profit before tax (5+6)	3,179.62	3,362.91	1,444.38	6,542.52	2,359.57	7,266.35
8	Tax expense (refer Note 3)						
	- Current tax	514.68	1,269.53	437.87	1,784.21	701.34	1,667.83
	- Deferred tax	1,223.41	(58.16)	93.35	1,165.25	105.73	154.45
	Total tax expense	1,738.09	1,211.37	531.22	2,949.46	807.07	1,822.28
9	Profit for the period (7-8)	1,441.53	2,151.54	913.16	3,593.06	1,552.50	5,444.07
10	Other comprehensive income						
	A. Items that will not be reclassified to profit or loss						
	Re-measurement gains/(losses) on post employment benefit obligations	(114.85)	(344.04)	(56.29)	(458.90)	199.65	(92.30)
	Income tax effect on above	(4.73)	120.22	19.67	115.50	(69.77)	32.25
	Total other comprehensive income/ (loss), net of income tax	(119.58)	(223.82)	(36.62)	(343.40)	129.88	(60.05)
	Total comprehensive income for the period (9+10)	1,321.95	1,927.72	876.54	3,249.66	1,682.38	5,384.02
11	Paid-up equity share capital (Face value of Rs 2/- per equity share)	500.00	500.00	500.00	500.00	500.00	500.00
12	Reserves (excluding revaluation reserves as per balance sheet)	-	-	-	-	-	29,580.50
13	Earnings per equity share of Rs 2/- each (basic and diluted)	5.77	8.61	3.65	14.37	6.21	21.78



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Notes:

- 1 The financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 2 Effective 1 April 2019, the Company has adopted Ind AS 116, 'Leases'. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise right-of-use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is of a low value.

The Company has used the 'modified retrospective approach' for transition from Ind AS 17, 'Leases', and consequently, comparatives for previous periods have not been adjusted. On transition, the Company has recorded lease liability at present value of future lease payments discounted using the incremental borrowing rate and has recognised the right-of-use asset at an amount equal to the lease liability and adjusted for prepaid lease payments.

The adoption of Ind AS 116 has resulted in recognition of right-of-use assets of Rs.1,211.30 lakhs under Property, plant and equipment and lease liabilities of Rs.1,224.41 lakhs under Other financial liabilities (Rs. 989.84 lakhs classified as non-current and Rs. 234.57 lakhs classified as current) with a corresponding effect of Rs.12.98 lakhs on retained earnings on 1 April 2019.

In the financial results for the quarter and half year ended 30 September 2019, the nature of expense for leasing arrangements has changed from lease rent in previous periods to depreciation on the right-of-use assets and finance cost on the corresponding lease liabilities. The adoption of Ind AS 116 did not have a material impact on the results for the quarter and half year ended 30 September 2019.
- 3 Pursuant to a notification of the Taxation Laws (Amendment) Ordinance 2019, the Company has opted to pay tax as per Section 115BAA at the income tax rate of 22% (plus applicable surcharge and cess). Consequently, during the quarter ended 30 September 2019, the Company has recognised the impact of remeasurement of the net deferred tax assets and the current tax charge.
Accordingly, the excess current tax provision relating to quarter ended 30 June 2019 amounting to Rs. 353.62 lakhs has been reversed in the Unaudited Statements of Financial Results in the quarter ended 30 September 2019.
Similarly, the excess net deferred tax assets (including minimum alternate tax) of Rs. 1,246.56 lakhs have been reversed in the Unaudited Statements of Financial Results in the quarter ended 30 September 2019.
- 4 The Company has identified 'Healthcare Segment' as its only reportable segment in accordance with the requirements of Ind AS 108, 'Operating Segments'. Accordingly no segment information has been provided.
- 5 As previously disclosed, by way of a letter dated 1 March 2014, AstraZeneca Pharmaceuticals AB, the promoter of the Company had proposed a voluntary delisting of the Company's equity shares from the National Stock Exchange and the Bombay Stock Exchange. Such proposed delisting is subject to an on-going inquiry with SEBI and that inquiry has not yet been resolved. In any event, based on the passage of time, any potential future proposal for voluntary delisting of the Company would need to be conducted de novo.
- 6 The comparative figures for cash flows for the six months ended 30 September 2018 included in the Unaudited Statements of Cash flows have been prepared by Management, reviewed by the Audit Committee and approved by the Company's Board of Directors at their respective meetings held on 11 November 2019, but have not been subjected to review by the statutory auditors as the mandatory requirement for limited review of cash flows has been made applicable for periods beginning 1 April 2019, pursuant to Regulation 33(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- 7 Previous period's figures have been regrouped/reclassified, where necessary, to conform with the current period's presentation for the purpose of comparability.
- 8 This statement of financial results was reviewed and recommended by the Audit Committee of the Board and subsequently approved by the Board of Directors at their respective meetings held on 11 November 2019. The Statutory Auditors of the Company have carried out a limited review of this statement of financial results for the quarter ended 30 September 2019.

Place: Mumbai
Date: 11 November, 2019



By Order of the Board of Directors
For AstraZeneca Pharma India Limited

Gagandeep Singh Bedi
Managing Director

AstraZeneca Pharma India Limited

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Unaudited Statement of assets and liabilities as at 30 September 2019

SI.No.	Balance Sheet	(Rs in lakhs)	
		As at 30 September 2019 (Unaudited)	As at 31 March 2019 (Audited)
	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	7,985.08	7,483.05
	(b) Capital work-in-progress	1,665.30	690.06
	(c) Financial Assets		
	(i) Loans	402.54	286.03
	(d) Current tax assets	4,643.87	4,644.17
	(e) Deferred tax assets	1,273.17	2,336.92
	(f) Other non-current assets	186.34	269.05
	Sub-total - Non-current assets	16,156.30	15,709.28
2	Current assets		
	(a) Inventories	12,560.00	11,810.74
	(b) Financial Assets		
	(i) Trade receivables	9,202.37	7,975.00
	(ii) Cash and cash equivalents	23,116.72	17,324.00
	(iii) Bank balances other than (ii) above	1.77	5.71
	(iv) Loans	88.89	81.08
	(v) Other financial current assets	1,124.00	555.63
	(c) Other current assets	2,360.14	2,720.09
	Sub-total - Current assets	48,453.89	40,472.25
	TOTAL - ASSETS	64,610.19	56,181.53
1	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share capital	500.00	500.00
	(b) Other Equity	32,458.27	29,580.50
	Sub-total - Shareholders' funds	32,958.27	30,080.50
	LIABILITIES		
	Non-current liabilities		
	(a) Provisions	1,706.79	202.10
	Sub-total - Non-current liabilities	1,706.79	202.10
2	Current liabilities		
	(a) Financial Liabilities		
	(i) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	14.95	45.20
	Total outstanding dues of creditors other than micro enterprises and small enterprises	20,105.90	16,775.12
	(ii) Other financial liabilities	3,974.58	4,000.10
	(b) Other current liabilities	1,187.64	988.27
	(c) Provisions	4,187.31	3,907.06
	(d) Current tax liability	474.75	183.18
	Sub-total - Current liabilities	29,945.13	25,898.93
	TOTAL - EQUITY AND LIABILITIES	64,610.19	56,181.53



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Unaudited Statement of Cash Flows for six months ended September 30, 2019

(Rs in Lakhs)

Particulars	Six months ended September 30, 2019	Six months ended September 30, 2018
	(Unaudited)	(refer Note 6)
Cash flows from Operating activities		
Profit Before Tax	6,542.52	2,359.57
Non Cash Adjustments for:		
Depreciation expense	926.79	722.42
Profit on sale of Property, Plant and Equipment	(10.87)	(6.16)
Interest on financial assets carried at amortised cost	(595.63)	(486.75)
Employee stock compensation expense	54.11	52.17
Expected Credit Losses	50.46	196.75
Provision for doubtful advances	-	13.80
Unrealised foreign exchange (gains)/losses, (net)	13.70	(56.32)
Interest cost on lease liabilities	57.90	-
Operating profit before working capital changes	7,038.99	2,795.48
Changes in Working Capital:		
(Increase) / Decrease in trade receivables	(1,294.79)	(742.13)
(Increase) / Decrease in inventories	(748.77)	3,429.63
(Increase) / Decrease in loans	(125.32)	11.32
(Increase) / Decrease in other financial assets	(551.11)	(582.00)
(Increase) / Decrease in other assets	347.77	416.81
Increase / (Decrease) in trade payables	3,303.50	2,265.99
Increase / (Decrease) in provisions	336.21	(1,009.67)
Increase / (Decrease) in other financial liabilities	(183.17)	(254.12)
Increase / (Decrease) in other liabilities	(35.20)	116.44
Cash Generated from Operations	8,088.11	6,447.75
Income taxes paid (net of refunds)	(1,492.64)	3.15
Net cash generated from operating activities (A)	6,595.47	6,450.90
Cash Flows from Investing activities		
Purchase of Property, Plant and Equipment	(933.89)	(743.05)
Proceeds from sale of Property, Plant and Equipment	18.01	13.37
Interest Income on bank deposits	578.37	456.66
Proceeds from maturities of bank deposits	-	1,168.26
Net cash generated from / (used in) investing activities (B)	(337.51)	895.24
Cash flows from Financing activities		
Principal repayment on lease liabilities	(105.94)	-
Interest payment on lease liabilities	(57.90)	-
Dividends paid	(250.00)	-
Tax on dividend payment	(51.40)	-
Net cash generated from / (used in) financing activities (C)	(465.24)	-
Net increase/(decrease) in cash and cash equivalents (D=A+B+C)	5,792.72	7,346.14
Cash and Cash equivalents at the beginning of the period (E)	17,324.00	11,398.24
Cash and Cash equivalents at the end of the period (D+E)	23,116.72	18,744.38

