



LUPIN LIMITED

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L U P I N

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

Particulars	(₹ in million)				
	3 Months Ended 31/03/2020 (Audited) (Refer note 11)	3 Months Ended 31/12/2019 (Unaudited)	3 Months Ended 31/03/2019 (Audited) (Refer note 11)	Accounting Year Ended 31/03/2020 (Audited)	Accounting Year Ended 31/03/2019 (Audited)
1) Revenue from operations					
a) Sales / income from operations	24,391.2	26,640.9	28,983.6	108,058.3	110,315.6
b) Other operating income	447.6	518.1	735.0	2,198.3	3,247.6
Total Revenue from operations	24,838.8	27,159.0	29,718.6	110,256.6	113,563.2
2) Other Income	2,099.1	868.0	481.1	4,751.9	2,913.4
3) Total income (1+2)	26,937.9	28,027.0	30,199.7	115,008.5	116,476.6
4) Expenses					
a) Cost of materials consumed	6,824.9	7,115.5	6,332.8	27,532.2	26,930.8
b) Purchases of stock-in-trade	3,537.2	3,597.1	3,203.0	14,827.7	13,470.5
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade [(increase)/decrease]	(358.6)	(212.3)	(1,080.6)	(287.2)	(1,472.3)
d) Employee benefits expense	4,324.2	4,226.2	4,089.5	17,032.2	15,154.2
e) Finance Cost	113.8	189.1	79.9	525.9	354.7
f) Depreciation and amortisation expense	1,247.8	1,322.1	1,088.9	5,187.5	4,263.0
g) Other expenses	8,157.0	8,444.3	8,098.7	32,075.6	30,952.2
Total expenses	23,846.3	24,682.0	21,812.2	96,893.9	89,653.1
5) Profit before exceptional items and tax (3-4)	3,091.6	3,345.0	8,387.5	18,114.6	26,823.5
6) Exceptional items profit / (loss) (Refer note 4)	-	(3,800.3)	22.4	(7,592.1)	(3,399.8)
7) Profit / (Loss) before tax (5-6)	3,091.6	(455.3)	8,409.9	10,522.5	23,423.7
8) Tax expense					
Current tax (net)	1,101.9	521.8	3,075.5	3,620.5	7,950.0
Deferred tax (net)	(263.2)	(162.4)	(93.4)	(373.5)	85.4
Total tax Expense	838.7	359.4	2,982.1	3,247.0	8,035.4
9) Net Profit / (Loss) after tax	2,252.9	(814.7)	5,427.8	7,275.5	15,388.3
10) Other comprehensive income / (loss)					
(a) (i) Items that will not be reclassified subsequently to profit or loss	(161.6)	(24.3)	29.2	(442.9)	(16.8)
(ii) Income tax relating to items that will not be reclassified subsequently to profit or loss	56.5	8.4	(10.1)	154.8	6.0
(b) (i) Items that will be reclassified subsequently to profit or loss	(486.1)	(8.4)	280.1	(562.1)	15.2
(ii) Income tax relating to items that will be reclassified to profit and loss	139.3	1.9	(77.0)	157.7	0.5
Total other comprehensive income / (loss)	(451.9)	(22.4)	222.2	(692.5)	4.9
11) Total comprehensive income/ (loss), net of tax (9+10)	1,801.0	(837.1)	5,650.0	6,583.0	15,393.2
12) Paid up equity share capital (Face value ₹ 2/- each)	906.0	905.8	905.0	906.0	905.0
13) Other equity				173,826.0	170,267.7
14) Earnings per share (of ₹ 2/- each) (Not Annualised)					
a) Basic (in ₹)	4.98	(1.80)	12.00	16.07	34.03
b) Diluted (in ₹)	4.95	(1.80)	11.95	15.99	33.89

See accompanying notes to the financial results.

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NOTES:

- The above Standalone Financial Results were reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors at their meeting held on May 28, 2020.
- The Board of Directors has, at its meeting held on May 28, 2020 recommended a dividend of ₹ 6/- per equity share of the face value of ₹ 2/- each aggregating ₹ 2,718.4 million. The recommended dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting.
- During the quarter, 91,367 (year-to-date 504,424) equity shares of ₹ 2/- each, fully paid-up, were allotted upon exercise of the vested stock options pursuant to the Lupin Employees Stock Option Plans (ESOPs), resulting in an increase in the paid-up share capital by ₹ 0.2 million (year-to-date ₹ 1.0 million) and securities premium account by ₹ 92.1 million (year-to-date ₹ 531.2 million).
- Exceptional items for the year ended March 31, 2020 pertains to impairment of ₹ 3,800.3 million related to certain acquired IPs and settlement amount of ₹ 3,791.8 million in respect of State of Texas lawsuit in the USA. The exceptional items for the periods ended March 31, 2019 pertains to provision for fine to European commission.
- Effective April 01, 2019, the Company adopted Ind AS 116 "Leases" and applied the same to the lease contracts existing on April 01, 2019 using the modified retrospective approach, recognising right-of-use asset and adjusted lease liability. Accordingly, comparatives for the quarter and year ended March 31, 2019 have not been retrospectively adjusted. The effect of the adoption is not significant to the profit for the year.
- The Ministry of Corporate Affairs, vide notification dated March 30, 2019, inserted Appendix C "Uncertainty over Income Tax Treatments" to Ind AS 12 "Income Taxes", applicable from April 01, 2019. The company opted the transition provision provided in this Appendix C and accordingly based on its probability assessment of the uncertain tax treatment, the Company recognised tax provision of ₹ 804.5 million as an adjustment to the opening balance of retained earnings on April 01, 2019.
- In March 2020, the World Health Organisation declared COVID 19 to be a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption including remote working, maintaining social distancing, sanitization of work spaces etc. The Company has considered internal and external information while finalizing various estimates in relation to its financial statement upto the date of approval of the financial statements by the Board of Directors and has not identified any material impact on the carrying value of assets, liabilities or provisions. Considering that the Company deals with pharmaceutical drugs that are classified as essentials, there has been minimal disruption with respect to operations including production and distribution activities. The Company also has not experienced any difficulties with respect to market demand, collections or liquidity. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID-19 situation evolves in India and globally. The Company will continue to closely monitor any material changes to future economic conditions.
- Standalone Balance Sheet:

		(₹ in million)	
Particulars		As at 31/03/2020 (Audited)	As at 31/03/2019 (Audited)
A. ASSETS			
1. Non-Current Assets			
a. Property, Plant and Equipment		34,461.9	30,672.0
b. Capital Work-in-Progress		6,946.3	9,038.2
c. Intangible assets		676.9	3,057.5
d. Intangible assets under development		1,273.7	2,952.7
e. Financial Assets			
(i) Non-Current Investments			
- In Subsidiaries		51,247.3	51,247.3
- In Others		19.7	1,563.6
(ii) Non-Current Loans		447.2	627.4
(iii) Other Non-Current Financial Assets		9.7	14.3
f. Non-Current Tax Assets (Net)		1,178.3	1,424.1
g. Other Non-Current Assets		2,158.9	1,459.9
Sub-total - Non-Current Assets		98,419.9	102,057.0
2. Current Assets			
a. Inventories		24,846.1	23,059.8
b. Financial Assets			
(i) Current Investments		23,297.3	21,073.8
(ii) Trade Receivables		36,163.3	37,243.2
(iii) Cash and Cash Equivalents		11,680.2	559.4
(iv) Other Bank Balances		1,379.1	55.0
(v) Current Loans		348.9	229.1
(vi) Other Current Financial Assets		3,245.8	6,304.8
c. Current Tax Assets (Net)		2.0	2.0
d. Other Current Assets		7,422.4	6,318.0
Sub-total - Current Assets		108,385.1	94,845.1
TOTAL - ASSETS		206,805.0	196,902.1
B. EQUITY AND LIABILITIES			
1. Equity			
a. Equity Share Capital		906.0	905.0
b. Other Equity		173,826.0	170,267.7
Sub-total - Equity		174,732.0	171,172.7
Liabilities			
2. Non-Current Liabilities			
a. Financial Liabilities			
(i) Non-Current Borrowings		3.1	5.3
(ii) Trade Payables			
- Total outstanding dues of Micro Enterprises and Small Enterprises		-	-
- Total outstanding dues of other than Micro Enterprises and Small Enterprises		-	16.1
(iii) Other Non-Current Financial Liabilities		1,195.9	149.6
b. Non-Current Provisions		2,726.3	2,094.6
c. Deferred Tax Liabilities (Net)		1,929.4	2,662.2
d. Other Non-Current Liabilities		660.4	827.7
Sub-total - Non-Current Liabilities		6,515.1	5,755.5
3 Current Liabilities			
a. Financial Liabilities			
(i) Current Borrowings		52.9	16.8
(ii) Trade Payables			
- Total outstanding dues of Micro Enterprises and Small Enterprises		989.4	1,046.1
- Total outstanding dues of other than Micro Enterprises and Small Enterprises		14,671.9	11,494.1
(iii) Other Current Financial Liabilities		2,747.1	1,577.2
b. Other Current Liabilities		1,194.9	869.8
c. Current Provisions		5,515.6	4,903.8
d. Current Tax Liabilities (Net)		386.1	66.1
Sub-total - Current Liabilities		25,557.9	19,973.9
TOTAL - EQUITY AND LIABILITIES		206,805.0	196,902.1

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9. Standalone Statement of Cash Flows:

Particulars	(₹ in million)	
	For the Current year ended 31/03/2020 (Audited)	For the Previous year ended 31/03/2019 (Audited)
A. Cash Flow from Operating Activities		
Profit before Tax	10,522.5	23,423.7
Adjustments for:		
Depreciation and Amortisation Expense	5,187.5	4,263.0
Impairment of Intangible assets / Intangible asset under development	3,800.3	-
Loss / (Profit) on Sale / Write-off of Property, Plant and Equipment / Intangible Assets (net)	17.6	(17.7)
Net Gain on sale of Mutual Fund Investments	(1,062.8)	(122.4)
Finance Costs	525.9	354.7
Interest on Deposits with Banks and Others	(80.2)	(383.9)
Dividend on Mutual Fund Investments	(145.6)	(420.9)
Unrealised Loss / (Gain) on Mutual Fund Investments (net)	(2.4)	(120.5)
Doubtful Trade Receivables / Advances provided (net)	16.8	(63.3)
Bad Trade Receivables / Advances written off	3.2	-
Share Based Payments Expense	415.3	477.0
Impairment in value of Non-Current investments	-	30.1
Provision for fine (European Commission)	-	3,399.8
Unrealised Exchange loss / (gain) on revaluation (net)	(1,490.2)	(822.8)
Operating Cash Flows before Working Capital Changes	17,707.9	29,996.8
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(1,786.3)	(1,259.6)
Trade Receivables	2,757.4	13,161.6
Current Loans	(119.8)	(52.8)
Non-Current Loans	180.2	(10.5)
Other Current Financial Assets	3,075.1	(2,104.1)
Other Current Assets	(1,104.4)	1,850.3
Other Non-Current Assets	(105.6)	60.2
Other Non-Current Financial Assets	4.6	(11.1)
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	2,933.9	(1,809.5)
Non-Current Trade Payables	(16.1)	(15.5)
Other Current Financial liabilities	1,015.3	(193.4)
Other Current liabilities	325.1	(426.0)
Other Non-Current liabilities	134.0	(3.7)
Other Non-Current Financial liabilities	(5.8)	99.1
Current Provisions	611.8	97.5
Non-Current Provisions	446.8	(159.0)
Cash Generated from Operations	26,054.1	39,220.3
Net Income tax paid	(3,859.2)	(8,113.1)
Net Cash Flow generated / (used in) from Operating Activities	22,194.9	31,107.2
B. Cash Flow from Investing Activities		
Capital expenditure on Property, Plant and Equipment, including capital advances	(5,181.1)	(9,709.4)
Proceeds from sale of Property, Plant and Equipments / Intangible Assets	20.3	300.1
Proceeds from sale of Non-Current Investments	1,033.7	(1,539.4)
Purchase of Current Investments	(141,138.8)	(89,820.9)
Proceeds from sale of Current Investments	138,968.6	71,316.2
Bank balances not considered as Cash and Cash Equivalents (net)	(1,324.1)	(2.1)
Dividend on Mutual Fund Investments	145.6	420.9
Interest on Deposits with Banks and others	80.2	383.9
Net Cash Flow generated / (used in) from Investing Activities	(7,395.6)	(28,650.7)
C. Cash Flow from Financing Activities		
Proceeds from / (Repayment of) Non Current Borrowings (net)	(35.4)	(48.1)
Proceeds from / (Repayment of) Current Borrowings (net)	36.1	(65.3)
Proceeds from issue of equity shares (ESOPs)	1.0	0.8
Securities Premium Received (ESOPs)	58.7	36.2
Payment of Lease liabilities	(798.2)	-
Finance Costs	(210.9)	(164.3)
Dividend paid	(2,264.6)	(2,248.4)
Corporate Tax on Dividend	(465.2)	(464.7)
Net Cash Flow generated / (used in) from Financing Activities	(3,678.5)	(2,953.8)
Net Increase / (Decrease) in Cash and Cash Equivalents	11,120.8	(497.3)
Cash and Cash Equivalents as at the beginning of the year	559.4	1,056.7
Cash and Cash Equivalents as at end of the reporting year	11,680.2	559.4

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10. The Company operates in one reportable business segment i.e. "Pharmaceuticals".
11. The figures for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between audited figures in respect of the full financial year and the unaudited published year-to-date figures up to the third quarter ended December 31, 2019 and December 31, 2018 respectively.
12. Figures for the previous periods have been regrouped, wherever necessary, to correspond with the figures of the current period.

By Order of the Board
For **Lupin Limited**

**NILESH
DESHBANDHU
GUPTA**

Digitally signed by NILESH
DESHBANDHU GUPTA
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Nilesh Deshbandhu Gupta
Managing Director
DIN: 01734642

Place : Mumbai
Dated : May 28, 2020