



UNICHEM
LABORATORIES LTD.

January 30, 2021

Department of Corporate Services

Mr. Hari K

Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai- 400 001

Asst. Vice President - Operations
National Stock Exchange of India Ltd
Exchange Plaza, Bandra – Kurla Complex
Bandra (East), Mumbai – 400 051

Dear Sir,

Ref: BSE Scrip Code -506690: NSE Symbol – UNICHEMLAB

Sub: Outcome of Board Meeting

We would like to inform you that the Board of Directors at its Meeting held today, i.e. Saturday January 30, 2021

- a. Approved the Unaudited Financial Results (Standalone and Consolidated) for the third quarter and nine months ended December 31, 2020. Enclosed herewith please find the same along with the Auditors Reports thereon.
- b. Approved the re-appointment of Mr. Dilip Kunkolienkar (Din No. 02666678) as a Whole time Director designated as Director Technical for a period of three (3) years w.e.f April 1, 2021, subject to such approvals as may be required.

Further, relevant disclosures under Regulation 30 of SEBI (LODR) Regulations, 2015 concerning the re-appointment of Mr. Kunkolienkar as a Whole Time Director is also annexed along with this letter.

The Board Meeting commenced at 11:45 am and concluded at 01:00 pm.

Kindly take the same on your records.

FOR UNICHEM LABORATORIES LIMITED

Pradeep Bhandari
Head- Legal & Company Secretary



Disclosure pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 concerning Re-appointment of Mr. Dilip Kunkolienkar as a Wholetime Director is given as under

Disclosure Requirement	Details
Reason for change	Re-appointment Mr. Dilip Kunkolienkar (DIN 02666678) as a Whole time Director of the Company designated as Director Technical.
Date of appointment & Term of Appointment	Re-appointment w.e.f. April 1, 2021 for a period of three (3) years.
Brief Profile	<p>Mr. Dilip Kunkolienkar is a Bachelor of Pharmacy from Bombay University. He has more than 47 years rich exposure at various positions in the Pharmaceutical Industry in various leading Pharmaceutical houses like Richardson Hindustan Ltd., Geigy, Raptakos Brett Co. Ltd., German Remedies Ltd.</p> <p>Mr. Kunkolienkar has diverse experience in the manufacture of tablets, capsules, parenteral, Oral Solid & Liquid Dosage forms, suppositories of various forms with an additional exposure to Bio studies, Product Viabilities, Planning, General Administration, Documentation, Regulatory Audits, Capex/ Revenue budgeting & R & D and API Marketing.</p> <p>Mr. Kunkolienkar joined Unichem as Works Manager in the year 1995 and rose to the position of Vice President Global Generics & Compliance before being appointed as a whole time Director in the year 2014. He is also in charge of rendering Formulation Operation & Technical services to Unit Heads.</p>
Disclosure of Relationships between Directors	Mr. Dilip Kunkolienkar is not related to any Directors of the Company



Limited Review Report on quarterly and year to date standalone unaudited financial results of Unichem Laboratories Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To
The Board of Directors
Unichem Laboratories Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results ("the Statement") of Unichem Laboratories Limited ("the Company") for the quarter and nine months ended 31st December, 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

Management's responsibility

2. The Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

Auditor's responsibility

3. Our responsibility is to issue a report on this Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Conclusion

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards i.e. 'Ind AS' prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Limited Review Report on quarterly and year to date standalone unaudited financial results of Unichem Laboratories Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (continued...)

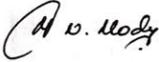
Emphasis of matter

5. We draw attention to note 6 of notes to the standalone financial results for the quarter and nine months ended 31st December 2020, which informs that the General Court of the European Union had on 12th December 2018 rejected the appeal and confirmed the fine of Euro 13.96 Million (equivalent to Rs.12,578.45 lakhs) imposed by the European Commission jointly and severally on the Company and its subsidiary (Niche Generics Limited, UK). The Company and its subsidiary based on legal advice and merits, have filed appeals against the decision of General Court before the Court of Justice of the European Union and outcome of the appeals are awaited. Considering the above, in view of the management, no provision for the aforesaid fine is considered necessary. This matter was also reported earlier under 'Emphasis of Matter' paragraph in our auditor's report for the standalone and consolidated financial statement for the year ended 31st March, 2019 and 31st March, 2020 as well as in our limited review report on the standalone and consolidated financial results for the quarter ended 30th June, 2020 and 30th September, 2020. Our opinion/conclusion has also not been modified in respect of the above matter in these financial years/quarter.

For N. A. Shah Associates LLP

Chartered Accountants

Firm's registration number: 116560W / W100149



Milan Mody

Partner

Membership number: 103286

UDIN: 21103286AAAAAQ8055

Place: Mumbai

Date: 30th January, 2021



Limited Review Report on quarterly and year to date unaudited consolidated financial results of Unichem Laboratories Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To

The Board of Directors

Unichem Laboratories Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Unichem Laboratories Limited ('the Holding Company'), comprising its subsidiaries (the Holding and its subsidiaries collectively referred to as 'the Group') and its share of the net loss after tax and total comprehensive income / (loss) of its associate for the quarter and nine months ended 31st December, 2020 ('the Statement'), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulation").

Management's responsibility

2. The Statement is the responsibility of the Holding Company's Management and has been approved by the Holding Company's Board of Directors. The Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India.

Auditor's responsibility

3. Our responsibility is to issue a report on this Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons 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 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 Listing Regulations, as amended, to the extent applicable.



Limited Review Report on quarterly and year to date unaudited consolidated financial results of Unichem Laboratories Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (continued...)

4. These unaudited consolidated financial results:

(a) includes results of the following subsidiaries:

- i. Niche Generics Limited, United Kingdom
- ii. Unichem Pharmaceuticals (USA), Inc., USA
- iii. Unichem Laboratories Limited, Ireland
- iv. Unichem SA (Pty) Limited, South Africa
- v. Unichem Farmaceutica Do Brasil Ltda, Brazil
- vi. Unichem (China) Pvt. Ltd., incorporated on 27th June, 2019.

(b) includes results of the associate: Synchron Research Services Pvt. Ltd.

Conclusion

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 7 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 Listing Regulations, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of matter

6. We draw attention to note 6 of notes to the unaudited consolidated financial results for the quarter and nine months ended 31st December 2020, which informs that the General Court of the European Union had on 12th December 2018 rejected the appeal and confirmed the fine of Euro 13.96 Million (equivalent to Rs. 12,578.45 lakhs) imposed by the European Commission jointly and severally on the Company and its subsidiary (Niche Generics Limited, UK). The Holding Company and its subsidiary based on legal advice and merits, have filed appeals against the decision of General Court before the Court of Justice of the European Union and outcome of the appeals are awaited. Considering the above, in view of the management, no provision for the aforesaid fine is considered necessary. Our conclusion is not modified in respect of above matter. This matter was also reported earlier under 'Emphasis of Matter' paragraph in our auditor's report for the standalone and consolidated financial statements for the year ended 31st March, 2019 and 31st March, 2020 as well as in our limited review report on the standalone and consolidated financial results for the quarter ended 30th June 2020 and 30th September 2020. Our opinion / conclusion was also not modified in respect of above matter in this financial years / quarter.

Other Matters

7. We did not review the interim financial statements of five subsidiaries, whose interim financial statements reflect total revenues (including other income) of Rs. 21,601.73 lakhs and Rs. 62,022.16 lakhs, total net profit after tax of Rs. 1,561.49 lakhs and Rs. 4,024.75 lakhs and total comprehensive income of Rs. 1,398.01 lakhs and Rs. 3,766.21 lakhs for the quarter and nine months ended 31st December, 2020 respectively as considered in the unaudited consolidated financial results. These financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the unaudited consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of the Listing regulations (as amended), in so far as it relates to aforesaid subsidiaries located outside India is based on the report of other auditors.



N. A. SHAH ASSOCIATES LLP
Chartered Accountants

Limited Review Report on quarterly and year to date unaudited consolidated financial results of Unichem Laboratories Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (continued...)

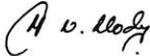
8. We also did not review the interim financial information of subsidiary at China whose interim financial information reflect total revenues (including other income) of Rs. 1.73 lakhs and Rs. 96.08 lakhs, total net loss after tax of Rs. 28.91 lakhs and Rs. 22.91 lakhs and total comprehensive income / (loss) of Rs. (27.65) lakhs and Rs. (20.54) lakhs for the quarter and nine months ended 31st December, 2020 respectively as considered in the unaudited consolidated financial results. This financial information is not subject to limited review and have been furnished to us by the Management and our conclusion on the unaudited consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is solely based on the information provided by the management. According to the information and explanations given to us by the Management, this financial information is not material to the Group.
9. The unaudited consolidated financial results also include the Group's share of net loss after tax of Rs. 14.97 lakhs and Rs. 10.60 lakhs for the quarter and nine months ended 31st December, 2020 respectively, as considered in the unaudited consolidated financial results, in respect of one associate, whose interim financial statements have not been reviewed by us. This financial information is not subject to limited review and have been furnished to us by the Management and our conclusion on the unaudited consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of the associate are solely based on the information provided by the management. According to the information and explanations given to us by the Management, this financial information is not material to the Group.

Our conclusion on the Statement is not modified in respect of above matters.

For N. A. Shah Associates LLP

Chartered Accountants

Firm's registration number: 116560W / W100149



Milan Mody

Partner

Membership number: 103286

UDIN: 21103286 AAAAAR1812

Place: Mumbai

Date: 30th January, 2021





UNICHEM LABORATORIES LIMITED

CIN: L99999MH1962PLC012451

Statement of Unaudited Standalone Financial Results for the Quarter & Nine Months ended 31st December, 2020.

₹ Lakhs

Particulars	Quarter ended 31st Dec'20 (Unaudited)	Quarter ended 30th Sep'20 (Unaudited)	Quarter ended 31st Dec'19 (Unaudited)	Nine months ended 31st Dec'20 (Unaudited)	Nine months ended 31st Dec'19 (Unaudited)	Year ended 31st Mar'20 (Audited)
I Revenue from operations	31,118.33	31,093.18	23,119.50	86,288.63	68,881.38	90,444.07
II Other income	1,332.44	1,041.11	2,300.85	4,246.55	8,004.10	9,917.01
III Total income (I+II)	32,450.77	32,134.29	25,420.35	90,535.18	76,885.48	100,361.08
IV EXPENSES						
Cost of materials consumed (including provisions)	10,817.48	12,760.64	11,092.41	34,365.43	31,389.49	40,020.76
Purchase of stock-in-trade	16.06	26.78	8.67	48.17	65.92	104.37
Changes in inventories of finished goods and work-in-progress	1,767.33	(629.59)	(1,474.90)	1,250.21	(1,184.91)	(1,849.58)
Employee benefits expense	6,013.39	5,685.23	5,081.73	17,654.69	15,180.52	20,515.66
Finance costs	60.89	16.41	41.84	93.06	69.66	128.18
Depreciation and amortization expense	1,874.96	1,892.70	1,725.71	5,598.89	5,197.73	7,108.96
Other expenses	9,340.01	8,866.25	10,981.83	26,202.85	31,393.78	40,713.91
Total expenses (IV)	29,890.12	28,618.42	27,457.29	85,213.30	82,112.19	106,742.26
V Profit(loss) before exceptional items and tax (III- IV)	2,560.65	3,515.87	(2,036.94)	5,321.88	(5,226.71)	(6,381.18)
VI Exceptional items	-	-	-	-	-	-
VII Profit(loss) before tax (V-VI)	2,560.65	3,515.87	(2,036.94)	5,321.88	(5,226.71)	(6,381.18)
VIII Tax expense						
(1) Current tax (Refer note 4)	(482.00)	482.00	-	-	-	-
(2) Deferred tax charge / (credit) (Refer note 5)	-	-	-	-	(749.56)	(749.56)
IX Profit(loss) for the period after tax (VII-VIII)	3,042.65	3,033.87	(2,036.94)	5,321.88	(4,477.15)	(5,631.62)
X Other Comprehensive Income/(Loss)						
A. (i) Items that will not be reclassified subsequently to profit or loss (re-measurement of the net defined benefit plan)	(88.59)	18.59	13.42	(246.69)	(143.88)	299.50
(ii) Income tax (expense) / credit relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
B. (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Total of Other Comprehensive Income / (Loss)	(88.59)	18.59	13.42	(246.69)	(143.88)	299.50
XI Total Comprehensive Income for the period (IX+X)	2,954.06	3,052.46	(2,023.52)	5,075.19	(4,621.03)	(5,332.12)
XII Paid-up equity share capital (Face value of ₹ 2/- per share)	1,408.12	1,408.12	1,408.12	1,408.12	1,408.12	1,408.12
XIII Other Equity (Reserves excluding revaluation reserve)						263,310.26
XIV Earnings per equity share (Face value of ₹ 2/- per share) (not annualized)						
(1) Basic	4.32	4.31	(2.89)	7.56	(6.36)	(8.00)
(2) Diluted	4.32	4.31	(2.89)	7.56	(6.36)	(8.00)

Notes :

- The unaudited standalone financial results for the quarter and nine months ended 31st December, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 30th January, 2021. The statutory auditors have carried out a limited review of the standalone financial results for the quarter and nine months ended 31st December, 2020.
- The above unaudited standalone financial results have been prepared in accordance with the guidelines issued by the Securities and Exchange Board of India ("SEBI") and the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013.
- Operating Segment : The Company has a single reportable segment i.e. 'Pharmaceuticals'.
- During the quarter ended 31st December, 2020, the Company has decided to opt for new tax regime for the financial year 2020-2021. Considering brought forward tax loss, no tax is payable under the new tax regime. Consequently, provision for current tax made in accordance with Section 115JB of the Income-tax Act, 1961 under old regime during the quarter and half year ended 30th September, 2020 has been reversed during the current quarter.
- Deferred tax assets is recognised on tax loss, unabsorbed tax depreciation and other temporary differences to the extent of deferred tax liability.





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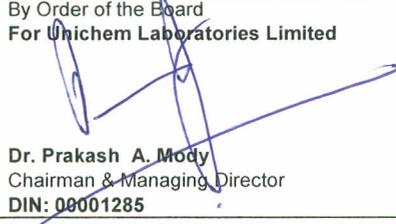
- 6 On 9th July, 2014, the European Commission ("EU") decided to impose an unjustified fine of Euro 13.96 million, jointly and severally on the Company and its subsidiary Niche Generics Ltd ("Niche") contending that they had acted in breach of EU competition law as Niche Generics Ltd had, in early 2005 (when the Company was only a part owner and financial investor in Niche) had agreed to settle a financially crippling patent litigation with Laboratories Servier. The Company vehemently denies any wrongdoing on the part of either itself or Niche. Both the Company & Niche had submitted appeals in September 2014 to the General Court of the EU seeking appropriate relief in the matter. The General Court of the EU has rejected the appeals vide Order dated 12th December 2018 and confirmed the fine of Euro 13.96 million. The Company and its subsidiary based on legal advice and merits, have filed appeals against the decision of General Court before the Court of Justice of the EU and outcome of the appeals are awaited. Considering the above, in view of the management, no provision for the aforesaid fine is considered necessary. Based on above, fine imposed by the EU of Euro 13.96 million (equivalent to ₹ 12,578.45 lakhs) is disclosed under contingent liability. The statutory auditors have given Emphasis of Matter in their limited review report on standalone and consolidated financial results for the quarter and nine months ended 31st December, 2020 and earlier reports.
- 7 The COVID 19 pandemic has adversely impacted the global economic conditions and its impact still remains uncertain. Considering the Company is in the business of manufacturing and supplying pharmaceutical products which is categorized under essential goods, the management believes that the impact of the pandemic may not be significant. The Company will continue to closely monitor any material changes to future economic conditions.
- 8 The aggregate amount of revenue expenditure incurred on Research and Development as included in the relevant expense heads is as tabulated below:

₹ Lakhs

Particulars	Quarter ended 31st Dec'20	Quarter ended 30th Sep'20	Quarter ended 31st Dec'19	Nine months ended 31st Dec'20	Nine months ended 31st Dec'19	Year ended 31st Mar' 20
Total R&D expenditure	3,657.68	2,664.09	4,587.25	9,358.46	12,513.60	15,640.75



By Order of the Board
For Unichem Laboratories Limited


Dr. Prakash A. Mody
Chairman & Managing Director
DIN: 00001285

Place: Mumbai
Date: 30th January, 2021



UNICHEM LABORATORIES LTD.

UNICHEM LABORATORIES LIMITED
CIN: L99999MH1962PLC012451

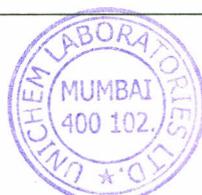
Statement of Unaudited Consolidated Financial Results for the Quarter & Nine Months ended 31st December, 2020.

₹ Lakhs

Particulars	Quarter ended 31st Dec'20 (Unaudited)	Quarter ended 30th Sep'20 (Unaudited)	Quarter ended 31st Dec'19 (Unaudited)	Nine months ended 31st Dec'20 (Unaudited)	Nine months ended 31st Dec'19 (Unaudited)	Year ended 31st Mar'20 (Audited)
I Revenue from operations	32,628.49	31,750.83	27,482.96	96,101.81	81,351.60	110,371.28
II Other income	1,560.59	1,004.05	2,509.58	4,235.66	7,949.09	9,131.31
III Total income (I+II)	34,189.08	32,754.88	29,992.54	100,337.47	89,300.69	119,502.59
IV EXPENSES						
Cost of materials consumed (including provisions)	11,356.74	13,032.44	11,075.83	35,827.16	32,595.98	42,187.92
Purchase of stock-in-trade	16.06	26.78	8.67	48.17	65.92	104.37
Changes in inventories of finished goods and work-in-progress	(1,004.13)	(3,230.74)	(2,124.95)	(3,903.81)	(3,004.96)	(3,575.68)
Employee benefits expense	7,823.95	7,503.41	6,599.52	23,093.46	19,841.41	27,327.99
Finance costs	127.03	78.86	231.68	330.54	545.25	784.72
Depreciation and amortization expense	2,081.69	2,112.93	1,947.32	6,248.54	5,870.73	8,166.94
Other expenses	11,423.78	11,432.77	13,639.69	33,830.83	38,271.28	49,408.62
Total expenses (IV)	31,825.12	30,956.45	31,377.76	95,474.89	94,185.61	124,404.88
V Share of profit/(loss) in associate (net of tax)	(14.97)	0.18	45.26	(10.60)	19.85	81.27
VI Profit/(loss) before exceptional items and tax (III- IV+V)	2,348.99	1,798.61	(1,339.96)	4,851.98	(4,865.07)	(4,821.02)
VII Exceptional items	-	-	-	-	-	-
VIII Profit/(loss) before tax (VI-VII)	2,348.99	1,798.61	(1,339.96)	4,851.98	(4,865.07)	(4,821.02)
IX Tax expense						
(1) Current tax (Refer note 4)	3.80	957.27	(8.70)	1,386.09	255.53	547.24
(2) Deferred tax charge / (credit) (Refer note 5)	(10.89)	(32.48)	128.46	(7.45)	(820.93)	649.99
X Profit/(loss) for the period after tax (VIII-IX)	2,356.08	873.82	(1,459.72)	3,473.34	(4,299.67)	(6,018.25)
XI Other Comprehensive Income/(Loss)						
A. (i) Items that will not be reclassified subsequently to profit or loss (Re-measurement of the net defined benefit plan)	(88.59)	18.59	13.42	(246.69)	(143.88)	299.50
(ii) Income tax (expense) / credit relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
B. (i) Items that will be reclassified to profit or loss (Foreign currency translation difference)	(328.33)	(214.74)	(223.82)	(527.86)	(195.37)	6.14
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
Total of Other Comprehensive Income / (Loss)	(416.92)	(196.15)	(210.40)	(774.55)	(339.25)	305.64
XII Total Comprehensive Income for the period (X+XI)	1,939.16	677.67	(1,670.12)	2,698.79	(4,638.92)	(5,712.61)
XIII Paid-up equity share capital (Face value of ₹ 2/- per share)	1,408.12	1,408.12	1,408.12	1,408.12	1,408.12	1,408.12
XIV Other Equity (Reserves excluding revaluation reserve)						251,727.05
XV Earnings per equity share (Face value of ₹ 2/- per share) (not annualized)						
(1) Basic	3.35	1.24	(2.07)	4.93	(6.11)	(8.55)
(2) Diluted	3.35	1.24	(2.07)	4.93	(6.11)	(8.55)

Notes :

- The unaudited consolidated financial results for the quarter and nine months ended 31st December, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on 30th January, 2021. The statutory auditors have carried out a limited review of the consolidated financial results for the quarter and nine months ended 31st December, 2020.
- The above unaudited consolidated financial results have been prepared in accordance with the guidelines issued by the Securities and Exchange Board of India ("SEBI") and the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013.
- Operating Segment : The Company has a single reportable segment i.e. 'Pharmaceuticals'.
- In respect of the Company, during the quarter ended 31st December, 2020, decision has been taken to opt for new tax regime for the financial year 2020-2021. Considering brought forward tax loss, no tax is payable under the new tax regime. Consequently, provision for current tax made in accordance with Section 115JB of the Income-tax Act, 1961 under old regime during the quarter and half year ended 30th September, 2020 has been reversed during the current quarter.





UNICHEM LABORATORIES LTD.

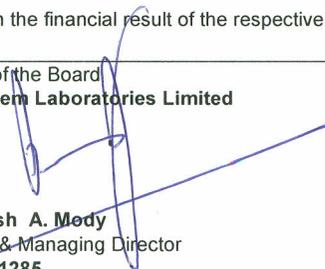
- 5 In respect of the Company, deferred tax assets is recognised on tax loss, unabsorbed tax depreciation and other temporary differences to the extent of deferred tax liability.
- 6 On 9th July, 2014, the European Commission ("EU") decided to impose an unjustified fine of Euro 13.96 million, jointly and severally on the Company and its subsidiary Niche Generics Ltd ("Niche") contending that they had acted in breach of EU competition law as Niche Generics Ltd had, in early 2005 (when the Company was only a part owner and financial investor in Niche) had agreed to settle a financially crippling patent litigation with Laboratories Servier. The Company vehemently denies any wrongdoing on the part of either itself or Niche. Both the Company & Niche had submitted appeals in September 2014 to the General Court of the EU seeking appropriate relief in the matter. The General Court of the EU has rejected the appeals vide Order dated 12th December 2018 and confirmed the fine of Euro 13.96 million. The Company and its subsidiary based on legal advice and merits, have filed appeals against the decision of General Court before the Court of Justice of the EU and outcome of the appeals are awaited. Considering the above, in view of the management, no provision for the aforesaid fine is considered necessary. Based on above, fine imposed by the EU of Euro 13.96 million (equivalent to ₹ 12,578.45 lakhs) is disclosed under contingent liability. The statutory auditors have given Emphasis of Matter in their limited review report on standalone and consolidated financial results for the quarter and nine months ended 31st December, 2020 and earlier reports.
- 7 The COVID 19 pandemic has adversely impacted the global economic conditions and its impact still remains uncertain. Considering the Company and its subsidiaries are in the business of manufacturing and supplying pharmaceutical products, the management believes that the impact of the pandemic may not be significant. The Company and its subsidiaries will continue to closely monitor any material changes to future economic conditions.
- 8 The aggregate amount of revenue expenditure incurred on Research and Development as included in the relevant expense heads is as tabulated below:

Particulars	₹ Lakhs					
	Quarter ended 31st Dec'20	Quarter ended 30th Sep'20	Quarter ended 31st Dec'19	Nine months ended 31st Dec'20	Nine months ended 31st Dec'19	Year ended 31st Mar' 20
Total R&D expenditure	3,657.68	2,664.09	4,587.25	9,358.46	12,513.60	15,640.75

- 9 Borrowings as on 31st December 2020 and 30th September 2020 includes loan of USD 4.23 lakhs (₹ 308.72 lakhs) received by its subsidiary at USA under Paycheck Protection Program [PPP]. The subsidiary has initiated the loan forgiveness process with the Small Business Administration (SBA) under PPP. Since the outcome of the loan forgiveness process is uncertain, the subsidiary has reflected the entire amount of USD 4.23 lakhs as a liability in its interim financial statements.
- 10 Previous period figures are regrouped and rearranged wherever necessary. However, there is no impact in the financial result of the respective period.



By Order of the Board
For Unichem Laboratories Limited


Dr. Prakash A. Mody
Chairman & Managing Director
DIN: 00001285

Place: Mumbai
Date: 30th January, 2021