

**GlaxoSmithKline Pharmaceuticals Limited**

Registered Office: Dr. Annie Besant Road, Mumbai - 400 030  
CIN: L24239MH1924PLC001151 Tel No: +91 22 2495 9595 Fax No: +91 22 24959494

**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30th SEPTEMBER, 2020**

**(Rs. in Lakhs)**

	Particulars	3 months ended 30.09.2020	Preceding 3 months ended 30.06.2020	Corresponding 3 months ended 30.09.2019	6 months ended 30.09.20	6 months ended 30.09.19	Year ended 31.03.2020	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
	Income							
1	Revenue from operations	87932	64859	88202	152791	166999	322438	
2	Other income (Refer Note 5)	904	5792	1588	6696	4669	7901	
3	<b>Total Income (1+2)</b>	<b>88836</b>	<b>70651</b>	<b>89790</b>	<b>159487</b>	<b>171668</b>	<b>330339</b>	
	Expenses							
	(a) Cost of materials consumed	14561	10672	9456	25233	26360	47438	
	(b) Purchases of stock-in-trade	24687	14842	13005	39529	42900	86892	
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(2501)	219	14526	(2282)	806	(3543)	
	(d) Employee benefits expense	15401	15192	14747	30593	29028	62855	
	(e) Finance costs	88	108	92	196	185	634	
	(f) Depreciation and amortisation expense	2196	2177	2270	4373	4176	8268	
	(g) Other expenses	15298	12527	17067	27825	31975	63071	
4	<b>Total expenses</b>	<b>69730</b>	<b>55737</b>	<b>71163</b>	<b>125467</b>	<b>135430</b>	<b>265615</b>	
5	<b>Profit before exceptional items and tax (3-4)</b>	<b>19106</b>	<b>14914</b>	<b>18627</b>	<b>34020</b>	<b>36238</b>	<b>64724</b>	
6	Exceptional items [credit / (charge)] net (Refer Note 3)	(6413)	-	40114	(6413)	40114	(34149)	
7	<b>Profit before tax (5+6)</b>	<b>12693</b>	<b>14914</b>	<b>58741</b>	<b>27607</b>	<b>76352</b>	<b>30575</b>	
8	Tax expense							
	(a) Current tax	4761	3811	6521	8572	12162	26017	
	(b) Deferred tax	285	20	1945	305	2561	(4762)	
9	<b>Profit for the period/year (7-8)</b>	<b>7647</b>	<b>11083</b>	<b>50275</b>	<b>18730</b>	<b>61629</b>	<b>9320</b>	
10	Other comprehensive income							
	(i) Items that will not be reclassified to profit or loss	-	(405)	(173)	(405)	(173)	(462)	
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	102	(29)	102	(29)	64	
11	<b>Total comprehensive income for the period (9+10)</b>	<b>7647</b>	<b>10780</b>	<b>50073</b>	<b>18427</b>	<b>61427</b>	<b>8922</b>	
	Paid-up equity share capital (face value per share Rs. 10)	16941	16941	16941	16941	16941	16941	
	Other equity						165120	
	Earnings per share (EPS) (of Rs. 10 each)							
	Basic and diluted EPS after Exceptional items (Rs.)	4.51	6.54	29.68	11.06	36.38	5.50	
	Basic and diluted EPS before Exceptional items (Rs.)	8.30	6.54	8.30	14.84	15.00	26.70	
		Not Annualised						

Statement of Assets and Liabilities		Consolidated (Rs. in Lakhs)	
		As at 30.09.2020	As at 31.03.2020
Particulars		Unaudited	Audited
A	<b>ASSETS</b>		
1	<u>Non-Current Assets</u>		
	(a) Property, Plant and Equipment	31664	66763
	(b) Right of use Assets	4098	3934
	(c) Capital work-in-progress	1765	12012
	(d) Investment Property	142	149
	(e) Intangible assets	4518	4962
	(f) Financial Assets		
	i. Investments	-	-
	ii. Deposits	1077	1052
	iii. Other financial assets	421	414
	(g) Current tax assets (net)	35250	30980
	(h) Deferred tax assets (net)	10846	11049
	(i) Other non-current assets	5028	4751
	<b>Total non-current assets</b>	<b>94809</b>	<b>136066</b>
2	<u>Current assets</u>		
	(a) Inventories	50053	48303
	(b) Financial assets		
	i. Trade receivables	15505	9980
	ii. Cash and cash equivalents	14611	10481
	iii. Bank balances other than (ii) above	53065	97839
	iv. Other financial assets	2019	3098
	(c) Other current assets	6245	7776
	(d) Assets classified as held for sale	37512	11
	<b>Total current assets</b>	<b>179010</b>	<b>177488</b>
	<b>Total Assets</b>	<b>273819</b>	<b>313554</b>

Statement of Assets and Liabilities		Consolidated (Rs. in Lakhs)	
		As at 30.09.2020 Unaudited	As at 31.03.2020 Audited
	<b>Particulars</b>		
B	<b>EQUITY AND LIABILITIES</b>		
	<u>Equity</u>		
	(a) Equity Share Capital	16941	16941
	(b) Other Equity	115786	165120
	<b>Total equity</b>	<b>132727</b>	<b>182061</b>
	<u>Liabilities</u>		
1	<u>Non-current liabilities</u>		
	(a) Financial Liabilities		
	i. Borrowings	-	2
	ii. Other financial liabilities	206	207
	iii. Other financial lease liabilities	2792	2684
	(b) Provisions	27040	26174
	<b>Total non-current liabilities</b>	<b>30038</b>	<b>29067</b>
2	<u>Current liabilities</u>		
	(a) Financial Liabilities		
	i. Trade payables		
	Due to Micro Enterprises and Small Enterprises	567	521
	Due to others	38241	35237
	ii. Other financial liabilities	14938	14850
	iii. Other financial lease liabilities	1607	1483
	(b) Other current liabilities	5591	6513
	(c) Provisions	33162	27684
	(d) Current tax liabilities (net)	16948	16138
	<b>Total current liabilities</b>	<b>111054</b>	<b>102426</b>
	<b>Total liabilities</b>	<b>141092</b>	<b>131493</b>
	<b>Total equity and liabilities</b>	<b>273819</b>	<b>313554</b>

Condensed Statement of Cash Flow		Consolidated (Rs. in Lakhs)	
		Period ended September 30, 2020 Unaudited	Period ended September 30, 2019 Unaudited
	<b>Particulars</b>		
A.	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
	Profit before exceptional items and tax	<b>34020</b>	<b>36238</b>
	Operating Profit before working capital changes	32,031	36,051
	Net cash generated from operating activities	<b>27630</b>	<b>22488</b>
B.	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>45205</b>	<b>21335</b>

C.	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>(68705)</b>	<b>(41813)</b>
	<b><u>Net (decrease) / increase in cash and cash equivalents</u></b>	<b>4130</b>	<b>2010</b>
	Cash and cash equivalents at the beginning of the financial year	10481	9878
	Cash and cash equivalents at the end of the period	14611	11888
	<b><u>Net (decrease) / increase in cash and cash equivalents</u></b>	<b>4130</b>	<b>2010</b>

**Notes:**

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 28th October, 2020.
2. In accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Statutory Auditors have carried out a limited review of the consolidated financial results for the quarter ended 30th September, 2020
3. Exceptional items for the quarter ended 30th September, 2020 of Rs.6413 Lakhs mainly comprise of:

Impact following the decision to initiate a global voluntary recall (pharmacy/retail level) of ranitidine products including Zinetac in India by the Ultimate Holding Company, a comprehensive strategic review of the impact of this recall was undertaken by the Company on all related assets in India including its manufacturing site at Vemgal. After considering all the strategic options available, the Company during the quarter has decided to proceed with the sale of the site and has classified the assets as held for sale. Consequently, the company has recognized financial impact of INR 6413 lakhs to reflect the estimated realizable value of the assets, associated costs and impacts of reversal of provision on account of Zinetac recall.

Exceptional items for the quarter ended 30th September, 2019 of Rs. 40114 Lakhs mainly comprise of:

- a) Gain on sale of land Rs.54519 Lakhs.
  - b) Charge on account of impairment of assets Rs.2631 Lakhs.
  - c) Charge related to product recall as mentioned above Rs.11074 Lakhs and others Rs.700 Lakhs.
4. Dividend of Rs. 67762 Lakhs has been paid during the current quarter ended 30th September, 2020 consequent to the Board of Directors declaring dividend of Rs. 40 per equity share for the year ended 31st March, 2020 which had been approved by the shareholders in the Annual General meeting held on 27th July, 2020.
  5. Other income for the quarter ended June 30, 2020 and six months period ended 30th September, 2020, six months period ended 30th September 2019 and year ended 31st March, 2020 includes interest on Income tax refund of Rs.4268 Lakhs, Rs.863 Lakhs and Rs.1021 Lakhs respectively.
  6. The spread of Covid-19 from mid-March is having an unprecedented impact on people and economy. The Company has seen a slowdown in sales across some of its therapeutic areas since then mainly from slowdown in the non-essential and anti-infective portfolio. The Company has had a healthy cash flow through period and has been able to meet all its operational needs. There is no impact on capital and financial resources of the Company. The Company has redeployed its frontline salesforce. Both at Company and at channel levels, sufficient inventory is maintained to meet patient requirements.
  7. The Group has only one reportable segment which is Pharmaceuticals. Accordingly, no separate disclosures of segment information have been made.
  8. Previous periods' figures have been re-grouped / re-classified wherever necessary.

By Order of the Board

28th October, 2020

Sridhar Venkatesh  
Managing Director  
DIN: 07263117