

THRU ONLINE FILING

February 7, 2018

BSE Limited  
Phiroze Jeejeebhoy Towers  
27<sup>th</sup> Floor, Dalal Street  
Mumbai 400 023

Dear Sirs,

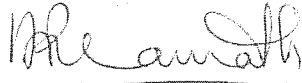
Pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, we enclose herewith our Standalone Unaudited Financial Results along with limited review report of the Company's Auditors for the 3<sup>rd</sup> Quarter and nine months ended 31<sup>st</sup> December, 2017 of the financial year 2017-18, which was taken on record at the Meeting of the Board of Directors of the Company held today at Mumbai.

We are also enclosing herewith a press release issued by the Company in respect of its Q3 FY18 unaudited financial Results.

Kindly note that the Board meeting started at 11.30 a.m. and concluded at 12.30 p.m.

Thanking you

Yours faithfully  
For Ipca Laboratories Limited



Harish P. Kamath  
Corporate Counsel & Company Secretary

Cc: The National Stock Exchange of India Ltd.  
Exchange Plaza, 5<sup>th</sup> Flr, Plot # C/1  
G Block, Bandra-Kurla Complex,  
Bandra (E), Mumbai 400 051.

Ipca Laboratories Ltd.

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E: [ipca@ipca.com](mailto:ipca@ipca.com) CIN: L24239MH1949PLC007837



## Ipca Laboratories Limited

Regd. Office : 48, Kandivli Industrial Estate, Kandivli (W), Mumbai - 400 067

CIN : L24239MH1949PLC007837

Tel.: +91 22 6647 4444 • E-mail: investors@ipca.com • Website: www.ipca.com

### STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

| Sr. No. | Particulars                                                                   | Quarter Ended          |                        |                        | Nine Months Ended      |                        | Year Ended           |
|---------|-------------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|----------------------|
|         |                                                                               | 31.12.2017 (Unaudited) | 30.09.2017 (Unaudited) | 31.12.2016 (Unaudited) | 31.12.2017 (Unaudited) | 31.12.2016 (Unaudited) | 31.03.2017 (Audited) |
| I       | Revenue from operations                                                       | 859.21                 | 864.29                 | 750.21                 | 2436.46                | 2489.29                | 3156.66              |
| II      | Other Income                                                                  | 10.97                  | 11.00                  | 5.93                   | 28.15                  | 16.99                  | 22.21                |
| III     | Total Income (I+II)                                                           | 870.18                 | 875.29                 | 756.14                 | 2464.61                | 2506.28                | 3178.87              |
| IV      | Expenses                                                                      |                        |                        |                        |                        |                        |                      |
| a)      | Cost of materials consumed                                                    | 227.33                 | 218.99                 | 227.04                 | 699.66                 | 715.64                 | 947.31               |
| b)      | Purchases of stock-in-trade                                                   | 53.45                  | 44.15                  | 41.32                  | 125.22                 | 120.86                 | 161.84               |
| c)      | Changes in inventories of finished goods, work-in-progress and stock-in-trade | 13.07                  | 31.89                  | (25.65)                | 31.61                  | 39.05                  | (1.73)               |
| d)      | Employee benefits expense                                                     | 182.35                 | 187.21                 | 161.10                 | 544.22                 | 516.19                 | 674.93               |
| e)      | Finance costs                                                                 | 5.60                   | 6.39                   | 5.13                   | 17.57                  | 17.37                  | 23.34                |
| f)      | Depreciation and amortisation expense                                         | 43.82                  | 44.05                  | 43.15                  | 131.21                 | 128.22                 | 171.00               |
| g)      | Other expenses                                                                | 221.81                 | 233.02                 | 240.47                 | 704.00                 | 736.45                 | 943.98               |
|         | Total Expenses (IV)                                                           | 747.43                 | 765.70                 | 692.56                 | 2253.49                | 2273.78                | 2920.67              |
| V       | Profit before tax (III-IV)                                                    | 122.75                 | 109.59                 | 63.58                  | 211.12                 | 232.50                 | 258.20               |
| VI      | Tax Expense                                                                   |                        |                        |                        |                        |                        |                      |
|         | Current tax                                                                   | 26.28                  | 19.00                  | 14.07                  | 45.28                  | 51.87                  | 56.95                |
|         | Short / (Excess) provision of earlier years                                   |                        |                        |                        |                        |                        | (0.04)               |
|         | Deferred tax liability / (asset)                                              | (9.11)                 | (5.88)                 | 8.13                   | (15.96)                | 36.73                  | 13.00                |
| VII     | Profit for the period from continuing operations (V-VI)                       | 105.58                 | 96.47                  | 41.38                  | 181.80                 | 143.90                 | 188.29               |
| VIII    | Other Comprehensive Income                                                    | (3.12)                 | (0.56)                 | 0.96                   | (1.07)                 | 0.99                   | 3.78                 |
| IX      | Total comprehensive income after tax (VII+VIII)                               | 102.46                 | 95.91                  | 42.34                  | 180.73                 | 144.89                 | 192.07               |
| X       | Paid-up equity share capital (Face value of ₹ 2/- each)                       | 25.24                  | 25.24                  | 25.24                  | 25.24                  | 25.24                  | 25.24                |
| XI      | Other Equity                                                                  |                        |                        |                        |                        |                        | 2449.88              |
| XII     | Earnings per share (of ₹ 2/- each) (Not annualised):                          |                        |                        |                        |                        |                        |                      |
|         | Basic (₹)                                                                     | 8.37                   | 7.64                   | 3.28                   | 14.41                  | 11.40                  | 14.92                |
|         | Diluted (₹)                                                                   | 8.37                   | 7.64                   | 3.28                   | 14.41                  | 11.40                  | 14.92                |

#### Notes:

- The above unaudited financial results, as reviewed by the Audit Committee, were approved and taken on record by the Board of Directors in their meeting held on February 7, 2018.
- The Auditors of the Company have carried out the limited review of the above unaudited financial results.
- At the end of quarter, the Company has 1,56,500 outstanding options granted under Ipca Laboratories Ltd. Employees Stock Option Scheme - 2014. Each option gives a right but not an obligation to the Option Grantee to apply for 1 equity share of ₹ 2/- each fully paid up of the Company at a price of ₹ 300/- per share upon completion of 1 year from the date of grant of options on April 25, 2017. The compensation cost and its accounting has been done in accordance with Ind AS - 102 - Share based payment on the basis of the fair value of the options granted over the vesting period.
- In accordance with the requirements of Ind AS 18, Revenue from Operations for the quarter ended December 31, 2017 is shown net of Goods and Services Tax (GST). However, Revenue from Operations for the preceding periods are shown inclusive of Excise Duty, wherever applicable. For comparison purposes revenue excluding excise duty is given below:

| Sr. No. | Particulars                                                       | Quarter Ended |            |            | Nine Months Ended |            | Year Ended |
|---------|-------------------------------------------------------------------|---------------|------------|------------|-------------------|------------|------------|
|         |                                                                   | 31.12.2017    | 30.09.2017 | 31.12.2016 | 31.12.2017        | 31.12.2016 | 31.03.2017 |
| A.      | Total Income from operations                                      | 859.21        | 864.29     | 750.21     | 2436.46           | 2489.29    | 3156.66    |
| B.      | Excise Duty on sales (included in other expenses)                 | -             | -          | 10.97      | 10.28             | 36.91      | 47.18      |
| C.      | Total Income from operations excluding Excise duty on Sales (A-B) | 859.21        | 864.29     | 739.24     | 2426.18           | 2452.38    | 3109.48    |

- The Company has paid the last installment of principal and interest due on non-convertible debentures on due date, December 12, 2017.
- The Company has only one reportable primary business segment viz. 'Pharmaceuticals'.
- Figures for the previous period have been regrouped / re-classified to conform to the figures of the current period.

Place : Mumbai  
Date : February 7, 2018

SIGNED FOR IDENTIFICATION  
BY

G. M. KAPADIA & CO.  
MUMBAI.



By order of the Board  
For Ipca Laboratories Limited  
*Premchand Godha*  
Chairman & Managing Director  
(DIN 00012691)

**G. M. KAPADIA & CO.**  
(REGISTERED)

CHARTERED ACCOUNTANTS

1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021, INDIA

PHONE : (91-22) 6611 6611 FAX : (91-22) 6611-6600

**Limited Review Report on Unaudited Standalone Financial Results for the Quarter and  
Nine month period ended on December 31, 2017 of Ipca Laboratories Limited pursuant to  
the Regulation 33 of Securities and Exchange Board of India (Listing Obligations and  
Disclosure Requirements) Regulations, 2015**

To  
The Board of Directors,  
Ipca Laboratories Limited  
Mumbai.

1. We have reviewed the accompanying statement of unaudited standalone financial results ('the Statement') of Ipca Laboratories Limited ('the Company') for the quarter and ninemonth period ended on December 31, 2017, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. 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 financial results are free of material misstatement. A review is limited primarily to inquiries of the 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.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the Statement prepared in accordance with applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Securities and Exchange Board of India circular bearing no. CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.



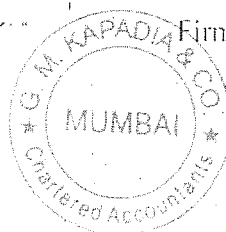
G. M. KAPADIA & CO.

4. The comparative financial information of the Company for the quarter and nine month period ended December 31, 2016 and for the year ended March 31, 2017 prepared in accordance with Ind AS included in this Statement have been reviewed / audited by the predecessor auditor. The report of the predecessor auditor on this comparative financial information dated February 10, 2017 and May 28, 2017 respectively expressed an unmodified conclusion / opinion.

For G. M. KAPADIA & CO.

Chartered Accountants

Firm Registration No. 104767W



A handwritten signature in black ink, appearing to read "Atul Shah".

Atul Shah

Partner

Membership No.039569

Place : Mumbai

Dated: February 7, 2018

## PRESS RELEASE

### Ipca Laboratories Q3 FY18 Financial Results

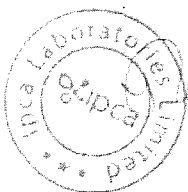
Mumbai, February 7, 2018: Ipca Laboratories Limited today announced its unaudited standalone financial results for the third quarter and nine months ended 31<sup>st</sup> December, 2017.

#### **Key Financials of Q3 FY18**

- Net Total Income up 15% at Rs. 870.18 crores.
- Indian formulations income up 12 % at Rs. 382.87 crores.
- Exports Income up 12 % at Rs. 405.59 crores.
- EBITDA margin @ 19.79 % as against @ 14.79 % in Q3 FY17.
- Net Profit at Rs. 105.58 crores up 155 %.

| Q3 FY18 at a glance                          |         |         | (Rs. Crores) |
|----------------------------------------------|---------|---------|--------------|
| Particulars                                  | Q3 FY18 | Q3 FY17 | Growth       |
| Total Income                                 | 870.18  | 756.14  | 15%          |
| Export Income                                | 405.59  | 361.29  | 12%          |
| EBITDA                                       | 172.17  | 111.86  | 54%          |
| EBITDA Margin                                | 19.79%  | 14.79%  | -            |
| Profit before Forex (gain) / loss and tax    | 112.73  | 67.52   | 67%          |
| Forex (gain) / loss                          | (10.02) | 3.94    | -            |
| Net Profit after Forex (gain) / loss and tax | 105.58  | 41.38   | 155%         |
| Earnings per share of Rs. 2/- each (Rs.)     | 8.37    | 3.28    | 155%         |

| Q3 FY18 Revenue break-up  |               |               | (Rs. Crores) |
|---------------------------|---------------|---------------|--------------|
| Particulars               | Q3 FY18       | Q3 FY17       | Growth       |
| <b>Formulations</b>       |               |               |              |
| Domestic                  | 382.87        | 343.03        | 12%          |
| Exports                   | 272.82        | 233.48        | 17%          |
| <b>Total Formulations</b> | <b>655.69</b> | <b>576.51</b> | <b>14%</b>   |
| <b>APIs</b>               |               |               |              |
| Domestic                  | 58.73         | 36.97         | 59%          |
| Exports                   | 132.77        | 127.81        | 4%           |
| <b>Total APIs</b>         | <b>191.50</b> | <b>164.78</b> | <b>16%</b>   |
| <b>Grand Total</b>        | <b>847.19</b> | <b>741.29</b> | <b>14%</b>   |



Ipca Laboratories Ltd.

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E: ipca@ipca.com CIN: L24239MH1949PLC007837

**Key Financials of 9 months FY18**

- Net Total Income down 2 % at Rs. 2464.61 crores.
- Indian formulations income down 1 % at Rs. 1102.60 crores.
- Exports Income down 5 % at Rs. 1156.72 crores.
- EBITDA margin @ 14.60 % as against @ 15.09 % in 9 months FY17.
- Net Profit at Rs. 181.80 crores up 26 %.

| 9 months FY18 at a glance                    |               |               | (Rs. Crores) |
|----------------------------------------------|---------------|---------------|--------------|
| Particulars                                  | 9 months FY18 | 9 months FY17 | Growth       |
| Total Income                                 | 2464.61       | 2506.28       | -2%          |
| Export Income                                | 1156.72       | 1212.86       | -5%          |
| EBITDA                                       | 359.90        | 378.09        | -5%          |
| EBITDA Margin                                | 14.60%        | 15.09%        | -            |
| Profit before Forex (gain) / loss and tax    | 201.45        | 236.76        | -15%         |
| Forex (gain) / loss                          | (9.67)        | 4.26          | -            |
| Net Profit after Forex (gain) / loss and tax | 181.80        | 143.90        | 26%          |
| Earnings per share of Rs. 2/- each (Rs.)     | 14.41         | 11.40         | 26%          |

| 9 months FY18 Revenue break-up |                |                | (Rs. Crores) |
|--------------------------------|----------------|----------------|--------------|
| Particulars                    | 9 months FY18  | 9 months FY17  | Growth       |
| <b>Formulations</b>            |                |                |              |
| Domestic                       | 1102.60        | 1111.71        | -1%          |
| Exports                        | 742.75         | 772.28         | -4%          |
| <b>Total Formulations</b>      | <b>1845.35</b> | <b>1883.99</b> | <b>-2%</b>   |
| <b>APIs</b>                    |                |                |              |
| Domestic                       | 142.79         | 116.04         | 23%          |
| Exports                        | 413.97         | 440.58         | -6%          |
| <b>Total APIs</b>              | <b>556.76</b>  | <b>556.62</b>  | <b>-</b>     |
| <b>Grand Total</b>             | <b>2402.11</b> | <b>2440.61</b> | <b>-2%</b>   |

**About Ipca Laboratories:**

Ipca is a pharmaceutical company with a strong thrust on exports which now account for about 47% of Company's income. Ipca is vertically integrated, and produces finished dosage forms and active pharmaceutical ingredients

  
 Premchand Godha  
 Chairman & Managing Director

Encl: Unaudited Standalone Financial Results

**Contact Information:**

Harish P. Kamath, Corporate Counsel & Company Secretary at [harish.kamath@ipca.com](mailto:harish.kamath@ipca.com) or on +91-22-6210 6050

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