



Zydus Lifesciences Limited [formerly known as Cadila Healthcare Limited]

Registered Office: Zydus Corporate Park, Scheme No. 63, Survey No. 536, Khoraj (Gandhinagar),

Near Vaishnodevi Circle, Sarkhej- Gandhinagar Highway, Ahmedabad - 382481

Tel. No.: (+91-79) 4804 0100 Website: www.zyduslife.com

CIN : L24230GJ1995PLC025878

Statement of Consolidated Financial Results for the Quarter and Year Ended 31/03/2022

Sr. No.	Particulars	Rupees in Million				
		3 Months ended 31/03/2022	Preceding 3 Months ended 31/12/2021	Corresponding 3 Months ended 31/03/2021 in the previous	Year ended 31/03/2022	Previous year ended 31/03/2021
		(Unaudited) (Refer Note-8)	(Unaudited)	(Unaudited) (Refer Note-8)	(Audited)	(Audited)
1	Income					
a	Revenue from operations					
i	Sale of products	37,418	35,293	35,809	1,48,276	1,41,250
ii	Other operating revenues	1,220	1,105	894	4,376	2,785
iii	Total revenue from operations	38,638	36,398	36,703	1,52,652	1,44,035
b	Other income	791	607	(304)	2,247	456
c	Total income	39,429	37,005	36,399	1,54,899	1,44,491
2	Expenses					
a	Cost of materials consumed	10,870	8,997	9,612	40,429	36,690
b	Purchases of stock-in-trade	5,288	4,726	3,601	18,646	12,893
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,200)	(389)	(849)	(3,623)	(1,562)
d	Employee benefits expense	5,998	5,912	5,801	24,341	22,951
e	Finance costs	385	311	232	1,270	1,588
f	Depreciation and amortisation expense	1,854	1,770	1,753	7,130	6,696
g	Other expenses	10,505	9,636	10,043	39,452	39,192
h	Total expenses	33,700	30,963	30,193	1,27,645	1,18,448
3	Profit before exceptional items, tax and share of profit of joint ventures (1-2)	5,729	6,042	6,206	27,254	26,043
4	Exceptional items [Net] (Refer Note-4)	-	-	731	(1,127)	2,051
5	Profit before tax and share of profit of joint ventures (3-4)	5,729	6,042	5,475	28,381	23,992
6	Tax expenses					
a	Current tax	1,177	511	1,149	4,415	4,530
b	Deferred tax (Refer Note-5)	(85)	583	(3,209)	702	(2,594)
c	Total tax expenses	1,092	1,094	(2,060)	5,117	1,936
7	Profit before share of profit of joint ventures (5-6)	4,637	4,948	7,535	23,264	22,056
8	Share of profit of joint ventures (net of tax)	46	223	38	462	474
9	Net profit before non-controlling interests (7+8)	4,683	5,171	7,573	23,726	22,530
10	Non-controlling interests	559	102	564	1,310	514
11	Net Profit for the period/ year from continuing operations (9-10)	4,124	5,069	7,009	22,416	22,016
12	a Loss before tax from discontinued operations	(124)	(52)	(108)	(2,864)	(1,144)
b	Gain on disposal of discontinued operations [Net of transaction cost]	-	-	-	26,806	-
c	Tax expense - (Charge)/ credit of discontinued operations	(26)	(13)	(111)	(1,485)	464
d	(Loss)/ Profit after tax from discontinued operations (Refer Note-6)	(150)	(65)	(219)	22,457	(680)
13	Net profit for the period/ year (11+12)	3,974	5,004	6,790	44,873	21,336
14	Other Comprehensive Income (OCI)					
a	Items that will not be reclassified to profit or loss:					
i	Re-measurement losses on post employment defined benefit plans	220	(71)	91	(2)	(156)
ii	Net gain/ (loss) on Fair Value through OCI Equity Securities	(109)	(188)	-	49	245
iii	Income tax effect on above items	(56)	22	(10)	1	29
iv	Total	55	(237)	81	48	118
b	Items that will be reclassified to profit or loss:					
i	Exchange differences on translation of foreign operations	(697)	134	(43)	(1,092)	615
ii	Income tax effect on above items	-	-	-	-	-
iii	Total	(697)	134	(43)	(1,092)	615
c	Share of OCI of joint ventures (net of tax)	(1)	-	-	(1)	(2)
d	Other Comprehensive Income (net of tax) before Non-Controlling Interests	(643)	(103)	38	(1,045)	731
e	Non-Controlling Interests	12	(5)	8	(4)	8
f	Other Comprehensive Income (net of tax)	(655)	(98)	30	(1,041)	723
15	Total Comprehensive Income (9+12+14 d)	3,890	5,003	7,392	45,138	22,581
16	Total Comprehensive Income attributable to:					
	Owners of the Company	3,319	4,906	6,820	43,832	22,059
	Non-Controlling Interests	571	97	572	1,306	522
17	Paid-up equity share capital (Face value Re. 1/-)	1,024	1,024	1,024	1,024	1,024
18	Reserves excluding Revaluation Reserve (i.e. Other Equity)				1,68,972	1,28,899
19	A Earnings per share for continuing operations (not annualised for the quarter)					
a	Basic (Rs.)	4.03	4.95	6.85	21.90	21.51
b	Diluted (Rs.)	4.03	4.95	6.85	21.90	21.51
	B Earnings per share for discontinued operations (not annualised for the quarter)					
a	Basic (Rs.)	(0.15)	(0.06)	(0.21)	21.94	(0.66)
b	Diluted (Rs.)	(0.15)	(0.06)	(0.21)	21.94	(0.66)
	C Earnings per share for continuing & discontinued operations (not annualised for the quarter)					
a	Basic (Rs.)	3.88	4.89	6.63	43.83	20.84
b	Diluted (Rs.)	3.88	4.89	6.63	43.83	20.84

Segment Information:		Rupees in Million				
Sr. No.	Particulars	3 Months ended	Preceding 3 Months ended	Corresponding 3 Months ended	Year ended	Previous year ended
		31/03/2022	31/12/2021	31/03/2021 in the previous	31/03/2022	31/03/2021
		(Unaudited) (Refer Note-8)	(Unaudited)	(Unaudited) (Refer Note-8)	(Audited)	(Audited)
1	Segment revenue:					
a	Pharmaceuticals	32,308	32,576	30,719	1,32,864	1,25,626
b	Consumer Products	6,330	3,822	5,984	19,788	18,409
c	Total revenue from operations from continuing operations	38,638	36,398	36,703	1,52,652	1,44,035
2	Segment results:					
a	Pharmaceuticals	4,415	5,815	4,880	24,194	23,600
b	Consumer Products	1,314	227	1,326	3,060	2,443
c	Total profit before tax before exceptional items from continuing operations	5,729	6,042	6,206	27,254	26,043
3	Segment assets:					
a	Pharmaceuticals [*]	2,21,032	2,21,345	1,82,183	2,21,032	1,82,183
b	Consumer Products	56,922	56,516	56,664	56,922	56,664
c	Total assets	2,77,954	2,77,861	2,38,847	2,77,954	2,38,847
4	Segment liabilities:					
a	Pharmaceuticals [*]	82,322	85,736	83,673	82,322	83,673
b	Consumer Products	5,094	5,501	5,878	5,094	5,878
c	Total liabilities	87,416	91,237	89,551	87,416	89,551
	[*] includes amounts in respect of discontinued operations and assets held for sale.					

- Notes :**
- [1] The above financial results were reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on May 20, 2022.
- [2] The Board of Directors of the Parent have recommended a dividend of INR 2.50 [@ 250%] per equity share on 1,023,742,600 equity shares of INR 1/- each for the financial year ended on March 31, 2022. The recommended dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting.
- [3] With effect from February 24, 2022, name of the Parent has been changed to Zydus Lifesciences Limited from Cadila Healthcare Limited.
- [4] Exceptional items comprise:

		Rupees in Million				
No.	Particulars	3 Months ended	Preceding 3 Months ended	Corresponding 3 Months ended	Year ended	Previous year ended
		31/03/2022	31/12/2021	31/03/2021 in the previous	31/03/2022	31/03/2021
		(Unaudited) (Refer Note-8)	(Unaudited)	(Unaudited) (Refer Note-8)	(Audited)	(Audited)
a	Profit on sale of brands by Zydus Healthcare Limited, a wholly owned subsidiary	-	-	-	(1,127)	-
b	Premium on Non-Convertible Debentures upon their purchase by the Group	-	-	-	-	1,320
c	Provision for impairment on intangible asset relating to "Levorphanol", a product forming part of the US Specialty product segment, and other products	-	-	731	-	731
d	Total	-	-	731	(1,127)	2,051

- [5] Deferred tax for the quarter and year ended March 31, 2021 includes the following:
- a INR 717 Million of benefit on account of recognition of deferred tax asset consequent to a merger of a wholly owned subsidiary with the Parent; and
- b INR 2,180 Million of benefit on account of recognition of deferred tax asset on MAT credit of earlier years available to a wholly owned subsidiary [which was not recognised in past, but it had been recognised mainly on account of non-availability of depreciation on goodwill pursuant to an amendment to section 2(11) of the Income Tax Act in the Finance Act, 2021].
- [6] a On May 12, 2021, Zydus Animal Health and Investment Limited ["ZAHIL"], a wholly owned subsidiary, entered into a Business Transfer Agreement ["BTA"] and other Ancillary Agreements [together "Definitive Agreements"] for sale of its Animal Healthcare Established Markets Undertaking ["AHESTM"], comprising animal healthcare business in India and certain other countries to Zenex Animal Health India Private Limited [formerly known as Nutrizvit Animal Health India Private Limited] ["Purchaser"], by way of a slump sale, without values being assigned to the individual assets and liabilities, on a debt free and cash free basis, subject to certain closing date adjustments and other conditions specified in the BTA. The said transaction was approved by the shareholders of the Parent by way of a special resolution on June 11, 2021. Consequently, AHESTM has been considered and disclosed as "Discontinued Operations" as per Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations". Accordingly, figures of all the prior periods have also been reclassified and disclosed separately under the head "Profit from the Discontinued Operations". The transaction of sale and disposal of AHESTM was completed on July 14, 2021.
- b During the year, the Group has decided to close the manufacturing facilities of Neshor Pharmaceuticals (USA) LLC [Neshor] and Hercon Pharmaceuticals (USA) LLC [Hercon], both wholly owned subsidiaries. Consequently, both the Neshor and Hercon have been considered and disclosed as "Discontinued Operations" as per Ind AS 105. Accordingly, figures of previous periods have been reclassified and disclosed separately under the head "Profit from the Discontinued Operations". Also all the assets and liabilities of Neshor and Hercon as on March 31, 2022 have been considered as "Held for sale" as per Ind AS 105 and disclosed separately in Balance Sheet. Profit before tax from discontinued operations for the year ended March 31, 2022 also includes provision for impairment on property, plant and equipment, capital work-in-progress and other assets of INR 2,084 Million recognised during the quarter ended September 30, 2021.
- [7] As per the current assessment of the situation based on the internal and external information available up to the date of approval of these financial results by the Board of Directors, the Group continues to believe that the impact of Covid-19 on its business, assets, internal financial controls, profitability and liquidity, both present and future, would be limited and there is no indication of any material impact on the carrying amounts of inventories, goodwill, intangible assets, trade receivables, investments and other financial assets. The Group will closely monitor any material changes to the economic environment and their impact on its business in the times to come.
- [8] The figures of the quarters ended March 31, 2022 and March 31, 2021 are balancing figures between audited figures in respect of the full financial year and year to date figures upto the third quarter of the respective financial years.
- [9] Figures of previous reporting periods have been regrouped/ reclassified wherever necessary to correspond with the figures of the current reporting period.
- [10] The detailed standalone results are available on the Company's website: www.zyduslife.com, on the website of BSE [www.bseindia.com] and on the website of NSE [www.nseindia.com]. The summarised standalone financial results of the Company are as below:

		Rupees in Million				
Particulars	3 Months ended	Preceding 3 Months ended	Corresponding 3 Months ended	Year ended	Previous year ended	
	31/03/2022	31/12/2021	31/03/2021 in the previous	31/03/2022	31/03/2021	
	(Unaudited) (Refer Note-8)	(Unaudited)	(Unaudited) (Refer Note-8)	(Audited)	(Audited)	
Revenue from operations	20,193	18,303	20,084	79,819	77,800	
Profit before exceptional items and tax	3,465	2,399	4,418	14,832	18,760	
Profit before Tax	3,465	2,399	4,418	11,639	16,885	
Profit after Tax	2,469	1,970	4,647	8,579	14,762	

Audited Consolidated Statement of Assets and Liabilities

Particulars		Rupees in Million	
		As at 31/03/2022	As at 31/03/2021
A	ASSETS		
1	Non-current assets		
a	Property, plant and equipment	57,616	55,500
b	Capital work-in-progress	6,610	7,832
c	Goodwill	53,646	53,465
d	Other intangible assets	11,272	12,363
e	Investments in joint ventures	3,743	3,570
f	Financial assets		
i	Investments	5,605	2,742
ii	Other financial assets	2,446	2,518
g	Deferred tax assets (Net)	10,958	10,744
h	Other non-current assets	2,506	2,044
i	Assets for current tax (Net)	938	909
	Sub-total - Non-current assets	1,55,340	1,51,687
2	Current assets		
a	Inventories	37,194	32,362
b	Financial assets		
i	Investments	23,532	1,989
ii	Trade receivables	33,403	31,273
iii	Cash and cash equivalents	6,578	6,652
iv	Bank balance other than cash and cash equivalents	4,491	2,231
v	Other current financial assets	6,664	2,344
c	Other current assets	9,090	10,309
	Sub-total - Current assets	1,20,952	87,160
3	Assets classified as held for sale	1,662	-
	TOTAL - ASSETS	2,77,954	2,38,847
B	EQUITY AND LIABILITIES		
1	Equity		
a	Equity share capital	1,024	1,024
b	Other equity	1,68,972	1,28,899
c	Equity attributable to equity holders of the Company	1,69,996	1,29,923
d	Non-Controlling Interest	20,542	19,373
	Sub-total - Equity	1,90,538	1,49,296
2	Non-current liabilities		
a	Financial liabilities		
i	Borrowings	3,621	6,095
ii	Lease Liabilities	161	151
iii	Other financial liabilities	449	390
b	Provisions	3,250	3,095
c	Deferred tax liabilities (Net)	1,538	1,197
d	Other Non-Current Liabilities	3	10
	Sub-total - Non-current liabilities	9,022	10,938
3	Current liabilities		
a	Financial liabilities		
i	Borrowings	38,339	39,740
ii	Lease Liabilities	88	90
iii	Trade payables		
-	Dues to micro and small enterprises	280	228
-	Dues to other than micro and small enterprises	21,098	21,831
iii	Other financial liabilities	12,525	10,759
b	Other current liabilities	1,864	1,782
c	Provisions	3,656	3,299
d	Current tax liabilities (Net)	418	884
	Sub-total - Current liabilities	78,268	78,613
4	Liabilities directly associated with assets classified as held for sale	126	-
	TOTAL - EQUITY AND LIABILITIES	2,77,954	2,38,847

Audited Consolidated Statement of Cash Flows

Particulars	Rupees in Million	
	Year ended	
	31/03/2022	31/03/2021
Cash flows from operating activities:		
Continuing operations	28,381	23,992
Discontinued operations [Refer Note-6]	23,942	(1,144)
Profit before tax and share of profit of joint ventures	52,323	22,848
Adjustments for:		
Depreciation and Amortisation expense	7,361	7,248
Exceptional items - Premium paid on purchase of the NCDs [Refer Note-4]	-	1,320
Exceptional items - Profit on sale of brands [Net] [Refer Note-4]	(1,127)	-
Exceptional items - Other than above [Refer Note-4]	-	731
Provision for impairment of discontinued operations [Refer Note-6]	2,084	-
Gain on disposal of discontinued operations [Net of transaction cost]	(26,806)	-
Net Loss on disposal of Property, Plant and Equipment [Net of gain]	17	36
FVTPL gain/ profit on sale of investments [Net]	(751)	(89)
Interest income	(688)	(495)
Dividend income	(8)	(5)
Gain on valuation of Forward Contract value related to investment in a Joint Venture	(123)	276
Interest expenses	1,144	1,559
Exchange rate fluctuation and other adjustments arising on Consolidation	(2,813)	(654)
Trade receivables written off	26	13
Expected credit loss on trade receivables [net]	15	101
Doubtful advances written off	-	5
Allowance for doubtful advances [net of written back]	(76)	123
Provision for employee benefits	327	541
Provision for probable product expiry claims and return of goods [net of written back]	397	920
Total	(21,021)	11,630
Operating profit before working capital changes	31,302	34,478
Adjustments for:		
[Increase]/ Decrease in trade receivables	(1,817)	4,313
[Increase] in inventories	(5,255)	(4,797)
Decrease/ [Increase] in other assets	2,813	(756)
[Decrease]/ Increase in trade payables	(1,203)	1,709
Increase in other liabilities	1,947	1,442
Total	(3,515)	1,911
Cash generated from operations	27,787	36,389
Direct taxes paid [Net of refunds]	(6,746)	(3,450)
Net cash from operating activities	21,041	32,939
Cash flows from investing activities:		
Purchase of property, plant and equipment and intangible assets	(12,026)	(8,540)
Proceeds from sale of property, plant and equipment and intangible assets	354	70
Proceeds from sale of brands [Net]	1,127	-
Purchase of non current investments - other than subsidiaries	(2,703)	(400)
Proceeds from sale of non current investments	-	12
Proceeds from sale of interest in a subsidiary	-	1,035
Proceeds from disposal of disposal group constituting the discontinued operations [Net]	28,585	-
Investments in deposits other than banks	(5,134)	-
FVTPL gain/ profit [net] on sale of investments which are considered as part of cash and cash equivalents	751	89
Interest received	582	483
Dividend received	8	5
Net cash from/ [used in] investing activities	11,544	(7,246)
Cash flows from financing activities:		
Proceeds from issuance of share capital by a subsidiary to non-controlling interest	-	9,866
Proceeds from non current borrowings	7,464	-
Repayment of non current borrowings	(14,208)	(25,683)
Current borrowings [Net - taken /(repayment)]	2,907	(6,424)
Lease liabilities [Net]	(13)	(61)
Interest paid	(1,111)	(1,840)
Premium paid on purchase of the NCDs	-	(1,320)
Dividends paid	(3,722)	(15)
Net cash used in financing activities	(8,683)	(25,477)
Net increase in cash and cash equivalents	23,902	216
Cash and cash equivalents at the beginning of the year	10,872	11,777
Reduction in Cash and cash equivalents of the disposed / held for sale subsidiaries	(259)	(1,079)
Effect of exchange rates on Cash and cash equivalents	86	(42)
Cash and cash equivalents at the end of the year	34,601	10,872

Cash and cash equivalents comprise of:

Particulars	31/03/2022	31/03/2021
a Cash and cash equivalents	6,578	6,652
b Bank balance other than cash and cash equivalents	4,491	2,231
c Investments - Current	23,532	1,989
d Total	34,601	10,872

By Order of the Board,
For Zydus Lifesciences Limited,

Ahmedabad, May 20, 2022

Dr. Sharvil P. Patel
Managing Director