



ADVIK LABORATORIES LIMITED

ALL/BSE/ASE/OUT-BM/Q2/2021/555

Dated: 11th November, 2020

To,
The Manager (Listing)
BSE Limited
1st Floor, P.J. Towers
Dalal Street, Mumbai – 400001

Sub: Outcome of the Board Meeting and Submission of Unaudited Financial Results for the quarter and half year ended 30th September, 2020 as required u/r 33 of the SEBI (LODR) Regulations, 2015.

Ref : BSE Scrip Code 531686; ASE Scrip Code- 01638 (ADVIK LABO)

Dear Sir,

This is to inform you that in pursuance to Regulation 33 of SEBI (LODR) Regulations, 2015, the Board of Directors of the Company in its meeting held on Wednesday, 11th November, 2020 at 703, Arunachal Building, 19, Barakhamba Road, Connaught Place, New Delhi – 110001 and concluded just now has, inter-alia, transacted the following business:

1. Considered and Approve the Unaudited Financial Results of the Company for the quarter and half year ended September 30, 2020.
2. Considered and taken on record Limited Review Report submitted by the Statutory Auditors of the Company for the Unaudited Financial Results of the Company for the quarter and half Year ended September 30, 2020.
3. Considered and took note of the revised One Time Settlement proposal submitted by the Company to Indian Overseas Bank (IOB) in order to settle the outstanding loan obtained by the Company from the said Bank.

Further pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015, a copy of the aforesaid Financial Results for the quarter and half year ended 30th September, 2020 alongwith Limited Review Report of the Statutory Auditors thereon are enclosed herewith for your kind perusal.

Kindly take the aforesaid information in your records.

Thanking you.

For Advik Laboratories Limited


Pooja Chuni
Company Secretary



Encl: As Above

CC:

The Manager (Listing)
Ahmedabad Stock Exchange Limited
1st Floor, Kamdhenu Complex
Opp. Sahajanand College, Panjara Pole, Ambawadi, Ahmedabad – 380015

CIN No. : L74899HR1994PLC038300

Corporate Office : 703, Arunachal building 19, Barakhamba Road, Connaught Place, New Delhi 110001

Phones: 011-42424884, 43571040-45, Fax: 011-43571047

Regd. Office & Factory: 138. ROZ-KaMeo Industrial Area, Sohna - 122103 (Distt.Mewat), Haryana

Phones: 0124-2362471 Email: mail@advikindia.com Website: www.advikindia.com

**ADVIK LABORATORIES LIMITED**

Regd. Off. :138, Roz Ka Meo Industrial Area, Sohna, Distt. Mewat Haryana - 122103

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & HALF YEAR ENDED SEPTEMBER 30, 2020

CIN : L74899HR1994PLC038300

Sr No	Particulars	(Rs in Lacs except EPS)					
		For the Quarter ended			For the half year ended		Year Ended
		30-Sep-20 (Unaudited)	30-Jun-20 (Unaudited)	30-Sep-19 (Unaudited)	30-Sep-20 (Unaudited)	30-Sep-19 (Unaudited)	31-Mar-20 (Audited)
1	Income from Operation						
	(a) Net Sales/Revenue from Operations	-	-	-	-	-	-
	(b) Other Operating Income	-	-	-	-	0.44	0.44
	(c) Other Income	0.85	-	0.02	0.85	0.22	1.06
	Total Income	0.85	-	0.02	0.85	0.66	1.50
2	Expenses						
	a) Cost of Materials consumed	-	-	-	-	-	0.08
	b) Purchase of Stock-in-trade	-	-	-	-	-	-
	c) Changes in Inventory of Finished goods, Work-in-progress and Stock-in-trade	-	-	-	-	-	-
	d) Employee Benefits Expenses	9.53	9.65	11.28	19.18	21.89	45.05
	e) Finance Costs	0.01	0.01	0.06	0.02	0.07	0.02
	f) Depreciation and Amortisation expense	14.16	14.16	14.65	28.32	29.29	57.26
	g) Other expenses	5.94	4.40	3.98	10.34	9.15	22.74
	Total Expenses	29.64	28.22	29.97	57.86	60.40	125.15
3	Profit/(Loss) before Exceptional items and tax (1-2)	(28.79)	(28.22)	(29.95)	(57.01)	(59.74)	(123.65)
4	Exceptional Items	-	-	-	-	-	-
5	Profit/(Loss) before tax (3 + 4)	(28.79)	(28.22)	(29.95)	(57.01)	(59.74)	(123.65)
6	Tax Expense						
	- Current tax	-	-	-	-	-	-
	Deferred tax	(2.03)	(2.03)	(2.26)	(4.06)	(4.53)	(6.96)
	Total Tax Expenses	(2.03)	(2.03)	(2.26)	(4.06)	(4.53)	(6.96)
7	Profit/(Loss) for the period (5-6)	(26.76)	(26.19)	(27.69)	(52.95)	(55.21)	(116.69)
8	Other Comprehensive Income (net of tax)	0.08	0.08	0.33	0.16	0.66	0.28
9	Total Comprehensive Income for the period (7+8)	(26.68)	(26.11)	(27.36)	(52.79)	(54.55)	(116.41)
10	Paid-up equity share capital (face value of Rs 10/- per share)	1,911.14	1,911.14	1,911.14	1,911.14	1,911.14	1,911.14
11	Earning per share (EPS) of Rs 10/- each (not annualized)						
	(1) Basic	(0.14)	(0.14)	(0.14)	(0.28)	(0.29)	(0.61)
	(2) Diluted	(0.14)	(0.14)	(0.14)	(0.28)	(0.29)	(0.61)

NOTES:-

1	The above Financial Results for the quarter & half year ended September 30, 2020 has been reviewed by the Audit Committee and thereafter approved by the Board of Directors & taken on record at its meeting held on November 11, 2020. A Limited review of the same has been carried out by the Statutory Auditors.
2	The Company operates in a single segment viz pharmaceuticals formulations and the results pertain to a single segment in accordance with IND AS 108-Operating Segment.
3	The format for un-audited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with requirements of SEBI's circular dated July 5, 2016. IND AS and Schedule III (Division II) to the Companies Act, 2013 applicable to the companies that are required to comply with IND AS.
4	In the absence of any orders during the quarter under review, there is a decline in the operating activities of the company. The company is trying to find the prospective buyers & believes that the new deals would be finalized soon.



5	<p>Auditor's Observation:-</p> <p>a) Due to default in payments of bank loans, the company's accounts have been classified as Non-Performing Assets (NPA) by the bank. Indian Overseas Bank has not charged interest on Cash credit & Term Loan Limits. During the period under review no provision has been made for such interest in the books of account of the company and to that extent bank's loan liability and total loss is understated by Rs. 822.29 lacs plus penal charges that the bank may charge. The amount disclosed in the Financial Statements is subject to confirmation adjustments, if any.</p> <p>b) The company had recorded the cost of the investment at the face value of the equity shares issued and had not determined the fair value as required by IND AS. In the absence of the fair value of the securities acquired we are unable to express an opinion on the value of the investment recorded.</p> <p>c) The stock of raw material and work in progress has been valued at cost price. In the current quarter there has been no production, it may have impact on profitability to the extent of its cost less realizable amount if any.</p>
6	<p>Our explanation to Auditor's Observation:-</p> <p>a. The Company's accounts had become Non-Performing Assets (NPA) with Indian Overseas Bank (IOB) and due to this reason, IOB has stopped charging interest from the company on its outstanding debts. In view of the above, the company has not charged to statement of Profit & Loss account Interest expenses of Rs. 48.70 Lacs and related penal interest & other charges, if any, for the reported period, in respect of delay of repayments of borrowings from the bank. Further liability for interest expenses of Rs. 773.59 lacs till 30/06/2020 has not been accounted for. The company has made necessary efforts to reach revised One Time Settlement with IOB & had sent the revised One Time Settlement proposal with IOB & the same is under consideration at the end of IOB.</p> <p>b. The company has misplaced/lost the share certificates of the Investment made by it in unquoted equity shares of other companies during the shifting of its records. Hence these share certificates are not physically held by the company. The Company has sent various request letters to the companies in which it has made investments for issue of duplicate share certificates. However, till date the company has not received any reply from these companies. In order to ensure the compliance of IND AS in true letter and spirits, the company is also trying to ascertain the fair market value of its investments.</p> <p>c. In the absence of any orders in the recent past, there is a decline in the operating activities of the company. Hence, the stock of raw material which remained unused is left with the company and is accordingly, reflected in its books of Accounts. The management of the Company is making necessary efforts to find the perspective buyers and to procure the new orders. The Company's management strongly believes that the new deals would be finalized soon. The unused stock of raw material would be utilized in manufacturing finished goods, once the new orders would be procured by the Company. Therefore, the company has valued its stock of raw material at cost price and not at its realizable amount because the Company intends to carry on its operations in near future and to use the stock of raw materials available with it in manufacturing activities as soon as the company will procure new orders.</p>
7	<p>There is a delay in payment of Annual Listing Fees to the stock exchanges where the shares of the Company are listed. In term of circular bearing no. ISIIICOMP/OPSI16/2019-2020 dated June 11, 2019 and Notice bearing no. 20190903-37 dated September 03, 2019, action(s) is initiated against the company.</p>
8	<p>The Company is assessing the possible effects that may results from the pandemic COVID-19 on the carrying amount of assets/liabilities. The impact assessment of COVID-19 is a continuing process given its nature and duration. The Company will continue to monitor this aspect for any material changes in future economic conditions.</p>
9	<p>Previous year/period figures have been regrouped/arranged, wherever necessary to make them comparable with the current period figure.</p>

For and on behalf of Board of Directors of Advik Laboratories Ltd.

(Peeyush Kumar Aggarwal)
Chairman
DIN : 00090423



Place: New Delhi
Date : 11th November, 2020



Statement of Assets & Liabilities as on September 30, 2020

(Rs. In lacs)

Particulars		As at 30.09.20 (Unaudited)	As at 31.03.20 (Audited)
A.	ASSETS		
1	Non Current Assets		
	Property Plant & Equipment	497.53	525.86
	Capital Work in progress	494.22	502.19
	Other Intangible Assets	-	-
	Non Current Assets	991.75	1,028.05
	Non Current Financial Assets		
	Investments	92.30	92.30
	Other Non Current Assets	0.90	0.90
	Total-Non current assets	1,084.95	1,121.25
2	Current Assets		
	Inventories	57.03	57.03
	Current Financial Assets		
	Trade receivables	246.48	253.34
	Cash & cash equivalents	1.21	1.22
	Loans and advances	208.72	208.06
	Other current assets	0.66	0.27
	Total Current Assets	514.10	519.92
	TOTAL ASSETS	1,599.05	1,641.17
B.	EQUITY & LIABILITIES		
1	EQUITY		
	Equity Share Capital	1,911.14	1,911.14
	Other Equity	(1,127.61)	(1,074.82)
	Total Equity	783.53	836.32
2	LIABILITIES		
	Non-Current Liabilities		
	Non-Current Financial Liabilities	-	-
	Other Financial Liabilities	-	-
	Long Term Provisions	20.80	12.91
	Deferred tax liabilities	57.49	61.55
	Total-Non Current Liabilities	78.29	74.46
	Current Liabilities		
	Current Financial Liabilities		
	Borrowings	261.64	253.53
	Trade payables	14.22	14.73
	Other current financial liabilities	461.37	462.13
	Total Current Financial Liabilities	737.23	730.39
	TOTAL EQUITY & LIABILITIES	1,599.05	1,641.17

For and on behalf of Board of Directors of Advik Laboratories Ltd.

(Peeyush Kumar Aggarwal)
Chairman
DIN : 00090423



Place: New Delhi
Date: 11th November, 2020



Statement of Cash Flows as on September 30, 2020

(Rs. In lacs)

	Particulars	As at 30.09.20 (Unaudited)	As at 30.09.19 (Unaudited)
A.	Cash Flow from operating activities		
	Net profit before tax and extraordinary items	(57.01)	(59.74)
	Add: Adjustment for Depreciation	28.32	29.29
	Provision for Gratuity	1.13	0.95
	Provision for Leave Encashment	0.31	0.27
	Finance Cost	0.02	0.07
	Operating profit before working capital changes	(27.23)	(29.16)
	Adjustment for:		
	Increase / (Decrease) in Trade Payables	(0.51)	(5.31)
	Increase / (Decrease) in other Current Liabilities	5.86	1.67
	(Increase) / Decrease in Trade Receivables	6.86	2.80
	(Increase) / Decrease in Loans & Advances	(0.66)	(0.28)
	(Increase) / Decrease in Other Current Assets	(0.39)	0.25
	(Increase) / Decrease in Inventories	-	-
	Net Cash generated/(used in) from operating activities	(16.07)	(30.03)
B.	Cash flow from investing activities		
	Increase/(Decrease) in Capital work in progress	7.97	28.05
	Net cash outflow from investing activities	7.97	28.05
C.	Cash Flow from financing activities		
	Proceeds from/ (Repayment of) current borrowings	8.11	2.13
	Finance Cost	(0.02)	(0.07)
	Net cash used in financial Activities	8.09	2.06
	Net Increase/ (Decrease) in cash & cash equivalents (A+B+C)	(0.01)	0.08
	Cash & Cash Equivalents (Opening balance)	1.22	1.57
	Cash & Cash Equivalents (Closing balance)	1.21	1.65

For and on behalf of Board of Directors of Advik Laboratories Ltd.

(Peeyush Kumar Aggarwal)
Chairman
DIN : 00090423



Place: New Delhi
Date : 11th November, 2020



RMA & ASSOCIATES LLP

Chartered Accountants
LLPIN: AAI-9419 (ISO 9001:2015)

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**Independent Auditors Review Report on Quarterly Unaudited Standalone Financial Results
of the company for the quarter and half year ended September, 2020
(Pursuant to the Regulation 33 of the SEBI (Listing obligation and Disclosure Requirements)
Regulations, 2015 as amended**

**The Board of Directors of
Advik Laboratories Limited**

We have reviewed the accompanying statement of unaudited Standalone financial results of M/s Advik Laboratories Limited for the quarter and half year ended on 30th September, 2020 being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing obligations and Disclosures Requirements) Regulations, 2015, read with SEBI circular CIR/CFD/CMD1/44/2019 dated March 29, 2019. 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 these financial statements based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized 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 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Attention is drawn to the following points:

- a) Due to default in payments of bank loans, the company's accounts have been classified as Non-Performing Assets (NPA) by the bank. Indian Overseas Bank has not charged interest on Cash credit & Term Loan Limits. During the period under review no provision has been made for such interest in the books of account of the company and to that extent bank's loan liability and total loss is understated by Rs. 822.29 lacs plus penal charges that the bank may charge. The amount disclosed in the Financial Statements is subject to confirmation, reconciliation and adjustments, if any.
- b) The company had recorded the cost of the investment at the face value of the equity shares issued and had not determined the fair value as required by Ind AS. The shares were not made available for physical verification. Hence, we are unable to comment upon the physical existence and express an opinion on the value of investment recorded.
- c) The stock of raw material and work in progress has been valued at cost price. In the current year there has been no production, it may have impact on profitability to the extent of its cost less realizable amount if any.

Place : New Delhi

Date : 11th November, 2020

For M/s. RMA & Associates LLP
Chartered Accountants

ERN: 000978N/N500062



UDIN: 20503109AAAABF5181