

Independent Auditor's Report on Ind AS Standalone Financial Results of Marksans Pharma Limited, pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Board of Directors

Marksans Pharma Limited

1. We have audited the accompanying statements of standalone financial results of **Marksans Pharma Limited** (the "Company") for the quarter and year ended 31st March, 2019 ('standalone financial results'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") and SEBI Circular No. CIR/CFD/FAC/62/2016 dated 05 July 2016, as modified.

These standalone financial results have been prepared on the basis of the annual standalone Ind AS financial statements which are the responsibility of the Company's management. Our responsibility is to express an opinion on these standalone financial results based on our audit of such standalone Ind AS financial statements, which have been prepared in accordance with the Indian Accounting Standards and accounting principles generally accepted in India and other relevant requirements of the regulation, as amended from time to time.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in standalone financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - a) is presented in accordance with the requirements 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; and
 - b) gives a true and fair view in conformity with the aforesaid Ind AS and other accounting principles generally accepted in India of the net profit (including other comprehensive income) and other financial information of the Company for the year ended 31st March, 2019.



BHUTA SHAH & Co LLP
CHARTERED ACCOUNTANTS

4. The figures for the quarter ended 31st March 2019 and 31st March 2018 as reported in these standalone financial results are the balancing figures between figures in respect of the full financial year and the published year to date figures up to the end of third quarter of the relevant financial year, which were subjected to a limited review

For **Bhuta Shah & Co LLP**

Chartered Accountants

Firm Registration No.: 101474W / W100100

Atul Gala

Atul Gala

Partner

Membership No.: 048650



Place: Mumbai,

Date : 29th May, 2019

Independent Auditor's Report on Ind AS Consolidated Financial Results of Marksans Pharma Limited, pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Board of Directors
Marksans Pharma Limited

- 1) We have audited the accompanying Ind AS consolidated financial results of **Marksans Pharma Limited** ('the Company') and its 3 subsidiaries (including step down subsidiaries) (collectively referred to as 'the Group') for the quarter and year ended 31st March, 2019 ('consolidated financial results'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") and SEBI Circular No. CIR/CFD/FAC/62/2016 dated 05 July 2016, as modified.

These consolidated financial results have been prepared on the basis of the annual consolidated Ind AS financial statements which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated Ind AS financial statements, which have been prepared in accordance with the Indian Accounting Standards and accounting principles generally accepted in India and other relevant requirements of the regulation, as amended from time to time.

- 2) We conducted our audit in accordance with the auditing standards issued by the Institute of Chartered Accountants of India. Those standards require that, we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
- 3)
 - a) We did not audit the financial statements of the subsidiaries (including step-down subsidiaries) located outside India included in the statement, whose financial statements reflect total assets of INR 6,000.46 million as at 31st March, 2019, total revenue of INR 2,270.65 million for the quarter ended 31st March, 2019 and INR 9,292.90 million for the year ended 31st March, 2019 as considered in the consolidated Ind AS financial statements. These Ind AS financial statements of the subsidiaries have been audited by other auditors whose reports have been furnished to us by the management and our report on the financial results, including inter alia, amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.



- b) Subsidiaries located outside India, whose financial statements have been prepared in accordance with accounting principles generally accepted in its respective countries and which have been reviewed and audited by the other auditors as applicable, under generally accepted auditing standards applicable in its respective countries. The Company's Management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in those countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's Management. Our opinion, in so far as it relates to the balances and affairs of such subsidiaries located outside India, is solely based on the report of other auditors and the conversion adjustments prepared by the Management of the Company and audited by us.

Our opinion is not modified in respect of above matters.

- 4) In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the other auditor on financial statement of subsidiaries, these consolidated financial results:
- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and SEBI circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard ; and
 - (ii) read with notes thereon, give a true and fair view of the consolidated net profit (including other comprehensive income) and other financial information of the Group for the year ended 31st March, 2019.
- 5) The figures for the quarter ended 31st March 2019 and 31st March 2018 as reported in these financial results are the balancing figures between figures in respect of the full financial year and the published year to date figures up to the end of third quarter of the relevant financial year, which were subjected to a limited review.

For Bhuta Shah & Co. LLP
Chartered Accountants
Firm Registration No.101474W / W100100

Atul Gala

Atul Gala
Partner
Membership No. 048650

Place: Mumbai
Date: 29th May, 2019.



MARKSANS PHARMA LIMITED

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AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2019

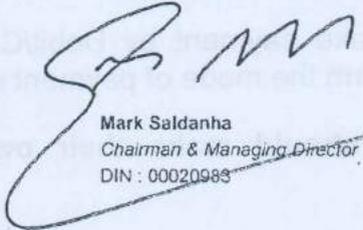
(₹ In Million)

Sr. No.	PARTICULARS	STANDALONE					CONSOLIDATED				
		3 MONTHS ENDED			YEAR ENDED		3 MONTHS ENDED			YEAR ENDED	
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
	(AUDITED)	(UNAUDITED)	(AUDITED)	(AUDITED)	(AUDITED)	(AUDITED)	(UNAUDITED)	(AUDITED)	(AUDITED)	(AUDITED)	
1	Revenue from Operations	911.84	1,251.89	868.37	4,241.60	2,946.62	2,474.09	2,483.55	1,993.18	10,000.69	9,126.92
2	Other Income	95.02	1.18	0.79	79.30	74.28	97.31	1.57		46.21	84.74
3	Total Income	1,006.86	1,253.07	869.16	4,320.90	3,020.90	2,571.40	2,485.22	1,993.18	10,046.90	9,211.66
4	Expenses										
	Cost of Material Consumed	451.31	655.12	462.33	2,081.42	1,547.43	721.28	1,321.29	546.86	4,120.57	3,486.63
	Purchase of Stock - in- trade	97.00	86.94	51.79	309.07	183.26	452.32	113.60	428.93	1,058.48	1,539.18
	Changes in inventories of finished goods, work-in-process and stock-in-trade	(17.13)	(3.12)	(24.61)	(27.09)	(37.21)	53.99	(152.92)	85.89	(199.02)	205.46
	Employee benefits expense	106.98	126.00	111.40	463.30	458.56	428.02	363.31	381.86	1,590.66	1,477.48
	Finance cost	18.41	12.92	25.88	65.62	76.71	24.39	17.56	34.73	96.55	102.20
	Depreciation and amortisation expense	22.25	21.92	25.39	86.87	122.51	62.66	50.37	61.92	228.04	268.38
	Other expenses	239.86	213.48	160.08	781.60	503.12	661.99	476.50	509.77	2,108.54	1,634.35
	Total Expenses	918.68	1,113.26	812.26	3,760.79	2,854.38	2,404.65	2,189.71	2,049.96	9,003.82	8,713.68
5	Profit/(Loss) before tax (3-4)	88.18	139.81	56.90	560.11	166.52	166.75	295.51	(56.78)	1,043.08	497.98
6	Tax expense:										
	(1) Current Year	19.40	28.44	12.80	121.09	36.20	55.67	50.61	7.25	235.85	133.92
	(2) Earlier year	4.95	-	-	(7.20)	0.04	4.95	-	-	(7.20)	0.04
	(3) Deferred tax	7.60	(6.44)	0.78	10.05	6.02	7.60	(6.44)	0.78	10.05	6.02
	Total Tax Expenses	31.95	22.00	13.58	123.94	42.26	68.22	44.17	8.03	238.70	139.98
7	Profit/(Loss) for the period (5-6)	56.23	117.81	43.32	436.17	124.26	98.53	251.34	(64.81)	804.38	358.00
	Other Comprehensive Income/(Loss)										
	Items that will not be reclassified to Profit or Loss	(0.36)	0.27	1.95	0.46	1.95	(0.36)	0.27	1.95	0.46	1.95
	Income tax relating to above Items that will not be reclassified to Profit or Loss	(0.13)	-	(0.73)	(0.13)	(0.73)	(0.13)	-	(0.73)	(0.13)	(0.73)
	Items that will be reclassified to profit or loss						(0.25)	(104.01)	68.33	(4.31)	68.33
	Income tax relating to above Items that will be reclassified to Profit or Loss										
8	Other Comprehensive Income/(Loss)	(0.49)	0.27	1.22	0.33	1.22	(0.74)	(103.74)	69.55	(3.98)	69.55
9	Total Comprehensive Income for the period	55.74	118.08	44.54	436.50	125.48	97.79	147.60	4.74	800.40	427.55
10	Total Comprehensive Income attributable to:-										
	Non-Controlling Interests	-	-	-	-	-	12.69	7.21	4.06	39.77	28.61
	Owners of the Company	55.74	118.08	44.54	436.50	125.48	85.10	140.39	0.68	760.63	398.94
11	Paid up Equity Share Capital (Face Value ₹1 each)	409.31	409.31	409.31	409.31	409.31	409.31	409.31	409.31	409.31	409.31
12	Earnings Per Share of ₹1 each										
	Basic	0.14	0.29	0.11	1.07	0.30	0.21	0.60	(0.17)	1.67	0.80
	Diluted	0.14	0.29	0.11	1.07	0.30	0.21	0.60	(0.17)	1.67	0.80

Notes:

- 1 The results for the quarter ended and year ended 31st March, 2019 were reviewed and recommended by the Audit Committee and approved by the Board of Directors in it's meeting held on 29th May, 2019. The above results have also been audited by Statutory Auditors of the Company which were prepared in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements), 2015.
- 2 This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 3 The company operates in single business segment namely research, manufacturing and marketing of pharmaceutical formulation.
- 4 The Board of Directors, in it's meeting held today, have recommended for the approval of member a dividend of ₹0.05 per equity share of ₹1/- each for the Financial Year 18-19.
- 5 The figures for the quarter ended 31st March 2019 and 31st March 2018 as reported in these financial results are the balancing figures between figures in respect of the full financial year and the published year to date figures up to the end of third quarter of the relevant financial year, which were subjected to a limited review.
- 6 Ind AS 115 'Revenue from Contracts with Customers', mandatory from reporting periods beginning on or after 1st April, 2018, replaces existing revenue recognition benefit obligation Under the modified retrospective approach. There were no significant adjustment required to the retained earnings as at 1st April, 2018. The adoption of the standard did not have any material impact on the financials results.
- 7 The Consolidated financial result includes financial result of subsidiaries (including step-down subsidiaries).
- 8 Previous period's figures have been regrouped / reclassified, wherever necessary to make them comparable with the current year.

For Marksans Pharma Limited



Mark Saldanha
Chairman & Managing Director
DIN : 00020988

Date : 29th May, 2019

Place: Mumbai

www.marksanspharma.com

Other non-current assets	-	-	-	-
Total non-current assets	3,399.79	3,247.81	2,722.66	2,816.48
Current assets				
Inventories	703.64	422.93	2,932.46	2,181.24
Financial Assets				
(i)Trade receivables	1,778.30	1,688.72	1,765.97	1,769.05
(ii)Cash and cash equivalents	18.00	7.14	335.38	398.77
(iii)Other Financial Assets	148.71	146.99	3.27	1.55
Other current assets	71.44	59.28	277.34	154.75
Total current assets	2,720.09	2,325.06	5,314.42	4,505.36
TOTAL ASSETS	6,119.88	5,572.87	8,037.08	7,321.84
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	409.31	409.31	409.31	409.31
Other Equity				
Reserves and Surplus	4,296.43	3,880.40	5,015.51	4,299.33
Equity attributable to owners of the Company	-	-	-	-
Non-Controlling interest	-	-	102.17	95.50
Total equity	4,705.74	4,289.71	5,526.99	4,804.14
LIABILITIES				
Non-current liabilities				
Financial liabilities				
(i)Borrowings	-	-	-	-
(ii)Other financial liabilities	100.00	100.00	100.00	100.00
Deferred tax liabilities (Net)	70.29	60.11	70.29	60.11
Provisions	13.56	10.81	13.56	10.81
Total non current liabilities	183.85	170.92	183.85	170.92
Current liabilities				
Financial liabilities				
(i)Borrowings	773.27	663.09	999.09	1,174.13
(ii)Trade payables	372.26	336.80	1,060.69	778.28
(iii)Other financial liabilities	73.37	87.88	209.04	100.77
Other current liabilities	-	-	-	-
Provisions	5.62	3.96	8.38	203.17
Current tax liabilities (Net)	5.77	20.51	49.04	90.43
Total current liabilities	1,230.29	1,112.24	2,326.24	2,346.78
Total liabilities	1,414.14	1,283.16	2,510.09	2,517.70
TOTAL EQUITY AND LIABILITIES	6,119.88	5,572.87	8,037.08	7,321.84