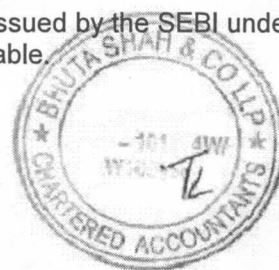


Independent Auditor's Review Report on Standalone Unaudited Quarter and Six Month ended Financial Results of Marksans Pharma Limited Pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**To The Board of Directors of
Marksans Pharma Limited**

1. We have reviewed the accompanying statement of unaudited financial results of **Marksans Pharma Limited** (the "Company") for the quarter and six months ended 30 September, 2020 together with the notes thereon (the "Statement") attached herewith being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.



BHUTA SHAH & Co LLP

CHARTERED ACCOUNTANTS

4. Based on our review conducted as stated in paragraph 3 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 Indian 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, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Bhuta Shah & Co LLP**

Chartered Accountants

Firm Reg. No.: 101474W / W100100

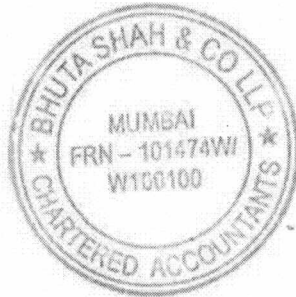
T. C. Laliwala

Tejas Laliwala

Partner

Membership No.: 127487

UDIN: 20127487AAAAEM3487



Place: Mumbai,

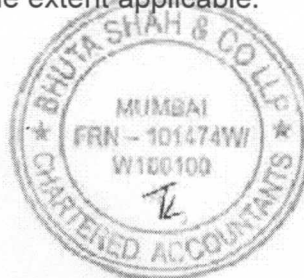
Date: 6 November, 2020

Independent Auditor's Review Report on Consolidated Unaudited Quarter and Six Month ended Financial Results of Marksans Pharma Limited Pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**To The Board of Directors of
Marksans Pharma Limited**

1. We have reviewed the accompanying statement of consolidated financial results of **Marksans Pharma Limited** ("the Parent") and its 3 subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter and six months ended **30 September, 2020** together with the notes thereon ("the Statement") attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.



BHUTA SHAH & Co LLP

CHARTERED ACCOUNTANTS

4. The Statement includes the results of the following entities:

Sr. No.	Name of Company	Nature of relationship
1	Marksans Pharma (UK) Limited	Wholly Owned Subsidiary
2	Marksans Pharma Inc.	Wholly Owned Subsidiary
3	Nova Pharmaceuticals Australasia Pty Ltd	Subsidiary

5. Based on our review conducted as stated in paragraph 3 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 Indian 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, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Bhuta Shah & Co LLP**
Chartered Accountants
Firm Reg. No.: 101474W / W100100

T. C. Lalwala

Tejas Lalwala
Partner
Membership No.: 127487
UDIN: 20127487AAAAEN9896



Place: Mumbai,
Date: 6 November, 2020

MARKSANS PHARMA LIMITED
Registered Office: 11th Floor, Grandeur Veera Desai Extension Road, Oshiwara, Andheri (West), Mumbai-400053 [CIN: L24110MH1992PLC066364]
Telephone No.: 022-4001 2000, Fax No.: 022-4001 2011, E-mail: info@marksanspharma.com

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2020

(₹ In Million)

Sr. No.	PARTICULARS	STANDALONE						CONSOLIDATED					
		3 MONTHS ENDED			6 MONTHS ENDED			3 MONTHS ENDED			6 MONTHS ENDED		
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(AUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(UNAUDITED)	(AUDITED)	
1	Revenue from Operations	1,375.52	1,559.59	1,007.16	2,935.10	1,931.33	4,334.15	3,564.69	3,311.52	2,563.96	6,876.21	5,014.30	11,342.09
2	Other Income	129.57	0.49	78.68	130.06	100.15	1.73	36.68	1.82	78.81	38.50	100.58	3.28
3	Total Income	1,505.09	1,560.08	1,085.84	3,065.16	2,031.48	4,335.88	3,601.37	3,313.34	2,642.77	6,914.71	5,114.88	11,345.37
4	Expenses												
	Cost of Material Consumed	709.49	663.41	538.56	1,372.89	999.65	2,092.02	1,176.36	915.99	798.46	2,092.35	1,504.47	3,713.32
	Purchase of Stock - in-trade	102.91	111.67	101.00	214.57	170.38	394.60	527.18	434.64	420.64	961.82	607.58	1,206.00
	Changes in inventories of finished goods, work-in-process and stock-in-trade	(3.56)	4.27	(19.47)	0.71	1.08	(56.30)	(66.65)	45.04	107.38	(21.61)	457.18	529.47
	Employee benefits expense	128.60	122.74	118.99	251.34	237.25	485.06	438.78	427.03	406.32	865.81	817.81	1,684.16
	Finance cost	13.21	7.88	24.72	21.09	43.55	72.92	19.34	15.50	28.11	34.84	50.62	87.46
	Depreciation and amortisation expense	36.71	33.43	26.61	70.14	52.99	116.44	189.92	72.49	49.76	262.41	97.09	266.62
	Other expenses	207.61	367.47	140.16	575.08	292.23	703.87	657.46	788.63	495.49	1,446.10	967.39	2,286.61
	Total Expenses	1,194.97	1,310.87	930.87	2,695.82	1,797.13	3,808.61	2,942.39	2,699.32	2,396.16	5,641.72	4,602.14	9,773.84
5	Profit/(Loss) before tax (3-4)	310.12	249.21	155.27	559.34	234.35	527.27	658.98	614.02	336.61	1,272.99	612.74	1,571.73
6	Tax expense:												
	(1) Current Year	63.58	62.72	41.55	126.31	58.59	116.00	140.44	154.44	81.82	294.87	127.61	324.06
	(2) Earlier year	-	-	(8.28)	-	(8.28)	(4.53)	-	-	(8.28)	-	(8.28)	(4.53)
	(3) Deferred tax	11.20	(34.07)	3.37	(22.87)	8.87	36.77	11.20	(34.07)	3.37	(22.87)	8.87	44.66
	Total Tax Expenses	74.78	28.65	36.64	103.44	59.18	148.24	151.64	120.37	76.91	272.00	128.20	364.19
7	Profit/(Loss) for the period (5-6)	235.34	220.56	118.63	455.90	175.17	379.03	507.34	493.65	259.70	1,000.99	484.54	1,207.54
	Other Comprehensive Income/(Loss)												
	Items that will not be reclassified to Profit or Loss	0.63	0.63	0.11	1.26	0.23	2.51	0.63	0.63	0.11	1.26	0.23	2.51
	Income tax relating to above Items that will not be reclassified to Profit or Loss	(0.16)	(0.16)	-	(0.32)	-	(0.88)	(0.16)	(0.16)	-	(0.32)	-	(0.88)
	Items that will be reclassified to profit or loss							(34.04)	111.37	27.41	77.32	6.47	64.01
	Income tax relating to above Items that will be reclassified to Profit or Loss												
8	Other Comprehensive Income/(Loss)	0.47	0.47	0.11	0.94	0.23	1.63	(33.57)	111.84	27.52	78.26	6.70	65.64
9	Total Comprehensive Income for the period	235.81	221.03	118.74	456.84	175.40	380.66	473.77	605.49	287.22	1,079.25	491.24	1,273.18
10	Total Comprehensive Income attributable to:-												
	Non-controlling interests	-	-	-	-	-	-	11.43	2.64	3.17	14.07	14.94	37.33
	Owners of the Company	235.81	221.03	118.74	456.84	175.40	380.66	462.34	602.85	284.05	1,065.18	476.30	1,235.85
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	409.31	409.31
12	Earnings Per Share of ₹1 each												
	Basic	0.57	0.54	0.29	1.11	0.43	0.93	1.21	1.20	0.63	2.41	1.15	2.86
	Diluted	0.57	0.54	0.29	1.11	0.43	0.93	1.21	1.20	0.63	2.41	1.15	2.86



- 1 The financial results for the quarter and half year ended 30th September, 2020 were reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on 6th November 2020. The above results have also been reviewed by the Statutory Auditors of the Company in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended.
- 2 This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), as amended, 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 of research, manufacturing and marketing of pharmaceutical formulation.
- 4 The Company has taken into account the possible impacts of COVID-19 in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenues and on costs. The Company based on its judgements, estimates and assumptions expects to fully recover the carrying amount of receivables, goodwill, intangible assets, investments. For this purpose, the Company considered internal and external sources of information up to the date of approval of these financial results. The Company has been able to effectively manage the operations till now with appropriate safety precautions, without any significant impact of COVID-19 on the business. The actual impact of COVID-19 in coming quarters may be different from that of this quarter, depending on how the situation evolves globally. The Company will continue to closely monitor any material changes to future economic conditions.
- 5 The Consolidated financial result includes financial result of subsidiaries namely Marksans Pharma (UK) Ltd, Marksans Pharma Inc, Nova Pharmaceuticals Australasia Pty Ltd (and also step-down subsidiaries).
- 6 Previous period's figures have been regrouped / reclassified, wherever necessary to make them comparable with the current year.

Shareholders of Marksans Pharma Limited who have not registered their e-mail address so far are requested to register their e-mail address with the Company's Registrar and Transfer Agent M/s Bigshare Services Pvt. Ltd for receiving all communication including Annual Report, Notices, etc. from the Company

- 7 electronically. E-mail address can be registered through the Registrar and Transfer Agent's website link at <https://www.bigshareonline.com/InvestorRegistration.aspx>.

Mark Saldanha

Chairman & Managing Director

DIN : 00020983

Date : 6th November 2020

Place: Mumbai

www.marksanspharma.com

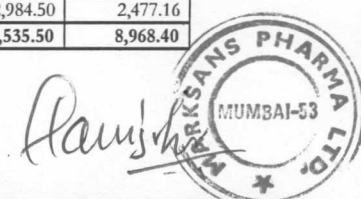
Certified to be
For MARKSANS PHARMA LTD.

Harshvardhan Penigrahi
Harshvardhan Penigrahi
Company Secretary & Legal Manager

STATEMENT OF ASSETS AND LIABILITIES

(₹ in Million)

Statement of Financial Position	Standalone as at		Consolidated as at	
	30.09.2020	31.03.2020	30.09.2020	31.03.2020
	UNAUDITED	AUDITED	UNAUDITED	AUDITED
ASSETS				
Non-current assets				
Property, plant and equipment	1,071.27	1,004.10	2,328.12	2,200.76
Capital work-in-progress	-	-	-	-
Intangible assets	164.69	147.72	698.16	826.40
Intangible assets under development	-	-	-	-
Financial assets				
(i) Investments	2,360.74	2,360.74	-	-
(ii) Loans	-	-	-	-
(iii) Other non-current financial assets	29.80	20.48	29.80	33.02
Deferred tax assets (net)	-	-	5.37	6.34
Other non-current assets	-	-	6.18	-
Total non-current assets	3,626.50	3,533.04	3,067.63	3,066.52
Current assets				
Inventories	901.16	746.02	2,769.99	2,418.44
Financial Assets				
(i) Trade receivables	1,602.17	1,618.69	2,936.53	2,433.52
(ii) Cash and cash equivalents	732.14	33.52	1,543.94	937.27
(iii) Other Financial Assets	34.84	2.04	34.84	2.04
Other current assets	7.17	6.21	182.57	110.61
Total current assets	3,277.48	2,406.48	7,467.87	5,901.88
TOTAL ASSETS	6,903.98	5,939.52	10,535.50	8,968.40
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	409.31	409.31	409.31	409.31
Other Equity				
Reserves and Surplus	5,062.85	4,646.94	6,975.08	5,950.83
	-	-	-	-
Non-Controlling interest	-	-	166.61	131.10
Total equity	5,472.16	5,056.25	7,551.00	6,491.24
LIABILITIES				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	-	-	-	-
(ii) Other financial liabilities	50.00	50.00	50.00	50.00
Deferred tax liabilities (Net)	85.38	107.94	85.38	107.94
Other non-current liabilities	129.77	107.62	129.77	107.62
Provisions	14.75	14.74	14.75	14.74
Total non current liabilities	279.90	280.30	279.90	280.30
Current liabilities				
Financial liabilities				
(i) Borrowings	-	-	219.04	188.43
(ii) Trade payables	690.11	508.25	1,734.29	1,045.01
(iii) Other financial liabilities	126.42	76.83	551.02	556.21
Other current liabilities	190.55	-	-	-
Provisions	76.26	5.51	76.26	288.64
Current tax liabilities (Net)	68.58	12.38	123.99	118.57
Total current liabilities	1,151.92	602.97	2,704.60	2,196.86
Total liabilities	1,431.82	883.27	2,984.50	2,477.16
TOTAL EQUITY AND LIABILITIES	6,903.98	5,939.52	10,535.50	8,968.40



ANNEXURE-2

Unaudited Standalone Cash Flow Statement for the Half year ended 30th September, 2020

(₹ in Million)

Particulars	Half Year ended 30th September, 2020	Half Year ended 30th September, 2019
A. Cash Flow From Operating Activities		
Profit/(Loss) Before Tax	559.34	234.35
Adjustments to profit before tax and prior period Items:		
Depreciation and amortisation expenses	70.14	52.99
(Profit)/Loss on sale of Property, Plant and Equipment	(0.37)	-
Finance Cost	21.09	43.55
Dividend Income	(92.91)	-
Interest Income	(2.64)	(0.14)
Unwinding discount on Security Deposits i.e. Interest Income	(0.30)	(0.21)
Remeasurement of the net defined benefit plans	1.26	0.23
Change in Fair value of Forward contract	(33.84)	(1.90)
Bad debts	20.35	-
Operating Profit before working capital changes	542.12	328.87
Movements in working capital :		
(Increase)/Decrease in Inventories	(155.14)	107.09
(Increase)/Decrease in Trade receivables	(3.84)	(6.94)
(Increase)/Decrease in Other financial assets	(42.12)	(8.40)
(Increase)/Decrease in Other assets	(0.97)	(9.13)
Increase/(Decrease) in Trade Payable, provisions and Other Non current Liabilities	514.92	(54.29)
Income Tax Paid	(70.11)	(31.09)
Net cash used in operating activities	784.86	326.11
B. Cash Flow provided by (used in) Investing Activities:		
(Purchase)/Sale of Property, Plant and Equipment	(153.91)	(102.39)
Investment	-	-
Dividend Income	92.91	-
Interest Income	2.64	0.14
Increase/(Decrease) in Margin Money	-	1.89
Unwinding discount on Security Deposits i.e. Interest Income	0.30	0.21
Change in Fair value of Forward contract	33.84	1.90
	-	-
Net Cash Flow provided by (used in) Investing Activities	(24.22)	(98.25)
C. Cash Flow provided by (used in) Financing Activities:		
Dividend and Dividend Distribution Tax on it	(40.93)	(24.67)
Proceeds/(Repayment) of Short Term and Long Term Borrowings	-	(161.61)
Finance Cost	(21.09)	(43.55)
Net Cash Flow provided by (used in) Financing Activities	(62.02)	(229.83)
Net Increase /(Decrease) in Cash and Bank Balances	698.62	(1.97)
Cash & Bank Balances at the beginning of the period	33.52	11.17
Cash & Bank Balances at the end of the period	732.14	9.20
	698.62	(1.97)

Notes :

- 1 The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7, 'Statement of Cash Flows'.
- 2 The Previous year's figures have been regrouped wherever necessary in order to conform to this year's presentation.



Particulars	Half Year ended 30th September, 2020	Half Year ended 30th September, 2019
A. Cash Flow From Operating Activities		
Profit/(Loss) Before Tax	1,272.99	612.73
Adjustments to reconcile profit before tax and prior period items to cash provided by operations:		
Depreciation	262.41	97.09
Exchange differences in translating the financial statements of a foreign operation	77.32	6.47
(Profit)/Loss on sale of Property Plant and Equipment	(0.37)	-
Finance Cost	34.84	50.62
Dividend Income	-	-
Interest Income	(2.68)	(0.42)
Unwinding discount on Security Deposits i.e. Interest Income	(0.30)	(0.21)
Remeasurement of the net defined benefit plans	1.26	0.23
Change in Fair value of Forward contract	(33.84)	(1.90)
Bad debts	54.39	-
Operating Profit before working capital changes	1,666.02	764.61
Movements in working capital :		
(Increase)/Decrease in Inventories	(351.55)	588.88
(Increase)/Decrease in Trade and other receivables	(557.40)	(424.87)
(Increase)/Decrease in Other financial assets	(29.57)	(8.56)
(Increase)/Decrease in Other assets	(77.18)	28.69
Minority Interest	21.44	(1.39)
Increase/(Decrease) in Trade Payable, provisions and Other Non current Liabilities	493.87	(338.85)
Income Tax paid	(289.46)	(111.31)
Net cash used in operating activities	876.17	497.20
B. Cash Flow provided by (used in) Investing Activities:		
(Purchase)/Sale of Property Plant and Equipment	(261.16)	(217.75)
Interest Income	2.68	0.42
Increase/(Decrease) in Margin Money	-	1.89
Unwinding discount on Security Deposits i.e. Interest Income	0.30	0.21
Change in Fair value of Forward contract	33.84	1.90
Net Cash Flow provided by (used in) Investing Activities	(224.34)	(213.33)
C. Cash Flow provided by (used in) Financing Activities:		
Proposed Dividend and Dividend Distribution Tax on it	(40.93)	(24.67)
Proceeds/(Repayment) of Short Term and Long Term Borrowings	30.61	(96.53)
Finance Cost	(34.84)	(50.62)
Net Cash Flow provided by (used in) Financing Activities	(45.16)	(171.82)
Net Increase /(Decrease) in Cash and Bank Balances	606.67	112.05
Cash & Bank Balances at the beginning of the period	937.27	328.55
Cash & Bank Balances at the end of the period	1,543.94	440.60
	606.67	112.05

Notes :

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7, 'Statement of Cash Flows'.
- The Previous year's figures have been regrouped wherever necessary in order to conform to this year's presentation.

