

Independent Auditor’s Review Report on the Quarterly Unaudited Standalone 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
Marksans Pharma Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Marksans Pharma Limited (the “Company”) for the quarter ended 30 June, 2021 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 (the “Listing Regulations”).
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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including relevant circulars issued by the SEBI from time to time. 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.



BHUTA SHAH & Co LLP

CHARTERED ACCOUNTANTS

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We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI Regulations, 2015 (as amended) to the extent applicable.

4. Attention is drawn to the fact that the figures for the 3 months ended 31 March, 2021 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
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 standalone 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's Registration Number: 101474W / W100100



Mumbai
11 August, 2021

T. C. Laliwala

Tejas Laliwala

Partner

Membership Number: 127487

ICAI UDIN: 21127487AAAHH6922

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

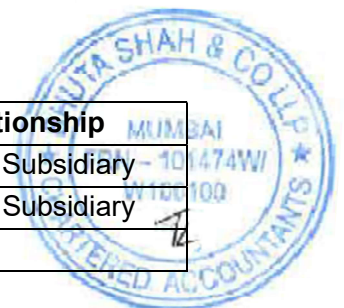
To
The Board of Directors
Marksans Pharma Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Marksans Pharma Limited (“the Parent”) and its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”) for the quarter ended 30 June, 2021 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 (the “Listing Regulation”).
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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including relevant circulars issued by the SEBI from time to time. 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 SEBI Regulations, 2015 (as amended) to the extent applicable.

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



BHUTA SHAH & Co LLP

CHARTERED ACCOUNTANTS

Independent Auditor's Review Report on Quarterly Unaudited Consolidated Financial Results of Marksans Pharma Limited

5. Attention is drawn to the fact that the figures for the 3 months ended 31 March, 2021 as reported in these consolidated financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
6. 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 consolidated 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.
7. The Statement includes the interim financial information of unreviewed management accounts of one subsidiary, whose financial information reflects total revenue of Rs. 375.23 Mn., total net profit after tax of Rs. 18.84 Mn. and total comprehensive profit of Rs. 18.84 Mn. for the quarter ended 30 June 2021, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of Rs. 18.84 Mn. for the quarter ended 30 June 2021, as considered in the consolidated unaudited financial results, in respect of this subsidiary, based on its interim financial information which have not been reviewed. According to the information and explanations given to us by the management, this interim financial information is not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

For **Bhuta Shah & Co LLP**
Chartered Accountants

Firm's Registration Number: 101474W / W100100

T. C. Laliwala

Tejas Laliwala
Partner

Membership Number: 127487
ICAI UDIN: 21127487AAAAHI9066

Mumbai
11 August, 2021



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 ENDED 30 JUNE, 2021

(₹ in Million Except Share data)

Sr. No.	PARTICULARS	STANDALONE				CONSOLIDATED			
		QUARTER ENDED		YEAR ENDED		QUARTER ENDED		YEAR ENDED	
		30 June, 2021	31 March, 2021	30 June, 2020	31 March, 2021	30 June, 2021	31 March, 2021	30 June, 2020	31 March, 2021
		(UNAUDITED)	(AUDITED)	(UNAUDITED)	(AUDITED)	(UNAUDITED)	(AUDITED)	(UNAUDITED)	(AUDITED)
1	Revenue from Operations	1,472.21	1,375.83	1,559.59	5,995.48	3,489.62	3,301.98	3,311.52	13,761.82
2	Other Income	139.40	119.08	0.49	311.56	58.84	60.12	1.82	66.94
3	Total Income (1+2)	1,611.61	1,494.91	1,560.08	6,307.04	3,548.46	3,362.10	3,313.34	13,828.76
4	Expenses								
	Cost of Material Consumed	787.63	744.90	663.41	2,912.93	1,133.43	750.43	915.99	4,197.64
	Purchase of Stock-in-trade	85.83	99.99	111.67	460.66	63.27	1,487.22	434.64	3,115.70
	Changes in inventories of finished goods, work-in-process and stock-in-trade	(6.64)	(45.96)	4.27	5.54	426.27	(970.41)	45.04	(1,362.78)
	Employee benefits expense	140.40	156.74	122.74	546.39	490.45	628.87	427.03	1,973.23
	Finance costs	6.30	21.38	7.88	53.45	9.66	28.28	15.50	79.86
	Depreciation and amortisation expense	42.29	41.45	33.43	151.93	74.71	13.33	72.49	361.51
	Other expenses	214.02	152.37	367.47	932.84	602.63	452.14	788.63	2,441.96
	Total Expenses	1,269.83	1,170.87	1,310.87	5,063.74	2,800.62	2,389.86	2,699.32	10,807.12
5	Profit before tax (3-4)	341.78	324.04	249.21	1,243.30	747.84	972.24	614.02	3,021.64
6	Tax expense:								
	(1) Current Year	56.24	76.58	62.72	281.88	130.94	174.97	154.44	666.94
	(2) Earlier year	-	-	-	-	-	-	-	-
	(3) Deferred tax	(3.52)	10.58	(34.07)	(22.39)	(9.10)	2.29	(34.07)	(30.68)
	Total Tax Expenses	52.72	87.16	28.65	259.49	121.84	177.26	120.37	636.26
7	Profit for the period (5-6)	289.06	236.88	220.56	983.81	626.00	794.98	493.65	2,385.38
	Other Comprehensive Income								
	Items that will not be reclassified to Profit or Loss	(0.66)	(4.51)	0.63	(2.62)	(0.66)	(4.51)	0.63	(2.62)
	Income tax relating to above Items that will not be reclassified to Profit or Loss	0.17	1.14	(0.16)	0.66	0.17	1.14	(0.16)	0.66
	Items that will be reclassified to profit or loss					53.57	20.18	111.37	6.64
8	Other Comprehensive Income	(0.49)	(3.37)	0.47	(1.96)	53.08	16.81	111.84	4.68
9	Total Comprehensive Income for the period (7+8)	288.57	233.51	221.03	981.85	679.08	811.79	605.49	2,390.06
10	Total Comprehensive Income attributable to:-								
	Non-Controlling interests	-	-	-	-	7.54	5.23	2.64	25.99
	Owners of the Company	288.57	233.51	221.03	981.85	671.54	806.56	602.85	2,364.07
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
	Other equity				5,587.86				8,455.64
12	Earnings Per Share of ₹1 each								
	Basic	0.71	0.58	0.54	2.40	1.51	1.93	1.20	5.76
	Diluted	0.71	0.58	0.54	2.40	1.51	1.93	1.20	5.76



NOTES:

- 1 The financial results for the quarter ended 30 June, 2021 were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 11 August, 2021. 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. There is no qualification in the auditor's report on this statement of financial results.
- 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 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).
- 5 Pursuant to the Special Resolution passed by the shareholders at the Extra-ordinary General Meeting held on 9th July, 2021, the Board of Directors of the Company at its meeting held on 23rd July, 2021, has issued and allotted 10,00,000 convertible warrants to Mr. Mark Saldanha and 4,93,24,324 convertible warrants to OrbiMed Asia IV Mauritius FVCI Limited at a price of Rs. 74.00 per warrants on preferential basis.
- 6 The Company/ Group has considered internal and external information while finalizing various estimates and recoverability of assets in relation to its financial statement captions upto the date of approval of the financial results by the Board of Directors. The impact of Covid-19 may be different from what is estimated as at such date of approval of the financial results and the Company/Group will continue to monitor any material changes to future economic conditions.
- 7 Previous period's figures have been regrouped / reclassified, wherever necessary to make them comparable with the current year.
- 8 The figures for the quarter ended 31st March, 2021 are the balancing figures between the audited figures in respect of the full financial year and the unaudited published figures upto nine months of the relevant financial year.

Date : 11 August, 2021
Place: Mumbai
www.marksanspharma.com

CERTIFIED TRUE COPY

For MARKSANS PHARMALTD.



Harshvardhan Panigrahi
Company Secretary & Legal Manager

Mark Saldanha
Chairman & Managing Director
DIN: 00020983